

## **Watch out for stock scams in your inbox.**

**Written by James Elios**

In the wake of the environmental disaster in the Gulf, some firms are making email solicitations to investors touting their role in the clean-up effort - and touting their stocks.

FINRA - the Financial Industry Regulatory Authority, formerly known as the NASD - is warning investors that some of these companies may be exaggerating their involvement in the clean-up, as well as claims about their technologies.

In May, the Securities and Exchange Commission suspended trading in shares of a California firm, ACT Clean Technologies, Inc. ACT had claimed that BP was interested in using its field-tested "oil fluidizer" technology to help stop the spill. The SEC questioned both the adequacy and accuracy of this information.\*

More of these suspect claims will probably surface.

**What are the warning flags?** Watch out for emails, faxes or press releases from firms claiming that a) they have a magic bullet to solve the crisis, b) BP has just contracted them, c) they are presently assisting some combination of BP, the Coast Guard and/or the EPA, d) you must invest in their shares right now as their share prices will almost certainly take off, double or triple, etc..

If it sounds too good to be true, it probably is. If you get an email announcing a hot investment opportunity and you are wondering about its validity, you can always run it by me.

**Be wary, be careful and be smart.**

James Elios is a Representative with LPL Financial. You can visit our website at [www.EliosFinancial.com](http://www.EliosFinancial.com) or email [jim@eliosfinancial.com](mailto:jim@eliosfinancial.com). Member FINRA/SIPC