

48 Hours From Now...

**The CEO of One American
Company is Going to Give You the**

Investment Tip of a Lifetime...

And He's Proving It By Putting Up \$3.5

Million of His Own Money

Dear Reader,

In Reston, Virginia, two middle-aged men in dark power suits sit alone in a wood-paneled boardroom.

One of the men lights a cigarette, kicks up his feet on the mahogany table, and takes a long drag.

He turns to his partner and says, "Our earnings are looking strong...I'm loading up on shares." The other fellow listens with an excited look on his face...picks up the phone, and calls his broker.

The two men go on a buying spree, picking up over \$2 million worth of stock in their own company.

In just 60 days they make 100%. Today, their investments are up 550%.

Who are these guys, and how did they make so much money?

They're top executives at Nextel--a wireless phone provider--and they're very rich. For instance, one guy is worth \$2 billion...you can find him listed every year in *Forbes* magazine, among the 400 richest people in the country. All told, these guys have probably made \$27.9 million from investing in their own company.

Why should you care about these rich men getting richer?

Because now, thanks to a recent law passed by Congress, you can make the kind of money from insider trades, once reserved for executives at the highest level. In other words, although very few investors realize it, ***insider trades are now available to you and me as regular investors.***

Here's what I mean...

On August 29th, 2002, Congress passed a piece of legislation called the Sarbanes-Oxley Act. Part of this Act changes the way corporate insiders are required to report the buying and selling of their own stock.

Before the new law of August 29th, insiders had up to 40 DAYS to reveal that they had bought or sold stock in their own company. In other words, by the time you or I found out about what the insiders were doing, it was too late to capitalize on the situation.

But now...corporate insiders have just 48 hours to report their trades. And they have to submit their reports electronically, so you and I get to see what they are doing almost as soon as they buy or sell.

There's not a single executive in the United States who is exempt from this law... and there's good reason for these guys to comply. Failure to do so can result in fines of up to \$2.5 million, and 10 years in federal prison.

The beauty of this new law is that you and I now get to see exactly what insiders are doing – practically as soon as they make their moves. It means you can make the same gains they do... at least on a percentage basis. And best of all, it's completely legal.

The way I look at it... there are dozens of reasons why an insider might SELL his company's stock. He may want to pay for his kid's college... or buy a vacation home... settle a divorce... or a million other things.

But there's only one good reason for an insider to BUY stock in his own company – because he knows the price is going up very soon.

I'll tell you more about how the new law works in a moment, but first let me show you two deals – going down right now – where you can capitalize on inside information, and make a lot of money.

**DEAL #1: Why a natural gas company
Executive just
bought \$30 million worth of his own Stock**

Warren Buffett, the richest investor in the world, recently bought a natural gas pipeline company called Mid-America Energy. He bought it from Enron, as they were going bankrupt.

We estimate Buffett has already made more than a billion dollars on the deal, with a lot more to come.

He was in the right place, at the right time, with the right amount of money.

Now, there's a nearly identical situation, where insiders are taking advantage of bankruptcy, to buy the best natural gas assets in America--for literally pennies on the dollar.

Unlike the Buffett deal, you can get into this one yourself...

The situation involves an energy and pipeline company called El Paso. Based in Texas, this company did well for a while--especially when California energy prices spiked in 2001. But eventually, the whole market collapsed. Enron

went bankrupt... and El Paso stood on the verge of going under too...

El Paso was desperate to raise cash, to pay off over \$6 billion in debt.

And, at this moment of crisis, in late 2003, the second-largest natural gas pipeline company in the United States made El Paso an offer to buy the heart of its natural gas pipeline infrastructure, known as the GulfTerra Pipeline. The deal was simple: El Paso would get \$475 million, and give up a 50% ownership stake in GulfTerra.

But then, something incredible happened: El Paso ran into major problems. The company had to admit that 41% of its oil & gas reserves didn't really exist. Several other energy companies (like Royal Dutch Shell) have recently done the same thing. But El Paso's goof was much worse than the others.

