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Online securities trading and investor protection – trading with confidence or at your own risk?

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Introduction

Online trading in securities has experienced phenomenal growth in Australia in recent years. In January 1999 a mere 1.5% of all trades on the Australian Stock Exchange (ASX) were conducted online. By March 2000 that figure had grown to 12% and more recently it is estimated that 20% of trades are now conducted online¹. While the Internet offers many benefits to investors, not least among them reduced brokerage fees and ease of access to investment information, it has also given rise to a number of pitfalls for the unwary, calling into

question the adequacy of existing regulatory controls. The Australian Investment and Securities Commission (ASIC) has acknowledged the need to strike an appropriate balance between encouraging innovation and business development while ensuring consumer protection.² The response so far has been a “soft” regulatory approach with an emphasis on disclosure and investor education. This article explores the particular risks associated with online trading in the secondary securities market, and considers whether the steps taken by ASIC to address these risks have resulted in

adequate protection for small investors.

Online Trading Risks

(a) Difficulties in distinguishing between factual and misleading information

While the Internet has given the individual investor access to more investment information than ever before, the quality of information is by no means ensured, nor is the ability of investors to use it. A string of recent cases indicate that many investors may have difficulty in distinguishing

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between accurate and false information about securities distributed over the Internet.

In the 1999 *Rentech* case, over four million unsolicited Internet e-mail messages ("spam") were sent to various addressees in the United States, Australia and other parts of the world and messages posted on the US Yahoo! and Raging Bull Internet bulletin boards concerning the NASDAQ listed technology company, Rentech. The messages claimed that the price of Rentech stock would increase from at least US \$0.33 to US \$3, once pending technology patents were issued. On the first NASDAQ trading day after the spam and bulletin board postings, the price of Rentech stock doubled, with trading volume over 10 times higher than the previous month's average trading volume.

ASIC, with the assistance of US and

Canadian regulatory authorities, traced the spam and bulletin board postings to two individuals located in Victoria and Queensland respectively. The perpetrators subsequently entered guilty pleas on the grounds of making statements or disseminating information that was false or misleading and likely to induce the purchase of securities by way of transmission of electronic mail messages and posting messages to Internet websites.³

In September 2000, the US Securities Exchange Commission (**SEC**) brought and settled civil fraud charges against a 15 year old school boy, Jonathan Lebed. Lebed had used multiple fictitious names to make hundreds of Internet bulletin boards postings involving baseless price predictions and other false and/or misleading statements, including a claim that a company trading at \$2 per share

would be trading at more than \$20 per share "very soon" and another claim that a particular stock would be the "next stock to gain 1,000%," and was "the most undervalued stock ever." The posted messages always caused the price and volume of the touted stocks to increase dramatically. On the days that Lebed sold his shares and made his profit, the trading volume in the stock reached either record or near-record highs, in some cases reaching a 52-week high for both volume and price.⁴

(b) Delays in processing orders and updating account information

A common misconception among online traders is that orders to buy or sell securities will be executed immediately upon the click of the "submit" button. The speed at which an order can be executed depends on a number of factors, including the time



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at which the order is placed, the number of orders already in the queue, whether the order is placed "at market" or "at limit", the capacity of the brokers internal trading system and whether the broker offers manual or "automated order processing" of orders. In the former case the orders are checked and manually re-entered by the broker before being sent through to the Stock Exchange Automated Trading System (SEATS), while in the latter the orders are routed to a broker's order handling system, checked by automated filters, then sent directly through to SEATS.

In August 2000, ASIC released a "Survey of online trading websites".⁵ ASIC's survey found that some sites furthered this misconception by misleadingly promoting immediacy of execution when the orders were in fact manually reviewed and entered onto SEATS.⁶

(c) Poor Execution and Delays

Investors who are new to online trading may be disappointed to find that orders placed over the Internet have not been executed at the desired price. ASIC found that the most common deficiency among online trading websites in Australia was the lack of disclosure of the process that occurs when an order is received after the market is closed for trading (ie 4.05pm to 10.00am). In particular, some sites allowed bid and ask offers to be placed "at market" even when the market was closed. ASIC noted that there may be a large difference between the closing price and the next day's opening price and stated that if a site allows trades to be placed after hours, it should inform clients at what price the trade will be placed when the market opens.⁷

(d) Errors

ASIC found that without adequate systems filters, consumers can make typographical errors when making a transaction which may lead to unintended orders being placed.⁸ Under the traditional client/broker relationship, correct order entry, good order-routing and execution of the trade was almost the sole responsibility of the broker.⁹ However with online trading, in particular, automated order processing, the risk

of "accidental" orders has been transferred to the investor. Most online brokers expressly state in their website terms and conditions of use that clients bear the risk of orders.¹⁰

(e) System Reliability Issues

Online broking firms have had to upgrade their systems capacity on a regular basis to keep pace with the growth in online trading.

