



Investment Scam

Scammers sometimes pretend to be investors or selling agents in chat groups, both on social media and messaging apps. They tempt you by offering false investment opportunities with quick and easy high return at low or no risk. Read through our tips below on how not to fall for these types of scams.

What to avoid:

- You may be tricked into investing your money to a micro financing or lending company to earn high profits. Scammers pay the initial returns but disappear.
- You may be convinced to recruit new investors to double your money. It may seem like you're earning from your investment but you're actually paid with funds collected from new investors. When the supply of potential investors is exhausted, payouts will stop.
- You may be promised a large sum of money, but a small upfront payment is required. After you make the payment, more fees will be asked or the person who offered the investment will simply disappear.
- Someone may contact you claiming to be a financial adviser or invite you to attend a free seminar. They'll offer investment advice and entice you to place your funds in a company that may be non-existent or unregistered.

How to identify scammers:

- They promise you high return at low or no risk and assure you that your capital is guaranteed.
- They pressure you into investing as quick as possible and tell you that it's a limited time offer.
- They offer you promissory notes or post-dated cheques as assurance.
- They bombard you with testimonials from other investors.
- They claim that they have insider information that will give you an edge.
- They give you commission if you refer new investors.

Protect yourself:

- **Be skeptical of low risk or risk-free unsolicited offers.** Investments come with risk especially those with high returns.
- **Do your own research.** Know more about the potential investment and its risks.
- **Do a background check on the company and person making the offer.** Speak to a qualified financial adviser when in doubt.
- **Ask the right questions.** If the offer is too good to be true, it probably is.