So El Paso had to raise *even more* cash this year. Instead of selling only half of its biggest pipeline--GulfTerra--it had to sell ALL OF IT... at fire-sale prices.

The only buyer? The same company who made the original offer... the second-largest pipeline company in America. They bought these assets--which pump natural gas from the Gulf of Mexico to the suburbs of Chicago, and across 13 states in the heart of the country--for a song.

As soon as the deal was completed, the pipeline

company's insiders started buying their own stock as fast as they could.

- The Chairman of the Board bought \$8 million in shares, on the open market, in one day. The very next day he bought another \$4 million.
- The CEO bought \$2 million worth of stock at the same time.
- Two other senior executives bought \$5 million worth.

Altogether, immediately following the acquisition of GulfTerra, these pipeline executives bought \$20 million of their own company's stock. It was the largest amount of insider buying we've seen in years.

Obviously, these men know--better than anyone else--what a great deal they got from El Paso, a company in deep distress.

In fact, just a few weeks ago, the chairman of the pipeline company bought *an additional \$30 million worth of stock*. His total purchases in the last six months total **\$50 million**. The CEO is still buying too, recently adding another \$5 million for his private account.

These men are giving us the tip of a lifetime... and they're backing it up with their own dollars.

What's going to happen to the share price? There are no

guarantees, of course, but more often than not, when insiders are buying their own stock in a frenzy like this, it leads to amazing profits. We've seen it happen dozens and dozens of times before...

- In August 2002, insiders at Crown Castle International went on a similar buying spree. In just nine days, 16 different employees bought a total of 2.5 million shares of their own company's stock. Within 8 months, shares of CCI were up 312% and have risen 917% as of today.
- In the first week of February 2003, one of the company Directors at a company called Akamai Technologies got very excited about his company's prospects. He bought 400,000 shares on the open market. Three months later, the shares were up 194%... in another year, they were up 1,108%.
- Last year, insiders at a company called Amedisys bought their own stock 21 times, spending a total of \$3 million. Many of these shares are up 530%.

The point is, you can now make as much as the corporate insiders at this natural gas company will collect in the next few months. They had to buy on the open market, just like you. All you have to do is buy soon--before the price takes off.

Remember, insiders have bought over \$60 million worth of stock in a little over a week. But the share price is still very,

very cheap.

That's why this is the best insider trading opportunity in the world right now.

You can learn everything you need to know about this situation in a Research Report called: **The 2 Best Insider Buying Opportunities in the World Right Now**. I'd like to send you this report free of charge if you are interested.

I'll show you what I mean and how to get it in a moment, but first let me tell you about the 2nd best insider trading opportunity in the stock market today...

DEAL #2: The Last Great Real Estate Deal in the United States - How to Make Up to 8% Dividends a Year and Potential Gains of 250% or More

If you missed out on the real estate boom of the last 4-5 years, don't worry... you have another chance. In fact, this is probably one of the last really good real estate deals in the United States.

It offers you the chance to make profits of 250% or more over the next few years. Best of all, while you're watching this real estate investment take shape, you'll be collecting 8% dividends--about 4-times what you'd get by simply letting your money sit in the bank.

Let me explain what's happening...

Most of the country, as you know, has seen a real estate boom over the past 4-5 years. Real estate prices in California, for example, are up 99%. In New York, prices are up an average of 68%... in DC, they're up 106%.

But there's one major metropolitan area that, for the most part, missed out on this boom. In fact, this area's real estate boom is only beginning right now.

I'm not talking about a sleepy little town in the middle of the country. The area I'm recommending is one of the biggest markets in the United States, made up of 3 major cities that are home to 84 hospitals, over 60 universities, 2 professional football teams, 2 pro basketball teams, and 27 Fortune 500 companies...

Thanks to surging employment and population growth, more and more businesses are looking to buy office space here.