A number of online brokers in the United States have experienced well-publicised delays and outages when their systems have been incapable of dealing with increased demand. Most of these outages occurred during the last quarter of 1998 and first quarter of 1999, when online trading volumes surged to all-time record levels.¹¹

The level of system outages among Australian online broking sites has not been as drastic as those experienced in the United States. ASIC has nevertheless expressed concern that none of the sites it surveyed provided any information about the site's capacity to process transactions, the amount of free capacity the site had or what plans the operator had to ensure that excess capacity remained within the trading system.¹² Such concerns are justified given that online trading arguably shifts systems risk such as disruption, failure or malfunction of any part of the Internet, to the investor. Most of the sites surveyed prominently displayed disclaimers limiting the service provider's liability for system related problems.¹³

Regulatory responses

While ASIC has highlighted a number of shortcomings among online trading websites, it has not made any specific recommendations for law reform, indicating that it is comfortable with the ability of existing laws to adequately deal with the particular problems arising from online securities trading. But just how effective are these laws?

(a) Misleading and Deceptive Conduct

A person who engages in misleading or deceptive conduct in connection with any dealing in securities (whether knowingly or not) would contravene s995 of the *Corporations Law*. A

contravention of this section does not constitute an offence, however it does render the offender civilly liable to the person who has suffered loss through the breach.¹⁴ The section makes no reference to the medium in which the conduct must occur, so it would therefore appear to catch misleading or deceptive statements about securities made over the Internet or otherwise.

Importantly, the prohibition under s995 includes omissions as well as positive acts, and therefore could extend to website operators who fail to make disclosures where this is seen as misleading or deceptive, although apparently, only if the omission is intentional.¹⁵ This might include some of the disclosure omissions highlighted in ASIC's survey. Unfortunately, however, ASIC has not provided any guidance as to the circumstances where a non-disclosure would be likely to amount to a breach of s995.

In addition, under s999 of the *Corporations Law*, a person who knowingly or recklessly makes false or misleading statements in relation to securities which is likely to induce other persons to buy or sell securities or which is likely to have the effect of increasing, reducing, maintaining or stabilising the market price of securities will be guilty of an offence. This section would appear to catch the type of conduct which occurred in the *Rentech* case.

(b) Regulation of Investment Advisers

Under section 781 of the *Corporations Law* a person must not carry on investment advice business or hold that the person is an investment adviser unless the person is licensed or is an exempt investment adviser. An "investment advice business" is defined as a business of advising other persons about securities or a business in the course of which the person publishes securities reports.¹⁶ A "securities report" is defined as an analysis or "report about securities."¹⁷

It may not be clear in some situations whether a person who publishes information about securities on the Internet, such as on a bulletin board or

in a chat room, falls inside or outside this provision. A person who publishes purely factual information about securities on the Internet does not have to be licensed,¹⁸ however in some situations it is difficult to distinguish between mere information and advice.

A case where it was held that the proprietor of an Internet chat room relating to securities trading was acting in contravention of the *Corporations Law* was *The Chimes* case.¹⁹ In this case, the defendant, Stephen Matthews, published a site called "The Chimes Index". As part of that site, Matthews operated a "chat room" on which he posted reports about securities and allowed other users to publish reports about securities. The Court found that Matthews was carrying on an investment advice business and was holding himself out as an investment adviser without a licence, and made orders, inter alia, restraining him from publishing reports or providing advice on the Chimes site.

