



CON ARTISTS BLEND IN:

Con artists often blend in with a community organization, religious group, ethnic association, or other affinity group in order to win the investor's trust and appear legitimate. These scammers form a bond with members and rely on them to spread the word about the "investment opportunity." They are very friendly and stay in constant contact when soliciting money, but are hard to reach when they owe a payment.

SCAM ARTISTS TALK A GOOD GAME AND MAKE PROMISES:

Scam artists often claim that their investment opportunity has no risks and is guaranteed to make money. They are smooth talkers, but rarely have financial statements or documentation about their company and investment venture. Do not believe promises of high returns and do not rely on fancy Web sites or testimonials of quick riches. Demand offering documents and check with the Secretary of State's Securities Department to make sure the promoter is licensed and not barred from selling investments.

CON ARTISTS WANT A QUICK RESPONSE:

Con artists use pressure sales tactics to convince investors to quickly sign on and part with their money. Scammers may claim there are deadlines for investing or that the market will change and the opportunity to make money will slip away. Do not be pressured into investing. Take time to review the investment documents and to check the promoter's licensing status and history.

TIPS TO AVOID SCAMS:

- Contact the Secretary of State's Securities Department to make sure the person offering or selling the investment is licensed with the department.
- Do not rush to invest. Take time to investigate the promoter and investment opportunity. Speak with a trusted financial professional who can review the documents with you. If there are no investment documents, do not invest.
- Do not invest with cash or send payments to post office boxes.
- If you do not receive a promised return, report this promptly to the Securities Department. Be wary of excuses and explanations of why a payment was not made as promised. The Securities Department is a state government agency and does not charge investors for assistance.

**Contact the Secretary of State Securities Department:
800-628-7937 (English) • 888-231-1175 (Spanish)**

JESSE WHITE
SECRETARY OF STATE

AVOID THE SCAM.NET