



Press Release

Attorney General Frosh, Securities Commissioner Warn Marylanders to be on the Lookout for Investment Scams in the Wake of Hurricane Florence

BALTIMORE, MD (September 18, 2018) - In the wake of widespread damage caused by Hurricane Florence, Maryland Attorney General Brian E. Frosh and Securities Commissioner Melanie Senter Lubin today cautioned investors to watch out for opportunistic investment or charitable scams.

“While news stemming from Hurricane Florence has rightfully focused on the tireless efforts of emergency officials and neighbors helping neighbors, we know from experience that financial predators are lurking like snakes in the water to seek profit from the misfortune of others,” said Attorney General Frosh.

“Natural disasters bring out the best and worst in people,” said Maryland Securities Commissioner Lubin. “Unsolicited investment offers seeking to capitalize on the aftermath of Hurricane Florence should be approached with extreme caution.”

Investors are reminded to watch for red flags of hurricane-related scams, including unsolicited email, social media messages, crowdfunding pitches or telephone calls promoting investment pools or bonds to help storm victims, water-removal or purification technologies, electricity-generating devices and distressed real estate remediation programs. Scam artists may linger long after the storm has passed to prey on victims who anticipate receiving large lump-sum insurance settlements for damaged property and other losses.

Marylanders should also be wary of fraudulent charitable solicitations that prey on the goodness of people seeking to help those in need.

“Donors are reminded to do their research,” said Attorney General Frosh. “As with any charitable contribution, those who want to contribute to relief efforts should send contributions to charitable organizations that are registered properly with state authorities and with an established track record of getting donations to victims.”

The Securities Division of the Office of Attorney General offers three quick tips to help investors avoid disaster-related scams:

- Delete unsolicited emails or social media messages and hang up on aggressive cold callers promoting hurricane-related investments, especially those from small companies touting unproven or new technologies or products.
- Use common sense. Claims of guaranteed returns or low/no investment risk are classic red flags. Every investment involves some degree of risk.
- Do your homework. Contact the Securities Division of the Attorney General's Office to check that both the seller and investment are licensed and registered. If not, they may be operating illegally.
- For more information, contact the Securities Division online at <http://www.marylandattorneygeneral.gov/Pages/Securities/default.aspx> or call (410) 576-6360.