



NEWS RELEASE

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STATE OF SOUTH CAROLINA

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Attorney General Wilson Cautions South Carolina Investors About Fraud Tied to Foreign-based Unregistered Securities

COLUMBIA, SC – Attorney General Alan Wilson is alerting South Carolina citizens regarding a securities fraud linked to the sale of unregistered securities. A Birmingham, England-based company known as Profitable Sunrise has offered investment contracts to individuals in South Carolina and across the country.

A review of Roman Novak, Radoslav Novak and their company, Inter Reef, Ltd. (doing business as Profitable Sunrise) revealed the group allegedly promoted at least five different alleged investment plans through a website that offered rates of return ranging from 1.6% per business day to 2.7% per business day for periods ranging from 180 to 240 business days. Investors were told their money would be used to fund short-term, “risk-free” loans to businesses, and that “all funds deposited with us are insured against loss” by a leading investment bank. Victims were instructed to wire money to financial institutions in Eastern Europe, including one bank in the Czech Republic. Securities Division records revealed that neither of the men, nor the company they represented, are registered to conduct securities business in South Carolina, as required by the South Carolina Uniform Securities Act of 2005.

“The Internet has made investing easier for many South Carolinians,” Attorney General Alan Wilson said. “Unfortunately, it has also made it easier for unscrupulous agents to reach investors. South Carolinians should be especially wary of investment offers coming from a foreign country. If you have any doubt about making an investment, take the time to research it before you invest, and feel free to contact our office to check on whether the person and the investment are registered.”

Wilson urged anyone in South Carolina who has invested with Profitable Sunrise to contact the Securities Division of the South Carolina Attorney General’s Office at (803) 734-9916. The Securities Division cautions potential investors to thoroughly scrutinize and research any investment opportunity or offer. Investors and potential investors can contact the Securities Division with inquiries concerning securities broker-dealers, agents, investment advisers, investment adviser representatives, financial planners, the registration status of securities or debt management programs, to report suspected fraud, or to obtain consumer information. The Securities Division also provides free investor education and fraud prevention materials in print, on the South Carolina Attorney General’s website and through educational presentations upon request.

The Attorney General serves as the South Carolina Securities Commissioner and oversees the South Carolina Securities Division. The Securities Division enforces the South Carolina Uniform Securities Act, which seeks to protect South Carolina investors against fraud and unfair or unethical practices; registers both securities and

professionals in the securities industry; develops and implements investor education initiatives; and supports an equitable, competitive, and efficient securities marketplace that contributes to the economic development of South Carolina and the well-being of its citizens.