

HOW TO SPOT A SCAM



Summary of information from the Australian Federal Government's [Moneysmart.gov.au](https://moneysmart.gov.au) for more details go to their website.

HOW INVESTMENT SCAMS WORK

1. Fake Offers: Entirely false investments.
2. Pretend Investments: Scammers keep your money.
3. Impersonation: Scammers claim to be from well-known companies.

BEWARE OF INVESTMENT SCAMS

Scammers promise easy money with high returns and low risks, but there's always a catch. If targeted, act quickly and report the scam.

For steps to report: <https://moneysmart.gov.au/check-and-report-scams/report-an-investment-scam>

RED FLAGS

- High, Quick Returns: Guaranteed and tax-free benefits.
- Crypto Investments: Often unregulated and high-risk.
- Trading Platforms: Offers to trade foreign currency, gold, or options.
- Commissions: For recruiting other investors.
- Low Risk Claims: Promises of refunds, insurance, or inside information.

COMMON TACTICS

- Unexpected Contact: Calls, emails, or texts offering guaranteed returns.
- Fake Platforms: Real trading sites used for fraudulent accounts.
- Comparison Websites: Scammers collect personal info to sell fake investments.
- Fake Endorsements: Websites claiming ASIC approval.
- Dating Apps: Romance scams leading to investment offers.
- Paid Ads: High placement in search results and social media ads.
- Fake News: Articles promoting scam websites.
- Deepfake Videos: Fake celebrity endorsements.

IF YOU'VE BEEN SCAMMED

1. Stop Payments: Don't send any more money and block all contact from the scammer.
2. Notify Your Bank: Contact your bank or financial institution immediately to report the scam and stop any transactions.
3. Inform Others: Warn your family and friends about the scam to help them avoid potential follow-up scams.

For detailed steps on what to do for particular scams go to:

<https://moneysmart.gov.au/check-and-report-scams/what-to-do-if-you-ve-been-scammed>

PROTECT YOURSELF

Before investing:

- Verify: Check company names, reviews, and ASIC registration at ASIC Connect https://connectonline.asic.gov.au/RegistrySearch/faces/landing/ProfessionalRegisters.jspx?_adf.ctrl-state=7b3t7lkoo_13
- Check the licence and contact information for a financial institution or superannuation fund at Australian Financial Services <https://www.afca.org.au/make-a-complaint/findafinancialfirm>
- Search the Investor alert list <https://moneysmart.gov.au/check-and-report-scams/investor-alert-list> If it's on the list, do not invest
- For International companies search OICU-IOSCO https://www.iosco.org/investor_protection/?subsection=investor_alerts_portal
- Avoid Pressure: Be cautious of high-pressure tactics to invest quickly.
- No Crypto Payments: Legitimate firms rarely ask for crypto payments.

Go to moneysmart.gov.au For more on particular scams:

- Banking and Credit Scams <https://moneysmart.gov.au/financial-scams/banking-and-credit-scams>
- Crypto Scams <https://moneysmart.gov.au/financial-scams/crypto-scams>
- Imposter bond investment scams <https://moneysmart.gov.au/financial-scams/imposter-bond-investment-scams>
- Ponzi schemes <https://moneysmart.gov.au/financial-scams/ponzi-schemes>
- Superannuation scams <https://moneysmart.gov.au/financial-scams/superannuation-scams>

