

**For Immediate Release
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Canadian Securities Regulators caution against online investment fraud

Calgary – To kick-off Fraud Prevention Month in March, the Canadian Securities Administrators (CSA) are encouraging investors to protect themselves from investment fraud of all types, and to be specifically wary of online fraud.

Online investment scams are a simple, anonymous, cost-effective way for scammers to reach millions of potential victims who are looking on the web for investment opportunities. A recent survey shows more than one-third (34 per cent) of Canadians are or are considering online investing as a way to make and manage their investments. Six out of ten online investors state that the media is their number one source for information, and half use general web searches.¹

“The CSA’s enforcement actions confirm that Canadian investors have been victims of fraudulent online investment schemes,” says Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. “We want to remind investors to look beyond slick, professional looking websites and unsolicited emails, do more research and seek a second opinion before investing in any opportunity.”

The recently released *2010 CSA Enforcement Report* acknowledges the growing trend of online investment fraud and highlights how CSA members are using online tools and social media to fight back. In the Genius Funds case, Canadian securities regulators acted quickly to stop the illegal sales of securities being promoted online and used blogs and other social media to warn investors about the scheme. As well, CSA jurisdictions have previously taken enforcement action against those who promoted fictitious oil and gas activities through false websites for Al-Tar and Alberta Energy Corp. and raised more than \$650,000 from investors throughout Canada and Britain.

Canadians are encouraged to visit the CSA’s [Avoiding Fraud](#) website page, to learn more about investment fraud and the basics of investing at www.securities-administrators.ca.

The CSA continues to participate as a partner in the Fraud Prevention Forum, joining more than 90 private sector firms, consumer and volunteer groups, and government and law enforcement agencies that are committed to educating the public and fighting fraud targeted at consumers and businesses. Throughout the month of March, these organizations will be involved in a number of national, regional and local activities supporting fraud prevention.

¹ Bank of Montreal InvestorLine survey, July 2010

The CSA is the council of the securities regulators of Canada's provinces and territories whose objectives are to improve, coordinate and harmonize regulation of the Canadian capital markets.

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