



March 11, 2014

**VIA EMAIL AND OVERNIGHT MAIL**

Frank Porter Stansberry, Founder  
Stansberry & Associates Investment Research, LLC  
1217 St. Paul St.  
Baltimore, MD 21202  
[REDACTED]

Re: Deceptive Advertising by Stansberry & Associates Investment Research, LLC

Dear Mr. Stansberry:

I am writing to you on behalf of Truth in Advertising, Inc. ("TINA.org"), a nonprofit consumer advocacy organization dedicated to protecting consumers from deceptive advertising. We have found that your company, Stansberry & Associates Investment Research, LLC, has been promoting its newsletters through the use of deceptive testimonials published on its website, [www.stansberryresearch.com](http://www.stansberryresearch.com). Specifically, we have found that testimonials on your company's website, both in print and video webpages:

- Omit material information. Not one of the testimonials on your company's website warns of the substantial risks associated with investing money, nor does Stansberry & Associates clearly or conspicuously disclose such risks. In addition, testimonials on your company's website frequently omit the rate of return on investment realized by the endorsers, as well as the date of the claimed successes, both of which are necessary for consumers to accurately assess the likelihood of achieving similar results.
- Do not appear to represent typical results. Some of the testimonials used to promote your company's newsletters claim extraordinary rates of return on investments, all above the Standard & Poor's (S&P) 500 Index average for the last ten years, and some even over 100%. Other testimonials assume or require extremely large initial investment amounts, amounts not typical for the types of consumers represented in the testimonials (e.g., a truck driver, a former department store sales clerk). One even claims that a 10-year-old child made more than \$100,000 per year as a result of following a Stansberry & Associates newsletter's advice.

- Raise suspicions about their authenticity. Some of the testimonials are located in more than one place on the website, but are curiously attributed to different individuals. For example, two different people claim to have made exactly \$15,460, while three different people claim to have made “over \$13,000 in January.”
- Contain false and misleading information. For example, many testimonials used to promote your company’s *Retirement Millionaire* newsletter claim that the newsletter gave them the information needed to obtain “free silver” from U.S. banks when, in actuality, the type of silver discussed in the newsletter is not “free” at all and silver is only present in pre-1971 half dollars.

For these reasons, Stansberry & Associates’ use of testimonials violates – in numerous instances – not only federal and state laws, but the 2007 Court Order imposed on your company as a result of an action brought by the Securities and Exchange Commission as well.

Based on this information, we intend to notify the Federal Trade Commission, the Maryland Attorney General, and the Securities and Exchange Commission that Stansberry & Associates Investment Research, LLC is marketing its newsletters through the use of deceptive testimonials, unless, **by March 18, 2014**, you show us that your company has removed all deceptive testimonials, has clearly and conspicuously disclosed on its website and in proximity to the testimonials the risks of investing money, and has made every effort to alert its newsletter subscribers of these issues.

Sincerely,



Laura Smith, Esq.  
Legal Director  
Truth in Advertising, Inc.