

Office of the Securities Commissioner

We Are Here To Help

WE REGULATE

The Securities Compliance Branch is responsible for the registration of securities, broker-dealers and their sales agents, investment advisers and their representatives. Call us to check registration **(808) 586-2722**.

WE PROTECT

The Securities Enforcement Branch receives and investigates complaints about investment fraud and other securities violations. We take legal action against violators of securities laws. Call us to file a complaint **(808) 586-2740**.

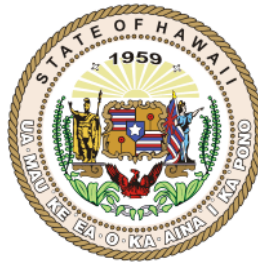
WE EDUCATE

The Investor Education Program provides the public with general information on:

- How to make wise choices when investing,
- How to detect and protect investment fraud like Ponzi Schemes and Affinity Fraud,
- Investment products such as mutual funds, variable annuities, stocks, and bonds.

Call us at **(808) 587-7400** for free investor education materials or to schedule a presentation.

Protecting Hawaii Investors



Contact Information

Office Hours: 7:45 AM - 4:30 PM Hawaii Standard Time (HST). The office is open Monday–Friday except on State holidays.

Office Location:

DCCA – Office of the Securities Commissioner
King Kalakaua Building
335 Merchant Street, Rm. 203
Honolulu, HI 96813

Office Mailing Address:

DCCA - Office of the Securities Commissioner
P.O. Box 40
Honolulu, HI 96810

Telephone:

(808) 586-2722 (Securities Compliance Branch)
(808) 586-2740 (Securities Enforcement Branch)
(808) 587-7400 (Investor Education Program)

Fax: (808) 586-3977

Email: seb@dcca.hawaii.gov

Website: investing.hawaii.gov



HI Securities

To report investment fraud,
call **(808) 587-2267** or
Toll Free **1-877-447-2267**

INVESTOR EDUCATION:

Common Threats To Hawaii Investors



DCCA

Department of Commerce and Consumer Affairs

Office of the Securities Commissioner

PONZI SCHEMES

Named for the swindler Charles Ponzi, who in the early 1900's took investors for millions by promising 40% returns. The premise is simple: pay early investors with money raised from later investors. There is no real underlying business. Eventually the scheme collapses and the promoters walk away rich. The "taking from Peter to pay Paul" idea.



AFFINITY FRAUD

It is human nature to trust people who are like you. Con Artists are increasingly targeting religious, ethnic, cultural and professional/union groups to gain trust and then steal the life savings of trusting members. Stay alert and ask questions, even if it's a close friend "letting you in on a great deal".

VARIABLE ANNUITIES

These are complicated products that agents sell without thoroughly explaining. Many investors are not being told about high surrender charges, hidden fees & costs, long lock up periods, penalties for withdrawals and steep sales commissions that agents often earn when they move investors into variable annuities. Some investors are also misled with claims of guaranteed returns. Variable annuities are unsuitable for many retirees because of long lock-in periods and high penalties for early withdrawal.

UNREGISTERED INVESTMENT PRODUCTS

It pays to remember that legitimate investment securities products must be registered with the state securities office before they can be offered for sale to the public. Con artists bypass this requirement because they know that stringent state securities registration requirements protect investors from illegitimate offerings of promissory notes, high-yield and oil & gas investments. Call our office at (808) 586-2722 to check if the investment being sold to you is registered.

UNREGISTERED INDIVIDUALS SELLING SECURITIES

Individuals who sell securities or provide investment advice are required to register before they can offer their services to the public. Hawaii law requires all brokerage and investment adviser firms and their sales representative to be registered with DCCA's Securities Compliance Branch. Be sure to check with our office at (808) 586-2722 before you invest to be sure the seller or representative is legitimate. Remember - "No registration, No sale".

To Report Investment Fraud >>> Call (808) 587-2267 or Toll Free 1-877-447-2267