

BEWARE OF THE BUCKET

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One of the more serious problems in the securities industry today is the amount of fraud and the blatant lack of ethics that has become almost commonplace at many firms. This is a very disturbing development that has occurred for a long time but is just getting the attention that it deserves in the last couple of years. The abuses in this industry are varied and widespread but almost always include the telephone and an involvement with 'micro-cap' companies. With the current bull market that we are experiencing there is even more opportunity for these crooks to work their deception. The success of the equities market has investors pouring more money into the market. As a result, there are an increasing number of inexperienced investors who may fall victim to many of these crooks' schemes.

This is a very troublesome topic for us at Markowski Investments. We are very concerned for those investors out there who are unknowingly falling into financial ruin at the hands of these brokers. We are also very worried for the industry as a whole. As many of these practices continue, our profession of choice is coming under fire and losing credibility with the public. As we try to run an honest and ethical business we are finding an increasing number of people who are skeptical of anything involving Wall Street, because of the horror stories that they have heard, or in many cases experienced. The only thing that we are left to do is; educate potential investors on how to differentiate between a legitimate investment and one that is fraudulent, and continue to establish trustworthy relationships with our clients.

Whether you call them 'chop shops,' 'bucket shops' or 'boiler rooms', it is possible to detect them and avoid losing your money with them. The most telltale sign of a firm you want to avoid is one in which high-pressure sales tactics are used. If you are being contacted for the first time and you are highly pressured to make a transaction immediately, you want to avoid these people. If the people on the phone are reluctant to provide information about their firm or themselves you should question the legitimacy of the product they are offering. If you are presented with an investment, and the broker has promised extraordinarily high return with little or no risk you should avoid the situation. There is no such thing as "a sure thing." There is always an underlying level of risk involved in every security. Simply put, the higher the return the higher the risk. It is important to consider these points when presented with an investment opportunity, but it is also important to know that there are many honest people out there, presenting good opportunities to invest in real companies.

At Markowski Investments long term, trustworthy relationships are what we seek to establish. We contact every potential investor multiple times, by phone and by mail. We want to stress to potential investors that we are not presenting a one time hit or miss deal. We send out vast amounts of information on our company, ourselves personally, and the companies we are involved with. We are always more than willing to send out more information or talk in person with clients and potential clients about any questions they might have. Through our *Markowski Monthly*, we stay in contact with all of our clients and potential clients, in order to establish a relationship and keep people informed about what we are doing. Finally, we have made it one of our goals to help as many people as possible recover their dilapidated accounts. We want to help people who have been burned by these 'boiler rooms' and reinstall a sense of trust in them.