

**Investor.gov****U.S. SECURITIES AND
EXCHANGE COMMISSION**

Spotting and Reporting Investment Scams Targeting Older Investors

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The SEC's Office of Investor Education and Advocacy is issuing this Investor Alert to help law enforcement professionals and others identify if an older investor has been a victim of investment fraud, and to explain how to report it to appropriate authorities.

First, identify whether there may be investment fraud.

Here are some tell-tale signs:

- Guaranteed returns or promises of high returns with little or no risk;
- Repeated investments or repeated requests from the same person(s) for investments or money;
- High pressure sales tactics;
- The investor has little or no understanding of what he or she invested in;
- No paperwork or written details of the investment;
- Unusual or unexplained account withdrawals, wire transfers or other drastic investment changes; and
- Salespersons who are not properly licensed (you can check using the search tool at [Investor.gov \(https://www.investor.gov/\)](https://www.investor.gov/)).

To verify you are communicating with an investment professional and not an imposter, contact the professional using a phone number or website listed in the firm's Client Relationship Summary ([Form CRS \(https://www.investor.gov/introduction-investing/investing-basics/glossary/form-crs\)](https://www.investor.gov/introduction-investing/investing-basics/glossary/form-crs)). To ensure you are looking at a genuine copy of the firm's Form CRS, follow these steps:

1. In the "Check Out Your INVESTMENT PROFESSIONAL" search box on [Investor.gov \(https://www.investor.gov/\)](https://www.investor.gov/) , select "Firm" from the drop-down options and type in the name of the firm.
2. In the search results, click on the relevant firm and then click on "Get Details."
3. Click on "Relationship Summary" or "Part 3 Relationship Summary."

If someone misrepresents that they are registered or impersonates a registered investment professional, [report it to the SEC \(https://www.sec.gov/tcr\)](https://www.sec.gov/tcr) .

Second, report the investment fraud.

- Contact your state securities regulator. Locate up-to-date contact information on NASAA's website, [ServeOurSeniors.org/connect](https://www.nasaa.org/serveourseniors/connect/) (<https://www.nasaa.org/serveourseniors/connect/>) .
- Call FINRA's Securities Helpline for Seniors (<https://www.finra.org/investors/need-help/helpline-seniors>) : 844-57-HELPS (844-574-3577) available Monday-Friday, 9 a.m.–5 p.m. ET.
- Contact the family, if appropriate, or a trusted contact person on the account.
- If you encounter a fraudulent investment scheme (such as a [Ponzi scheme](https://www.investor.gov/protect-your-investments/fraud/types-fraud/ponzi-scheme) (<https://www.investor.gov/protect-your-investments/fraud/types-fraud/ponzi-scheme>) , [Pyramid scheme](https://www.investor.gov/protect-your-investments/fraud/types-fraud/pyramid-schemes) (<https://www.investor.gov/protect-your-investments/fraud/types-fraud/pyramid-schemes>) , or [high-yield investment program](https://www.investor.gov/protect-your-investments/fraud/types-fraud/high-yield-investment-programs) (<https://www.investor.gov/protect-your-investments/fraud/types-fraud/high-yield-investment-programs>)), consider submitting a Tip, Complaint or Referral (“TCR”) to the U.S. Securities and Exchange Commission at <https://www.sec.gov/tcr> (<https://www.sec.gov/tcr>) .

Third, be alert for ongoing investment fraud.

- Be aware of repeat attempts of the same fraud. Often perpetrators target the same victims again and again.
- Use [Investor.gov's free online tool \(https://www.investor.gov/\)](https://www.investor.gov/) to confirm that investment professionals are registered with state or federal securities regulators.
- Alert the brokerage firm or investment adviser. Find out if there is a trusted contact person on the account you can talk with. If there is no trusted contact, when you speak to the account holder, ask them to add a trusted contact person on the account.
- Be aware of potential diminished capacity or other circumstances that may put stress on the investor's ability to make informed decisions.

Where you can find additional information

[Investor.gov \(https://www.investor.gov/\)](https://www.investor.gov/) is the website for the U.S. Securities and Exchange Commission's (SEC) Office of Investor Education and Advocacy (OIEA). The mission of the SEC, an independent federal regulatory agency, is to protect investors; maintain fair, orderly, and efficient markets; and facilitate capital formation. OIEA is dedicated to serving the needs of older investors, including through its “Never Stop Learning” website that stresses the importance of older investors protecting their hard-

earned money: www.investor.gov/NeverStopLearning
(<https://www.investor.gov/additional-resources/information/older-investors>) .

FINRA's Securities Helpline for Seniors: 844-57-HELPS (844-574-3577) is discussed on FINRA's website at [FINRA.org/investors/finra-securities-helpline-seniors](https://www.finra.org/investors/finra-securities-helpline-seniors) (<https://www.finra.org/investors/need-help/helpline-seniors>) . The Financial Industry Regulatory Authority (FINRA) is an independent, not-for-profit organization authorized by Congress to protect America's investors by making sure the broker-dealer industry operates fairly and honestly. FINRA's Securities Helpline for Seniors is a toll-free number for senior investors to get assistance from FINRA about issues with brokerage accounts and investments.

[ServeOurSeniors.org](https://www.nasaa.org/serveourseniors/connect/) (<https://www.nasaa.org/serveourseniors/connect/>) is a website from North American Securities Administrators Association (NASAA) that is dedicated to providing resources for older investors, caregivers, policymakers and the securities industry. NASAA is a voluntary association whose membership consists of 67 state, provincial, and territorial securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Canada, and Mexico. In the United States, NASAA is the voice of state securities agencies whose fundamental mission is protecting consumers who purchase securities or investment advice.

This Investor Alert represents the views of the staff of the Office of Investor Education and Advocacy. It is not a rule, regulation, or statement of the Securities and Exchange Commission ("Commission"). The Commission has neither approved nor disapproved its content. This Investor Alert, like all staff statements, has no legal force or effect: it does not alter or amend applicable law, and it creates no new or additional obligations for any person.

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