



## News Release

### SIPC EXPOSES PHONY "LOOK-ALIKE" WEB SITE TARGETING MADOFF VICTIMS

*Victims, Other Investors Cautioned Against Providing Information Via Web Site; Bogus Claims Made About Recovering "\$1.3 Billion Discovered in Madoff Hideout"*

WASHINGTON, D.C. - March 9, 2010 - The Securities Investor Protection Corporation (SIPC), which maintains a special reserve fund mandated by Congress to protect the customers of insolvent brokerage firms, said today that it is alerting international regulators about a "look-alike" Web site for a fictitious organization that is mimicking the SIPC Web site in an apparent attempt to target Madoff victims.

The so-called "International Securities Investor Protection Corporation (I-SIPC.com)" copies several aspects of the SIPC Web site artwork and structural design. It is soliciting Madoff victims to submit claims, which SIPC is warning could result in "phishing" or other identify theft problems. The phony group claims to be based in Geneva and also maintains that it has ties to the United Nations and the International Monetary Fund, among others.

In one section of the Web site, the group includes a supposed testimonial from a Madoff victim who is reported as having received funds from the organization. In a link from the homepage of the site that leads to a photo of a huge stack of U.S. currency, the group falsely claims to have collaborated with Interpol to recover \$1.3 billion in Madoff money from a hideout in Malaysia.

SIPC President Stephen Harbeck said: **"We know from information provided to us by individuals that this bogus group is already attempting to obtain funds and confidential financial information from investors in the U.S. SIPC wants to be as clear as possible that Madoff victims and other investors should not share any personal financial information via this Web site or rely upon it as an information source. We intend to use every available means to shut down this illicit operation."**

Harbeck said that SIPC recently became an ancillary member of the International Organization of Securities Commissions (IOSCO) and will publish a related Investor Alert through that organization.

SIPC is looking into trademark issues and will seek to have the violator prosecuted to the extent the law allows.

SIPC has moved aggressively in the past to protect its trademark and Web site against similar intrusions that could be used to mislead or even swindle investors. In 2004, SIPC got law enforcement involved when it identified a "look-alike" Web site seeking to defraud investors. In 2007, SIPC prevailed in arbitration proceedings after an organization sought to register and use the www.sipc.com Web domain.

#### **ABOUT SIPC**

The Securities Investor Protection Corporation is the U.S. investor's first line of defense in the event a brokerage firm fails, owing customer cash and securities that are missing from customer accounts. SIPC either acts as trustee or works with an independent court-appointed trustee in a brokerage insolvency case to recover funds.

The statute that created SIPC provides that customers of a failed brokerage firm receive all non-negotiable securities - such as stocks or bonds -- that are already registered in their names or in the process of being registered. At the same time, funds from the SIPC reserve are available to satisfy the remaining claims of each customer up to a maximum of \$500,000. This figure includes a maximum of \$100,000 on claims for cash. From the time Congress created it in 1970 through December 2008, SIPC has advanced \$520 million in order to make possible the recovery of \$160 billion in assets for an estimated 761,000 investors.

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