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Securities Commissioner Cautions Kansans to Prepare for Ebola-Related Scams
Significant Increase in Ebola-Related Investment Websites Raises Suspicion

TOPEKA, KAN. – Following the outbreak of Ebola in western Africa and its appearance in North America, Kansas Securities Commissioner Josh Ney today cautioned investors to beware of opportunistic Internet-based investment schemes related to the disease.

“Past experience tells us that periods of uncertainty or fear are prime time for con-artists looking to make a quick payday,” said Ney. “Investors should approach with caution any unsolicited Ebola-related investment opportunities, especially those received through the internet or email.”

Ney said an analysis of Internet domain names by the North American Securities Administrators Association (NASAA) found nearly 1,200 domains with “Ebola” in their name have been registered since April 2014. About 1,000 of those registrations have occurred since July, as awareness of the crisis has spread. Of these sites, 184 were identified by NASAA’s Internet Fraud Investigations project group as suspicious.

“Our system identified a number of sites that may be suspect,” said Jake Van der Laan, Director of Enforcement for the New Brunswick Financial and Consumer Services Commission and chair of NASAA’s Internet Fraud Investigations project group. “A review of domain names indicates that there certainly appear to be those intent on raising Ebola-related funds or otherwise trying to leverage the crisis for financial gain.”

Van der Laan said a review of Ebola-related domain names found several with the words “fund,” “invest,” “stock,” or “futures” in their titles. For example, the following domain names have been registered: FundsForEbola.com; BestEbolaStocks.com; EbolaFutures.com; EbolaInvesting.com; EbolaOutbreakStocks.com; and EbolaStocks.com.

Most of the domain names are currently “parked” and have no content, indicating that either someone has purchased the domain hoping to resell it, or the content is not yet ready.

Securities Commissioner Ney reminds investors to use common sense. “Promises of quick wealth generally are red flags signaling fraud ahead,” said Ney. He urges individuals to contact his office to determine if both the promoter of the investment and the investment itself are licensed and registered. If not, they may be operating illegally. The KSC can be reached at ksc@ksc.ks.gov or 785-296-3307.

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