You can profit handsomely from this situation. And the best

**"When
Insiders Dip
Into Their
Pockets..."**

"One of the surest signs of a stock's long-term direction is what executives are doing with their own stake in the company. When insiders dip into their pockets to buy their own company's shares, a rise in price is often not far behind."

-- Reuters, Dec. 5,
2003

part is, it's really easy to do. You don't have to worry about the hassles that normally come with investing in real estate, because we've uncovered a small real estate company that owns over 70 commercial properties in this fast-growing market... that could bring you triple-digit returns within the year. This company also pays out an 8% dividend.

In other words, you can make this fantastic real estate investment and collect a nice 8% dividend, simply by purchasing stock in a company that's listed on the New York Stock Exchange.

What's going to happen to this company over the next few years? Well, just look at what's happened in the rest of the country. If you'd invested in any of these real estate companies a year ago, you'd be sitting on very nice returns today:

- Atlanta: Roberts Realty Investors, Inc. (RPI) up 100%
- Jacksonville/Vermont/Rhode Island: HMG/Courtland Properties, Inc. (HMG) up 53%
- Orlando: Century Realty Trust (CRLTS) up 68%
- Arizona/FLA/CA: Price Legacy Corp. (PLRE) up 412%

It's too late to buy in Atlanta, Jacksonville, Orlando, and almost every other metropolitan area around the country... but in the one I'm recommending, you still have huge upside potential.

Recently, this region has started to see tremendous growth. One city, for instance, according to *National Real Estate Investor*, is enjoying a "real estate renaissance." In the last four years, private investors and the government have poured more than \$2 billion into this city's business district.

As a result, demand for commercial real estate is taking off. Pension funds and insurance companies have been buying office space here. And private investors have been putting money into real estate, according to *Knight-Ridder Business News*.

And what about the insiders... the folks who know more about this company and this real estate market than any stock market analyst in the world?

Well...these guys have been in a buying frenzy over the past month:

- A Director bought recently \$255,000 worth of stock in one day
- 2 days later, the Chairman invested \$3 million in the company
- Over the next week, insiders went back for a combined \$5.5 million

Altogether, insiders have bought over \$8 million of stock in little over a week.

Do you think these guys know a good opportunity when

they see one? I sure do.

The Chairman of this company, by the way (the same guy who nabbed \$3 million worth of company stock recently), is one of the 100 richest people in the country. He's a billionaire entrepreneur and dealmaker, whose annual rate of return as an investor is 26%.

In other words, this guy has made a ton of money and is very good at managing it.

The point is, the insiders at this company are giving us the tip of a lifetime... and they're backing it up with their own dollars.

What will happen to this company's stock price over the next few months?

Like I said earlier, there are no guarantees, but when insiders buy this heavily, it almost always means really big gains for the stock.

I recommend you buy this company right away. You could collect as much as an incredible 8% dividend while you watch the

New Law Makes it Legal For You To Make A Fortune Following Insider Trades

When you buy stock in a company where an insider has just invested a lot of his own money, you have a very good chance to make really incredible returns (see more

value of your real estate investment go up 250% or more in the next few years. Right now, it's still incredibly cheap... and it's growing like crazy. Plus, look at what happened with a few similar insider-buying situations recently...

- In January of last year, two directors and a Senior Vice President at a company called Novastar (NFI)

below).

An insider might sell a stock for any number of reasons... but there's only one good reason to buy: Because he knows the price is going up. Now, thanks to a new law passed by Congress, you can get in on the very same deals that have enriched corporate executives for decades, like these from recent years...

Company	Insiders Buying	Profits/Time
Crown Castle Int.	16 insiders bought 2.5 million shares	917% in 2 yrs.
Texas Instruments	Chairman	737% in 2 yrs.
Triton Energy	The Chairman and the CEO	420% in 1 yr.
Valence Technology	President - 265,000 shares	231% in 3 mos.
Vitesse Semiconductor	President, VPs & Directors	468% in 1 yr.

began buying tons of their own company's shares. One director bought \$1.2 million worth of NFI stock... another director bought \$1.3 million, and the Senior Vice President bought \$308,000.

