

Investment Fraud

If someone contacts you with an investment opportunity that seems too good to be true... it is. Although investing can be a successful way of making money, it has resulted in many people losing their entire life savings. Fraudsters will persuade you to invest in all kinds of products, offering high rates of return, which often do not exist. It can be extremely difficult to tell a genuine investment opportunity apart from a fraudulent one – even for experienced investors.

Fraudsters are organised and convincing, and you may even see some initial small returns on an investment as an incentive to put a much larger amount of your money in. Requests to cash out will be met with excuses and demands for various fees to be paid. There will always be “just one more payment” needed to receive your money. They often have professional looking websites, glossy marketing materials and prestigious addresses in London to make you feel assured that they are legitimate.



Criminals can even be aware of the investments you hold, or have previously held, and they may make reference to these or target you with similar schemes. They may offer to “recover” funds you have lost in a previous investment. The same criminals may target you again, hiding behind a new identity.

Remember:

- Genuine investment companies will not cold call you – always be wary of any unexpected calls.
- Research the company and the offer that they have made to you – contact Trading Standards if you have concerns and seek independent financial advice before committing to any investment.
- Before you invest anywhere, check with the Financial Conduct Authority (FCA) register to see if the firm or individual you are dealing with are authorised (<https://register.fca.org.uk/>)
- Check the FCA Warning List of firms to avoid.
- The FCA also provide a ScamSmart test which can help you check if an investment is potentially a scam.

Whilst the above measures are useful, please also be aware of ‘clone firm’ investment scams, where fraudsters imitate real-life companies. ‘Clone firms’ are set up by fraudsters using the same details as real companies authorised by the FCA, making it even more difficult to establish whether or not a firm is genuine.

If you use the internet, it is also worth being aware of fraudulent cryptocurrency investments which often present themselves on social platforms. Never assume anything you are offered online is real. Criminals can even use technology to make it look legitimate, showing trusted personalities/celebrities supposedly endorsing their investment opportunities.

Don't be pressured into making any quick decisions.

Always seek independent financial advice.

Question whether an investment company would call you out of the blue.

