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NEWS RELEASE

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THE IDAHO DEPARTMENT OF FINANCE WARNS ONLINE INVESTORS TO BEWARE OF HACK ATTACKS *Investors Urged to Carefully Monitor Online Trading Accounts*

BOISE, IDAHO – The Idaho Department of Finance today warned investors to carefully monitor their online trading accounts in the wake of “hack attacks” in which predators have broken into customer accounts at online brokerages in the United States and Canada and made unauthorized trades worth millions of dollars.

“The number of these attacks on investors continues to rise as identity thieves increasingly target the securities industry,” said Gavin Gee. “Investors need to carefully guard their financial information and continuously monitor their online brokerage records to ensure that they are not subject to this type of fraud.”

Federal and industry authorities are investigating recent cases in which hackers gained access to customer accounts at several large online brokers and used the customers’ funds to buy certain thinly traded microcap securities, also known as penny stocks. The hackers appeared to be running a “pump and dump” scheme, trying to drive up share prices so they could sell the stocks at a profit.

These scams typically begin with a hacker obtaining customer passwords and user names, then liquefying that person’s existing stock holdings and using the proceeds to buy shares in the microcap. They then wire the money to either an offshore account or through a series of straw men or dummy corporations.

“As investors become increasingly comfortable with the ease and sophistication of services offered by online brokerages, we want to make sure that they remember not to let their guard down when they boot up their computers,” Gee said.

In order to help consumers guard their online financial information from predators, Gee recommends that they follow these tips:

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Tips To Protect Yourself Online

1. Ask your online brokerage to always confirm all transfers and transactions.
2. Never use unprotected computers, whether at an airport, library or an office, for use when accessing your financial accounts or records.
3. Keep the security features of your computer software up-to-date. This includes your Web browser, virus scan software and firewall. Email attachments and links within email can contain viruses and infect your computer without your knowledge.
4. Never provide your online account information when requested by email – your online broker would already have this information! Don't respond to unsolicited emails from companies that you do business with requesting that you revalidate your personal information or that provide a link to web sites that require you to revalidate your account information. These links often lead to bogus web sites that look legitimate in order to fool you into providing secure information.
5. Before entering personal information on any web site, look for the "locked padlock" icon on the browser frame, or "https" at the beginning of the web address to ensure that the site is secure.
6. Change passwords regularly.
7. Log off the web site after you have submitted an application or concluded a secure online session.
8. When your computer is not in use, shut it down or disconnect it from the Internet.
9. If you think you may have fallen victim to an online scam, change your passwords, contact your online brokerage immediately, and monitor your account activity closely.
10. If you see any inaccuracies concerning your account, contact your online brokerage immediately.

For more information about online investing and how to protect yourself from fraud, visit the Investing Online Resource Center at <http://www.investingonline.org>, a project of NASAA, the oldest international organization devoted to investor protection. NASAA's membership consists of the securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, the provinces and territories of Canada, and Mexico.

