



You Need to know...



The FBI reports that as much as \$40 billion a year is lost to fraudulent telemarketers.



Report suspicious telemarketing to the Department or to the Federal Trade Commission.



Protect yourself from fraud by telling callers you require more time to think about the investment.



Ask for a telephone number to call back. If the caller refuses to give a number, it could be fraud.

Register your telephone number on the *National Do Not Call Registry* at www.donotcall.gov or call (888) 382-1222.

Stop them before they start.

Resources

Fraud of any kind, including identity theft:
Nebraska Attorney General
Consumer Protection Division
(800) 727-6432
www.ago.ne.gov

Telemarketing & Identity Theft
Federal Trade Commission (FTC)
Consumer Hotline: (877) 382-4357
Identity Theft Hotline: (877) 438-4338
www.ftc.gov

Investment Firms and Professionals:

FINRA *BrokerCheck* is a free online tool to help investors check the professional background of current and former FINRA-registered securities firms and brokers.

FINRA
Consumer Hotline:
(800) 289-9999
www.finra.org



1230 "O" Street, Suite 400
Lincoln, NE 68508-1402
Consumer Hotline:
(877) 471-3445 (toll-free)
(402) 471-2171 (Lincoln)
www.ndbf.org

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How to Identify Telemarketing Investment Fraud



Don't Fall for Their Line!

We are your regulators and advocates in banking and finance. Call us when you need us.



NEBRASKA DEPARTMENT OF BANKING AND FINANCE
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WHY TELEMARKETING INVESTMENT FRAUD WORKS

It is hard to tell if a caller is legitimate. Good salespeople are convincing and so are crooks. You can't tell by the tone of someone's voice if the call is legitimate.

It is hard to hang up. Many people feel that it's impolite to hang up on callers. Swindlers know how to control the conversation, either by pretending to be very friendly or by using bullying tactics.

We all want to believe. Who doesn't want to strike it rich on an investment? People want to believe that it's their lucky day, and may react with anger or suspicion when friends or family question their optimism.



IDENTIFYING TELEMARKETING INVESTMENT FRAUD

The caller insists you must immediately decide or the opportunity will be gone.

Legitimate investments don't require immediate action. A good investment will still be available after you have had time to investigate the opportunity.

The caller refuses to send you written information before you commit.

Legitimate companies are always glad to send information about their offerings.

The caller claims that you can make huge profits with no risk.

There are no guaranteed securities investments. Companies offering legitimate investments must tell you about the possible risks involved. *Remember:* the higher the promised return, the greater the risk.

The caller insists that you send your payment by a private courier.

Private couriers and delivery services are used by promoters of fraudulent investment schemes to evade U.S. Postal Service authorities.

The caller offers to get back money for an up-front fee that you've lost to another scheme. State securities and law enforcement agencies don't ask for payment to help consumers get their money back. Plus, any company which asks for an up-front fee may need to be registered with the Department.

The caller claims to have a "hot tip" or inside information. Federal law prohibits trading in securities based on non-public information. *Ask yourself:* If this information is so valuable, why is it being shared with a stranger?

The caller claims the investment does not have to comply with securities laws or is unwilling to provide information on his or her registration in Nebraska. All securities sold in Nebraska, even by phone, must comply with the Securities Act of Nebraska, as do individuals selling securities or providing advice. Ask all salespersons for their Central Registration Depository number, then call the Department to check if he or she is registered, or has any disciplinary history.

THEY'RE ON THE PHONE

It's hard to hang up on people, especially when the caller sounds polite and friendly.

You wouldn't let strangers into your home or accept rides from someone you don't know.

You should handle phone calls from strangers the same way — **HANG UP!**

How Do I Respond If A Caller:

Pressures me into making a decision now?

Answer: **HANG UP**

Promises high return and little or no risk? *Answer:* **HANG UP**

Encourages using private delivery services? *Answer:* **HANG UP**

Is unwilling to send written material? *Answer:* **HANG UP**

Refers to inside information or hot tips? *Answer:* **HANG UP**

If the company isn't registered in Nebraska? *Answer:* **HANG UP**