The Court held that it did not matter that Matthews did not operate the site for a profit, because the site was conducted continuously and systematically and therefore it fell within the meaning of "carrying on a business" under section 18 of the *Corporations Law*.²⁰ The Court also rejected Matthews' contention that he was not giving advice via the website, as the evidence showed that the site used language that encouraged readers to deal in the share market and "was couched in the ordinary terminology of advice".²¹

(c) ASIC Interim Policy Paper - Internet Discussion Sites

Recognising that a strict application of the law may operate unfairly against investors who wish to share information about their trading experiences over the Internet, on 15 August 2000, ASIC issued an Interim Policy Statement relating to Internet discussion sites for public comment.²²

The Interim Policy Statement contains a set of proposed guidelines that would apply to website bulletin boards and chat rooms that provide a forum for people to disseminate and display

information, advice and opinions about securities.

The proposed guidelines cover three main areas: disclosures and warnings to people who use the website, warning to people who post material to the website, and obligations on the operators of Internet discussion sites.²³ The disclosure and warning requirements are intended to alert users that the postings are not provided by licensed investment advisers and is therefore not professional investment advice.

The philosophy behind ASIC's Interim policy is that self-regulation will safeguard investor protection. It remains to be seen whether the policy will be successful in ensuring that investors do not rely on unsubstantiated information to their detriment.

(d) Investment Advice and "execution only" brokers

A vexed question arises over the regulation of brokers who provide "execution only" services. Under the *Corporations Law* securities dealers must have a reasonable basis for making recommendations,²⁴ taking into account their client's investment objectives and financial situation and after having made a reasonable investigation of the subject matter of the recommendation.²⁵

Brokers who provide execution only services contend that they do not make recommendations and therefore have no responsibility for ensuring that the customer's investment decision is appropriate for the customer.²⁶ Many of these brokers do, however, make available to clients securities related information, such as factual and historical information and general securities advice such as consensus stock opinions, market commentary/opinions, and company search reports.²⁷

The technology available today enables online brokers to compile extensive financial profiles of their customers, including information about their financial resources, investment experience and past trading practices. This information can be used to target certain

investments to investors. At what point can it be said that a broker ceases to merely provide information and is in fact making a recommendation?

There has been considerable debate on this question in the United States. The SEC is of the view that where a broker "pushes" selected information to a customer based on observations made of the customer while online, the broker would have customer-specific suitability obligations, because the firm is in reality tailoring particular securities to the customer.²⁸

NASD has stated that a recommendation will include any instance in which a broker "brings a specific security to the attention of the customer through any means, including but not limited to direct telephone communication, the delivery of promotional material through the mail, or the transmission of electronic messages."²⁹

In some situations it may be difficult to determine when suitability obligations arise, and the SEC has encouraged further industry dialogue on the issue, to enable it to provide guidance as to how the suitability principles are likely to be applied in various online situations.³⁰

ASIC has not provided any guidance as to how the provisions of the *Corporations Law* would be applied to online brokers who target specific information to their clients based on profiles developed from the client's prior trading activities. It is likely that as technology continues to develop, the range of "data mining" and client profiling techniques will become increasingly sophisticated. It is therefore important for investors, brokers and software developers alike that the regulatory position is made clear.

(e) Regulation of Securities Dealers

Section 780 of the *Corporations Law* prohibits a person from carrying on a securities business or holding out that the person carries on a securities business unless the person holds a dealers licence or is an exempt dealer. Section 780 applies equally to

traditional brokers as to online brokers.

There has been significant growth recently in the number of trading websites which do not themselves execute and settle transactions, but act as an interface to the trading systems of licensed dealers. Such "portal sites" also often provide trading software, market information and research capabilities to the prospective investor. ASIC has taken the view that a site which merely introduces potential investors to a dealer then provides the software which interfaces the client's orders with the licensed dealer's trading systems would fall within the "mere referral" exception outlined in Policy Statement 120,³¹ and accordingly would not act as a securities dealer.³²

The issue becomes murkier though when considering the commercial arrangements which may be negotiated between portals and brokers. Typically online merchants who advertise their goods or sites on a portal pay the portal a fee for every completed transaction generated by the portal's site. What would be the consequence of a portal who entered into such an arrangement with a broker?

