



*Network for Investor  
Action and Protection*

May 3, 2010

Dear Representative,

On behalf of hundreds of members of the Network for Investor Action and Protection (NIAP) and the thousands more who rely on NIAP as a clearinghouse for information about relevant investor protection issues of the day, I am writing to ask that you cosponsor H.R. 5032, the "Ponzi Scheme Investor Protection Act of 2010," legislation that paves the way for much needed protection and relief to victims of investment fraud.

NIAP is a registered 501(c)(4) non-profit dedicated to helping victims of investment frauds and insolvencies understand their rights, providing advice and counsel to those who have been traumatized by their financial loss, and improving investor protection for all American investors. While NIAP was born of the fraud perpetrated by Bernard Madoff, it now counts as members victims of the Stanford and other frauds, as well as general investors.

The Madoff and Stanford frauds have exposed serious shortcomings in our current investor protection agencies and policies. While the Securities Exchange Commission (SEC), the Financial Industry Regulatory Authority (FINRA), and the Securities Investor Protection Corporation (SIPC) all have a statutory role to play in protecting investors, none was able to react appropriately to the facts presented by the whistleblowers which pointed directly to two of the largest investment frauds in history. Now the victims number in the tens of thousands, and tens of billions of dollars of savings have evaporated. Many lives have already been upended, many have had no protection at all, and many others remain terrified that they could be further victimized as the bankruptcy trustee pursues clawbacks.

H.R. 5032 takes critical steps toward reaffirming the role that regulators must play in protecting investors and makes clear Congress' commitment to modernizing our investor protection regime. NIAP looks forward to working with you and other members of the House to help clarify and move this legislation forward. Meanwhile, we respectfully urge your co-sponsorship and support .

Most sincerely,

A handwritten signature in black ink, appearing to read "Ronald Stein". The signature is fluid and cursive, with a large initial "R" and "S".

Ron Stein, President

***[www.investoraction.org](http://www.investoraction.org)***

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