

Where to get help

Government agencies that may be able to assist

Financial Markets Authority
Phone 0800 434 566
Email questions@fma.govt.nz

Commerce Commission
Phone 0800 943 600
Email contact@comcom.govt.nz

NZ Police
Phone 111 if you are in danger
Phone 105 to report fraud

Others you may be able to talk to:

Citizens Advice Bureau
Phone 0800 367 222

Community Law
www.communitylaw.org.nz

Victim Support
Phone 0800 842 846

Church leaders

Budgeting advisory services



INVESTMENT SCAMS



New Zealand Government

A guide to investment scams:

- What they are
- What they look like
- What to do if you encounter one

What is an investment scam?

A scam is a plan to trick someone out of something valuable, usually money.

Investment scams promise a lot of money from buying and selling investments such as shares, bonds, currency and precious metals.

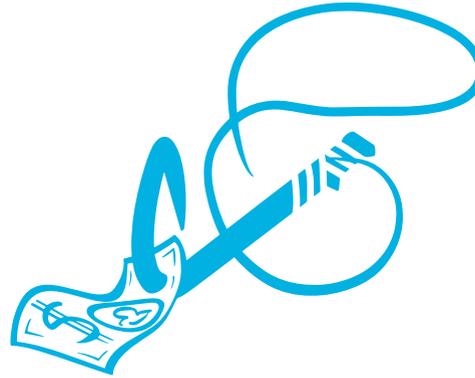
Pyramid schemes offer profits based on payments made by new recruits, and the money you get back depends on continued recruitment of new members.

Scammers can work alone or in groups. They target groups such as churches, and individuals including senior citizens. They can even be people you know and trust, from within your own community.

Scammers can be friendly but also impatient, threatening and abusive. They often keep asking for more money, but then won't pay it back easily, if at all.

In the end, they may claim the money is gone and stop all contact with you.

It can be very hard to get any money back. That's why it's important to know the signs of a scam, and what to do when you spot one.



What are some of the warning signs?

- Promises of big profits with a low risk of losing money, which is almost impossible.
- They contact you first, uninvited, to sell their investment; cold-calling this way is illegal in New Zealand.
- You're told the investment is for "a select few" or "limited time only", to pressure you.
- They don't like to provide written records of your investments or make contact by email.
- You're asked to pay by wire service, credit card or foreign bank, or into a NZ bank account with a different name.
- They are not on the Financial Service Providers Register.

What you can do

- If you haven't given them any money, stop all contact. Do NOT give them any money.
- If you have given them money, communicate by email only and ask for records and receipts. STOP paying them, even if they say you must if you want to get your money back.
- Do some digging online, eg search for their names on the FMA's Warnings & Alerts webpages.
- Look for holes in their story, eg use a "Who is" search engine to check their website registration, or "Tineye" to check their web photos.
- If you have already given money, ask for it back. Legitimate investments should be sellable within 1-2 weeks.
- Warn others. Tell family and friends. Secrecy only helps the scammers.

