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Ms. Nancy M. Morris, Secretary
Securities and Exchange Commission
100 F St. NW
Washington, DC 20549-9303

August 22, 2006

File No. 4-519: Petition for Commission Action to Protect the Investing Public from Unlawful and Deceptive Securities Promotions

Dear Ms. Morris:

I support this petition, and call for even stronger action.

Each day I receive numerous blatant violations of the '34 Act in my email inbox. These investment spams are generally sent from "spoofed" return addresses. Spams are allegedly often sent via "zombie" servers that have been hijacked via Trojan horses or viruses. The sending of emails from non-existent persons and the use of hijacked servers are clearly "manipulative or deceptive device" and thus prohibited under section 10(b) of the Securities Exchange Act of 1934. Even if the texts of the messages are legal (which is doubtful), the manner in which the spams are sent is clearly deceptive and thus a violation. The unwillingness of the promoters to reveal their real identities or provide legitimate return addresses is also strong evidence that they are engaged in illegally deceptive activities.

Although these spams are already clear violations of the '34 Act and other laws, the Commission should strengthen its regulations to clarify that:

- Spoofing (using a fictitious From: address) is clearly a banned deceptive device.
- Using hijacked servers for sending bulk email is a banned deceptive device.
- Sending promotions to persons who have requested not to receive solicitations is a banned manipulative device.

Furthermore, such promotions appear to be selling efforts by promoters who have received stock in compensation for promoting the companies. Many of these issuers have not registered with the SEC and it is extremely difficult, if not impossible, to find

credible financial statements on these companies. It thus appears that these promoters are engaged in making illegal interstate public offerings of stock in contravention of the Securities Act of 1933. The Commission should take immediate and vigorous enforcement actions in these cases.

Although intelligent investors should and do ignore such spams, they are affecting the market. I would like to call the Commission's attention to research by Rainer Böhme and Thorsten Holz, The Effect of Stock Spam on Financial Markets (http://papers.ssrn.com/sol3/papers.cfm?abstract_id=897431). These researchers find that spam solicitation campaigns have significant effects on financial markets.

Congress passed our securities laws and created the SEC to eliminate these types of sleazy activities. The failure of the Commission thus far to prevent or prosecute such blatant violations of our securities laws is causing extreme damage to the Commission's reputation as a regulatory agency. Please take immediate action to protect investors and to restore the Commission's credibility.

Sincerely,

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