

ALABAMA SECURITIES COMMISSION

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FOR IMMEDIATE RELEASE

INVESTOR ALERT TELEMARKETING STOCK SCAM

MONTGOMERY, ALABAMA (August 13, 2004) - Joseph P. Borg, Director, Alabama Securities Commission warns Alabama citizens to be cautious about telephone calls soliciting the opportunity to purchase over the counter (OTC) stock. An OTC stock is usually valued at less than five dollars per share and may be referred to as a penny stock or pink slip. Since the value of the stock is so small it can double in value or loose value quickly--a high risk investment.

Borg said, "Alabamians please beware of telephone calls from people acting like they know you in a prerecorded or scripted message offering you a great inside deal on the purchase of OTC's."

The Commission has received numerous calls today that a female was calling inviting them to join in a great stock buy immediately. The caller will talk fast stating she has a great inside deal on some OTC's. The caller personalizes the conversation by saying her daddy is making a big buy this weekend and you can purchase some of the stocks by calling her back at a certain number on her cell phone. The calls are intended to appear as if the caller is calling a close friend that is receiving "secret" information.

The Commission offers the following advice to protect you from this type of scam.

1. Don't be a "courtesy victim." You may be from a generation that was taught to be courteous at all times to phone callers, as well as people who visit you at home. Con artists will not hesitate to exploit the good manners of a potential victim. **When a stranger asks for your money, you should proceed with the utmost caution.** You are under absolutely no obligation to stay on the telephone with a stranger or allow them in your home. In these circumstances, it is not impolite to explain that you are not interested and hang up the phone or ask a stranger to leave your premises. If you are lonely and in need of companionship, don't make the mistake of seeking it from someone whose only real interest is to get his or her hands on your money.

2. Say "no" to any investment professional or con artists who presses you to make an immediate decision. **Before investing check out the salesperson, firm and the investment opportunity itself.** Extensive background information on investment salespeople and firms is available by contacting the Alabama Securities Commission. Almost all investment opportunities must be registered for sale in the state in which you live. Your state securities agency can tell you if the investment opportunity is properly registered. Before you part with your hard-earned savings, get written information about the investment opportunity, review it carefully, and make sure that you understand all the risks involved.

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Potential investors can contact the Alabama Securities Commission 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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