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## Cyber-Scam Warning Issued In Recent SEC Report

**Date: 10/26/18**

On October 16, 2018, the Securities and Exchange Commission issued an investigative report under Section 21(a) of the Securities Exchange Act of 1934 signaling that public companies may need to enhance internal accounting controls to prevent or mitigate cyber-related risks and to ensure compliance with the federal securities laws. The Commission issued the Report following an enforcement investigation into whether nine companies violated the securities laws by failing to maintain sufficient internal accounting controls to prevent cyber-scams. Attached is the firm memorandum discussing the Report and a checklist of recommended controls, policies and procedures that public companies should consider implementing or revisiting in consultation with their outside counsel.

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