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## **N.H. SECURITIES BUREAU FILES FRAUD ACTION AGAINST SALEM MAN**

**CONCORD, NH (April 7, 2017)** – The New Hampshire Bureau of Securities Regulation (the “Bureau”) announced the filing of a fraud action against Michael T. Bates of Salem. The filing alleges that Bates defrauded a New Hampshire investor of \$50,000 while under a separate investigation by the Bureau regarding another unrelated fraud matter. In this new matter, the Bureau alleges that Bates defrauded the investor by making numerous material misrepresentations and omissions to induce the \$50,000 investment and by subsequently using the invested funds for personal reasons unrelated to the business in which the investor believed he was investing.

At the time the Bureau received the complaint that sparked its new investigation, Bates was already subject to a Consent Order from the Bureau that required Bates to pay over \$35,000 in restitution to certain New Hampshire residents related to Bates’ running of an unlawful “investment club.” Pursuant to this prior Consent Order and in addition to restitution and other relief, Bates was required to pay an administrative fine and the Bureau’s costs in the amount of \$15,000. The Bureau alleges in its new filing that Bates violated the prior Consent Order by missing numerous monthly payments and by committing another fraud while subject to a cease and desist order.

The Bureau is now seeking an order requiring Bates to immediately pay the outstanding obligation of \$19,500 due under the prior Consent Order, that Bates pay \$50,000 in restitution to the new complainant, and that Bates pay \$47,500 in fines and costs to the Bureau.

Bates has 30 days to request a hearing.

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