The answer appears to depend on whether the portal is seen as *inducing* the investor to buy or sell shares, or is merely *providing advice*. ASIC has given some guidance on the way it views the distinction between "advising" and "inducing or attempting to induce":

"...it is the *disinterestedness* in the outcome of a transaction resulting from the advice that is important ... For example, if an adviser obtains any economic benefit from, or has any other interest in, an investor entering into a specific securities transaction as a result of the advice they gave that investor, the adviser is likely to be inducing the investor to enter into the securities transaction. Therefore, the adviser must operate under a dealer's licence instead of an investment adviser's licence..."³³

ASIC considers that a person has an

economic interest in the outcome of a securities transaction if the adviser operates under any arrangement with a product issuer or any other party interested in the outcome of the transaction under which the adviser receives financial benefits.³⁴

It therefore seems that if a portal took a percentage of brokers' commissions this would contravene the law if the portal was not licensed. Further, a portal receiving transaction fees might qualify as an "associate" of the licensed adviser or dealer under section 849 of the *Corporations Law*, and therefore, the broker would need to disclose to the client particulars of the fees received by the portal.³⁵

In the United States, the SEC is of the view that if a portal entered into a similar revenue-sharing arrangement with a broker-dealer, it would be deemed to be receiving transaction-based compensation and would have to register as a broker-dealer.³⁶ In 1996, the SEC granted no-action relief from registration to AOL, CompuServe, and the Microsoft website. The no-action letter permitted these companies to connect their subscribers to Charles Schwab & Co Inc and receive order-based compensation, provided certain conditions were met.³⁷

Comparison between the approach adopted by ASIC and US regulators to online trading

(a) ASIC's approach to risks associated with online trading

Despite the number of deficiencies among online trading websites identified in ASIC's survey, it nevertheless concluded that the industry operated well, without presenting major regulatory concerns.³⁸

In response to the risks arising from online securities trading, ASIC has ramped up its surveillance activities, through the appointment of a "WebHound", an automated surveillance tool which scans the Internet for websites that fall within ASIC's set search criteria.³⁹ It has also been active in its public education campaigns, which have included the

setting up of a fake Internet investment site on April Fools Day as a lesson to unwary investors,⁴⁰ and the regular publication of securities related articles and news reports.⁴¹ In addition, ASIC has written to each of the online brokers reviewed in its survey and provided them with a "best practice template" for the disclosure of information on their respective websites.⁴²

ASIC has clearly adopted the view that industry self regulation is the answer to the particular risks associated with online trading. However without providing any guidance on the more difficult questions discussed above, it is doubtful whether such self regulation will be successful.

(b) The US response to specific online trading problems

United States regulators have been more interventionist in their approach towards online securities trading. The responses to the problems of day trading and system outages provide two examples of this approach.

1. Day Trading

The "day trading" phenomenon (where traders adopt an aggressive trading strategy seeking to take advantage of intra-day price movements in securities⁴³) has received much adverse publicity in the United States, particularly in the wake of the tragic murder rampage of a disgruntled day trader in Atlanta in 1999.⁴⁴

The SEC has been critical of brokers who encourage day trading and state securities regulators have brought enforcement actions against some day trading firms.⁴⁵ Recently NASD has introduced a rule requiring all member firms that promote day-trading strategies to provide a risk disclosure statement to their non-institutional customers before allowing them to open a brokerage account. The statement is required to highlight the particular risks associated with day trading.⁴⁶ In addition, the rule requires the firm to approve the customer's account for a day-trading strategy, by taking into account factors such as the customer's investment and trading experience and knowledge, financial situation, employment status, marital

status and number of dependants and age,⁴⁷ or obtain written agreement from the customer that the account will not be used for day-trading purposes. The day trading rule thus goes some way towards shifting the investment risk back to the broker thereby reversing the prevailing trend among “execution only” brokers to place such risks on the client.

While the problem of day trading has not been as well documented in Australia, there is no doubt that some online investors employ day trading strategies. However neither ASIC nor the ASX has seen fit to recommend the introduction of a rule for the specific protection of day traders.

2. Systems Capacity

The series of delays and outages experienced among US online broking firms in late 1998 and early 1999 sparked debate among industry regulators as to whether existing regulatory controls were sufficient.

