



Securities Regulators Unveil Fraud Awareness Quiz

MONTGOMERY, ALABAMA (April 30, 2003) -- Are you at risk of becoming a victim of financial fraud? A simple quiz released today by Canadian and U.S. state securities regulators will help answer that question, while testing – and increasing – the financial knowledge of North Americans.

The North American Securities Administrators Association¹ (NASAA) and the Canadian Securities Administrators² (CSA) have published the interactive Investment Fraud Awareness Quiz on the NASAA website, www.nasaa.org, as part of annual investor outreach initiatives held in April across North America. The quiz is designed to test investors' knowledge of investment fraud and to encourage them to watch out for warning signs.

The 12-question quiz takes about 10 minutes to complete and a score and results are generated immediately. Questions cover topics such as investment risk, fraudulent products, how to deal with a securities salesperson and the role of government securities regulators. A compilation of the overall results of the quiz will be published at a later date.

According to Joseph P. Borg, Director of the Alabama Securities Commission, “billions are lost to investment fraud every year. From the Yukon Territory to Miami, con artists don't discriminate – they target men, women, the elderly and minorities. Investors need to be aware of the warning signs for fraud, where to turn for information and what protections they have.”

“We want to give investors the tools they need to protect themselves,” said Borg. “This quiz not only tests investor's current knowledge of scams and frauds, but is designed in such a way as to increase their financial literacy at the same time.”

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¹ NASAA, the oldest international organization devoted to investor protection, was organized in 1919. It is a voluntary association with a membership consisting of the 66 state, provincial and territorial securities administrators in the 50 states, the District of Columbia, Canada, Mexico and Puerto Rico. In the U.S., NASAA is the national voice of the 50 state securities agencies responsible for investor protection and the efficient functioning of the capital markets at the grassroots level.

² The CSA, comprised of the thirteen provincial and territorial securities regulatory authorities, administer the Canadian Securities Regulatory System to protect investors and give Canada an efficient and effective securities market.

Borg reinforced the need for investors to contact their securities regulator to check out investments and promoters prior to handing over any money. “Canadian and state securities regulators make disciplinary records of all registered persons available to the public and can confirm that investment products and salespeople are properly registered. One quick call to a securities regulator can save you a lot of grief down the road.”

In the U.S., the Facts on Saving and Investing Campaign takes place throughout the month of April. The campaign is in its sixth year and consists of various educational programs focused on finances, saving and investing. The Alabama Securities Commission during this campaign has participated in a number of events to promote education about investing and avoiding investment fraud.

Some of the Alabama Securities Commission (ASC) activities and accomplishments during this Facts on Savings and Investment Campaign included:

1. Requested a proclamation from the Honorable Governor of Alabama, which was signed and declared April 2003 as Facts on Saving and Investing Campaign Month.
2. Interviewed with news media to publicize this event and talk about educational resources available to Alabamians in news papers, radio, and television.
3. Hosted investment club students from Sidney Lanier High School, Montgomery, Alabama to a field day at the Alabama Securities Commission. The day was spent learning about saving and investing, how to become a special agent or securities analyst, and about some historical fraud cases in Alabama.
4. Designed and implemented a personal finance learning crossword puzzle which will be posted at asc.state.al.us in the Investor Education and Fraud Prevention section during the month of May.
5. Provided free educational materials and fraud prevention advice to Alabamians who contacted ASC by telephone, email, or a letter.

In Canada, regulators participate in Investor Education Month, This year, provincial and territorial securities regulators announced the national winner of the first edition of the Test Your Financial I.Q. Contest, gave presentations to numerous community groups, and visited schools across the country to raise awareness of the importance of money management skills.

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The Director of the Alabama Securities Commission (ASC) cautions potential investors to thoroughly check out any investment opportunity. Contact ASC for inquiries regarding securities broker-dealers, agents, investment advisors, investment advisor representatives, financial planners, the registration status of securities, to report suspected fraud, or obtain consumer information:

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If you have questions or require more information contact:

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For information or questions about the quiz, posted on the NASAA website at www.nasaa.org, you may also contact:

Jerry Munk, NASAA, 202-737-0901 x. 114
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