A little more than a year later, they made

Western Wireless	CEO, President, VPs, Director	1,200% in 2 yrs.
WMS Industries	Part owner Sumner Redstone	120% in 4 mos.
First Horizon Pharm. Corp	President Patrick Fourteau	372% in 1 yr.
Akamai Technologies	Director - 400,000 shares	1,108% in 15 mos.
Nextel	Chairman William Conway	550% in 1 yr.
Power One	Many insiders: 1 million shares	200% in 2 mos.
Elantic Semiconductor	Director and Chairman of Board	181% in 6 mos.
Centex	Chairman of the Board	200% in 2 yrs.
Proquest	President and Directors	86% in 3 mos.
Aftermarket	Directors,	

402%
profits.

- August of 2002, John Stanton and Theresa Gillespie began taking a big position in their own company, Western Wireless (WWCA). John is the CEO, and Theresa is the Vice Chairman.

Technology	Chairman, CFO, etc.	400% in 18 mos.
A&P Grocery Stores	Insiders bought 1 million shares	133% in 6 mos.
Copart Inc.	Director bought \$2.2 million	125% in 9 mos.
Usana Health Sciences	President Myron Wentz	1,003% in 2 yrs.
Urologix	CEO Fred Parks	200% in 9 mos.
Lion's Gate	CEO, V. Chairman, and others	246% in 1 yr.
Novastar	3 insiders bought \$2.8 million	402% in 18 mos.
Amedisys	Part-owner David Nierenberg	560% in 1 yr.

Together, they bought 1 million shares. Do you think they knew something good was in the cards for Western Wireless stock? I'll let you be the judge. In three months, their investment was up 130%... today their investment is up a total of 1,200%.

Investing now in this tiny real estate company should bring you similar returns. It's the 2nd-best insider buying opportunity in the world right now. And it's covered in complete detail in our research report called: ***The 2 Best Insider Buys in the World Right Now***.

With both of these insider-buying situations, you have the opportunity to double your money in the next few months. Over the next year, both of these situations could make you gains of 250% or more. Easily. Remember, you could make the same profits as the corporate insiders who just took giant positions with their own money.

If these opportunities interest you, let me show you how to get a copy of this Research Report, free of charge.

How to Beat the Market by 100%--Proven by a PhD

My name is George Rayburn.

I am the Executive Director of one of the world's largest and most successful independent equity research firms, called Stansberry & Associates Investment Research.

Our group was formed in 1999. Today, more than 100,000 individuals in 127 countries pay us for independent financial research and recommendations. Unlike Wall Street investment banks, we are completely independent from the stocks and other investments we cover. We sell only our research. We don't solicit banking business, and

we don't provide brokerage services. Our only income comes from selling our best ideas to our subscribers. If our ideas work, our subscribers stay with us. If not, they can cancel, and even get their money back. No hidden interests or secret agendas.

Our private organization is based in Baltimore. We also have smaller offices in Florida, Oregon, and Washington.

We don't typically advertise on TV, radio, or in magazines or newspapers. Instead, we invite people whom we believe may have an interest in our work.

"There is Little Incentive..."

"There is little incentive to buy unless an executive figures shares are going to be worth more in the future. And when the people who know a company's prospects the best buy in, in can be a bullish signal for outside investors."

--*Smart Money*, 9-25-2002

In all, our organization has more than two-dozen analysts and researchers. These folks have worked as stockbrokers, mutual fund vice presidents, and equity analysts for some of the most important money-management firms in the world.

The only way to be invited to join our group is to receive an invitation such as this one. Based on the kinds of publications you've subscribed to in the past, I think you might appreciate--and benefit from--the kind of work we do.