The New York Attorney General’s office has spoken out in favour of an industry standard of an acceptable level of service with respect to online systems.⁴⁸ NASDR has reminded firms that they have a duty to disclose the risks associated with high volatility and heavy volume and whether the firm’s ability to process orders in a timely and orderly manner may be affected.⁴⁹ The SEC has made it clear that brokerage firms have an obligation to ensure that they have adequate systems capacity to handle high volume or high volatility trading days.⁵⁰

Specific legislation – the *Online Investor Protection Act of 1999*, has also been introduced into the US Congress for debate. If enacted, this legislation would give the SEC new powers to monitor online brokers, strengthen penalties for online fraud and give investors access to information on a broker’s speed of execution.⁵¹

By contrast, ASIC has been reluctant to impose standards or requirements with respect to technology and capacity issues:

“ASIC, in my view is not the gate

keeper of technological standards. We are not in the business, nor best placed, to determine for example, the size of the communications pipes that an online broker ought establish to carry customer and data communications, or the type of back office software that ought be applied to process order entry.”⁵²

Conclusion

The development of online securities trading has brought with it a number of advantages and disadvantages for online investors. Technology has made securities trading easier, but not necessarily more reliable. As securities trading has become more automated, online brokers have sought to distance themselves from responsibility for the risks associated with investment decisions and the execution of trades. While the *Corporations Law* appears to offer traders a number of remedies for online trading abuses, the scope of this protection is unclear. Although ASIC has taken a number of steps in the right direction, a number of the more difficult regulatory issues have not been properly addressed. This uncertainty means that for industry participants and online traders alike the question of just how these issues will be tackled will therefore be very much a case of “watch this space”.

1 Robin Bowerman, “Rating the Cyberbrokers”, *Personal Investor*, August 2000, cited in ASIC Survey of Online Trading Websites, August 2000.
 2 See, for example, Ian Johnston, “Staying apace of emerging technology: An ASIC perspective”, FPA Conference December 2000, available at: http://www.asic.gov.au/index.cfm-acrobat=-asic-pdf-Johnston_FPA_speech.pdf.htm.
 3 J Segal, “Brave New World or Return to Fundamentals?”, a presentation to Corporate Law Teachers Association, 12 February 2001, available at: http://www.asic.gov.au/index.cfm-acrobat=-asic-pdf-brave_new_world.pdf.htm at p. 15.
 4 SEC Press Statement 20 September 2000, “SEC Brings Fraud Charges in Internet Manipulation Scheme”, at <http://www.sec.gov/news/press/2000-135.txt>.
 5 ASIC Survey Of Online Trading Websites, August 2000, at p. 7.
 6 ASIC, *ibid.* at p 19.
 7 *ibid.*

8 *ibid* at p 12.
 9 *Daly v Sydney Stock Exchange* (1987) 60 LJR 371 and *Thompson v Meade* 7 TLR 698.
 10 See for example, clauses 1 and 5 of Westpac’s Online Trading Terms and Conditions, available at https://broking.westpac.com.au/terms_and_conditions_dom.cfm.
 11 Office of New York State Attorney General Eliot Spitzer, “From Wall Street to Web Street: A report on the problems and promise of the online brokerage industry”, a report prepared by Investor Protection and Securities Bureau and the Internet Bureau, November 22, 1999 at p 19.
 12 ASIC *supra* no. 5 at p 20.
 13 *ibid* at p 15.
 14 s1005.
 15 Under s762(1) “engaging in conduct” means the doing or refusing to do any act. The reference to “refusing” suggests that an omission to act can only constitute “conduct” if the omission is intentional. See Australian Corporation Law Principles and Practice, Volume 2, Butterworths, at [7.3.0020]
 16 Section 77(1) Corporations Law.
 17 Section 77(5).
 18 PS 118.49.
 19 *Australian Securities and Investment Commission v Matthews* (1999) 17 ACLC 528.
 20 *ibid* at para 8.
 21 *ibid* at para 10.
 22 ASIC “Interim Policy Statement – Exposure Draft Internet discussion sites”, issued 15/8/2000 [[IPS 162] at p3.
 23 IPS 162.41-42.
 24 Section 851(1)
 25 Section 851(2).
 26 Eg, see clause 11 of Westpac’s Online Trading Terms and Conditions, available at https://broking.westpac.com.au/terms_and_conditions_dom.cfm
 27 ASIC *supra* no. 5 at p21 found that 69% of the sites stated that they provide execution only services and do not provide any personalised advice. Of these 69% of sites, many provided this kind of information.
 28 Commissioner Laura S. Unger of the Securities and Exchange Commission, “On-Line Brokerage: Keeping Apace of Cybers”, November 1999, available at <http://www.sec.gov/pdf/cybrtrnd.pdf> at p 33.
 29 B Black, “Securities Regulation in the Electronic Age: Online Trading, Discount Broker’s Responsibilities and Old Wine in New Bottles”, 28 Securities Regulation Law Journal 15 (Spring 2000), citing “Online Trading : Online Trading Report Said Due Shortly, May Include Rulemaking Recommendations”, *Securities Law Daily*

