



## **NEWS RELEASE**

For Immediate Release

September 1, 2005

### **DEPT. OF FINANCE ADVISES INVESTORS TO BEWARE OF HURRICANE-RELATED SCAMS**

(BOISE)—In the wake of widespread devastation caused by Hurricane Katrina in Louisiana, Mississippi, Alabama, and Florida, the Idaho Department of Finance today warned investors to beware of opportunistic investment scams.

“Bottom-feeding con artists always try to find ways to exploit tragic headlines to cash in on unsuspecting investors,” said Gavin Gee, Director of the Department.

“In the aftermath of this week’s tragedies, investors should be patient and cautious when making decisions about their investments or finances,” Gee said, noting that cold-calling telephone salespeople, advertisements, or Internet postings that tout investment pools or bonds to help hurricane victims, or supposed water-removal or purification technologies and electricity-generating devices should be a red flag for investors.

Gee also urged investors to watch out for oil-and-gas scams given the current oil prices and the prospects of even higher prices following Katrina’s destructive path through Gulf of Mexico oil fields and refineries.

Recalling that many con artists exploited fears associated with the September 11 terrorist attacks and the Year 2000 computer bug to promote investments in precious metals, emergency preparedness scams and non-existent technology companies, Gee urged investors to:

- Hang up on aggressive cold callers promoting hurricane-related or oil-and-gas investments, and ignore unsolicited e-mail or Internet messages discussing small companies with new hurricane-related technologies or products;
- Request written information that fully explains the investment.
- Use common sense. Pie-in-the-sky promises often signal investment fraud.

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**<http://finance.idaho.gov>**

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- Contact the Department of Finance to check that both the seller and investment are licensed and registered. If not, they may be operating illegally. To contact the Department visit [finance.idaho.gov](http://finance.idaho.gov), or call (208) 332-8000 or toll free (within Idaho only) 1-888-346-3378.

The Idaho Department of Finance cautions Idaho residents to be sure that the investments and investment professionals with whom they deal are properly registered. Department of Finance Press Releases and other information can be found on the Internet via the worldwide web at <http://idahofinance.com/> and may be obtained by contacting the Department at (208) 332-8004 or toll free within Idaho at 1-888-346-3378.