Throughout this letter, I've been explaining our newest

investment research service. It's called the **Inside Strategist**, and it's based on the simple but proven idea that **you can make a lot of money in the stock market by following what corporate executives do with their own money.**

We developed this research service after studying just how successful this strategy has proven to be over the past 50 years. For example...

- A study by Univ. of Michigan finance professor H. Nejat Seyhun found that "you can basically double your returns" by purchasing stocks with heavy insider buying.
- The investment firm Tweedy Browne published a report that proved buying stocks with heavy insider buying beats the stock market as a whole by as much as 300% over a five-year period.
- Carr Bettis, a professor at the Arizona State University Management School, found that investors who bought stocks that were popular among insiders earned, on average, annual total returns that were 100% more than the S&P 500 (source: *Fortune Magazine*, May 1, 1995).

Other respected financial journals have reported similar findings, including *The Journal of Finance*, *The Journal of Portfolio Management*, and *The Southern Business and Economic Journal*. Graduate school studies at Michigan

State, Ohio State, and the London School of Economics proved similar results.

"But that's illegal, right?"

Whenever I explain to someone how insider trading works, their first reaction is usually, "That's illegal, right?"

Well... what most investors don't know is that there are actually two kinds of insider trading: the legal kind and illegal variety.

For the record, an "insider," according to the U.S. government, is an officer or director of a publicly traded company (like the CEO, treasurer, vice president, controller, chairman, or executive director). A person who doesn't work at a company can also be considered an "insider"... if he or she owns 10% or more of a company's stock.

When most people think about insider trading, they think about only the illegal version--such as the recent case against Martha Stewart and Imclone CEO Sam Waksal. Waksal got in trouble because he sold stock after learning about a failed drug trial--information that was not yet available to the public.

For people who don't play by the rules, there's jail time... and huge fines.

So when is inside trading *legal* for these corporate executives?

Congress realized they couldn't completely ban insiders from buying their own stock. If you think about it... who would bother to start a business if you weren't allowed to buy your own stock and share in the profits? Probably nobody.

So they passed a law that basically says corporate insiders are allowed to buy their own stock as often and as much as they like, **on two conditions**:

- 1) They can't trade based on secret information not available to the public... or before a big upcoming company event.
- 2) They must report trades to the U.S. Securities and Exchange Commission (SEC).

The SEC is required to make this information available to the public under the Freedom of Information Act, on a document called FORM 4. It details which insider made a trade, how much he's buying or selling, and how many shares he or she owns in total.

The good news is that you as a regular investor can NEVER get in trouble for illegal insider trading, as long as you make your trades

A graphic with a thick black border containing the text "Barron's Study Proves It: Buybacks" in blue.

**Barron's
Study Proves
It: Buybacks**

based on what we follow--that is, what corporate executives report to the SEC after they've made a trade.

For decades, even though insiders had to report their trades, the game was still totally rigged against the average investor (like you and me). That's because insiders could move in and out of stocks as much as **40 days before** you and I got to see what they were doing.

But now, the situation has changed...

The Sarbanes-Oxley Act of August 29th, 2002 changed SEC code 16 (a), which means you get to see what insiders are doing within 48 hours of their trade... instead of the 40 days they used to have to hide their moves!

As I mentioned, it's completely legal for you to make any trade based on what these executives report to the SEC.

There's something else I want to tell you about regarding

Pay

Jacqueline Doherty wrote an article in the June 7th, 2004 issue of *Barron's*, proving that investing in stocks that are buying back their own shares can make you a lot of money. Doherty studied 1,500 stocks listed on the Standard and Poors Index from 1999 to 2003.

She found that only 95 of these companies reduced their overall share count by buying back stock. The 20 companies that most aggressively bought back shares returned an AVERAGE of 119%. Meanwhile, the S&P 500 stock market index during the same period was DOWN 12%.

insider trades... it's another way to profit from Insider deals. Let me explain exactly what I mean...

[*read on*](#)