- (BNA) Nov. 2 1999 at p 31.
- 30 *ibid* at p 31.
- 31 [PS 120]
- 32 J P Longo, National Director, Enforcement ASIC, "Cyber Enforcement in the Financial Services Sector", an address given to the ACCC's Global Commerce Conference, Sydney, 9 November 1998, available at www.asic.gov.au/publications/index, citing the example of the "SharesLive" site (now "GBST Online")
- 33 Policy Statement 116, paras 31-32.
- 34 Policy Statement 116, para 33.
- 35 See definition of "associate" in Pt 1.2, Div 3 of the *Corporations Law*. It catches, in relation to a body corporate, not only its relate corporations, its officers and the officers of its related corporations but persons in concert with whom it acts.
- 36 L. Unger *supra*. No. 28 at p 102
- 37 *ibid* at p 102.
- 38 J Segal, "Managing the Transition to Cyberworld", a presentation by ASIC Deputy Chairman Jillian Segal to the Third Asian Financial Law Conference, Sydney, 20 November, 2000, at p 5. Available at www.asic.gov.au/
- 39 *ibid*.
- 40 Reported in ASIC Watchdog "Internet Investing" at <http://www.asic.gov.au>.
- 41 See eg the "Consumer Alert" publication "Using the Internet to buy and sell shares? Take our advice", and the "Gull Awards", a column which exposes fraudulent or misleading conduct detected on the net, such as spurious pyramid schemes and other hoaxes at: <http://www.watchdog.asic.gov.au/>.
- 42 *ibid*. For a copy of the template, see ASIC *supra* no. 9 at p 32-33.
- 43 B Black *supra* no. 29 at p 32, citing NASD Rule 2360 (e) which defines "Day-trading" strategy as "an overall trading strategy characterised by the regular transmission by a customer of intra-day orders to effect both purchase and sale transactions in the same security or securities."
- 44 On 29 July 1999, day trader Mark Barton apparently upset over stock losses opened fire in two brokerage offices, killing nine people and wounding 12. He killed himself five hours later when police stopped his van at a gas station. See http://members.nbci.com/beat_me/mark_barton.htm
- 45 B Black *supra* no. 29 at p 32, citing at p 33, the example of the Massachusetts regulator "Day Trading: Massachusetts Fines Day Trading Firm, Orders \$228,000 Reimbursement," *Securities Law Daily* (BNA) May 5, 1999.
- 46 Rule 2360 "Approval Procedures for Day-Trading Accounts", cited in "Regulatory Compliance Alert - SEC Approves New Rules for Certain Day-Trading Accounts", Fall 2000, at [http://www.nasdr.com/rca_fall\)_main.htm](http://www.nasdr.com/rca_fall)_main.htm)
- 47 M J Astarita "Day Trading Landmines - Rules for Firms Promoting Day Trading" at p2: <http://www.seclaw.com/docs/daytradingrules.101800.htm>
- 48 New York Attorney General's department *supra* no. 11 at p 143.
- 49 "NASD Regulation Issues Guidance Regarding Stock Volatility" NASD Notice to Members No. 99-11 (no date) cited in B Black *supra* no. 29 at p26.
- 50 In early 1999, the SEC proposed a new rule pursuant to 15(b)(7) of the Exchange Act, "Operational Capability Requirements of Registered Broker Dealers and Year 2000 Compliance ("Operational Capability Rulemaking"), SEC Release 34-41142, File No. S7-8-99, 5 March 1999. The proposed rules included a provision that no registered dealer shall transact business "unless such broker meets such standards of operational capability ... as the Commission finds necessary or appropriate in the public interest or for the protection of investors". See New York Attorney General's department *supra* no. 11. at p 174
- 51 The Online Investor Projection Act of 1999, S.1015 (106th Congr., 1st Sess.) Introduced May 12, 1999, cited in B Black, *supra*. no. 29 at p27.
- 52 T Phillipps, "Avoiding Share Scams in Cyberspace", paper presented at The Australian Financial Review address "Online Broking - Opportunity or Threat", Sydney, 20 & 21 September 1999 at p 7. Paper available at <http://www.asic.gov.au/publications/index>.



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