

# FRAUD AMONG FRIENDS

## EXPLOITING TRUST AND FRIENDSHIP

To be successful, scam artists need to earn the trust of an influential person in a group, family, or workplace. Once they establish this bond, they use the connection to get their hands on the money of other people in the group. In some cases, they may even pay the influencer to help them out, never telling the person that the investment is really a scam.

## WHAT ARE THEY SELLING?

Most frauds of this type are Ponzi schemes – elaborate ploys where the fraudster uses money from new investors to make payments to earlier investors.

What investors see is an attractive opportunity to make money. Only the fraud artists and their associates know that the investment is really a scam. They go to great lengths to sell the product, sometimes even creating fake financial statements to convince investors that their funds are growing.

Believing their investment is successful, existing investors endorse it and convince others of its value. In the end, the supply of new investors runs out, the whole scheme collapses, and the con artist makes off with most of the money.

# REPORT INVESTMENT FRAUD



[inquiries@bcsc.bc.ca](mailto:inquiries@bcsc.bc.ca)



**604-899-6854**

**1-800-373-6393**

(toll free across Canada)

# BE FRAUD AWARE



## IDENTIFY CON ARTISTS

There are people who put themselves forward as legitimate advisors who actually want to steal your money. There are also people who try to take your money by selling you a fictitious investment product or strategy. You need to know how to identify these people to avoid falling for their scams.



### NO RISK!

There's no such thing as a guaranteed investment: the higher the returns, the higher the risk.



### PROFIT LIKE THE PROS!

These scams are pitched as opportunities known only to a select few who are said to be making a lot of money. The scam artist convinces you that he or she has access to this inside information.

**No Risk!**

Guaranteed investments with tax free **12-15%** returns!

**THIS OPPORTUNITY WON'T LAST!**

Your friends and family are talking about it and may have already profited from this money-making venture. You've heard about the results – don't get left behind!

Get insider information and profit like the pros!

ProWealthinvestor.com



### OFFSHORE, TAX FREE!

Fraudsters pitch this deal as a way to avoid paying taxes. They convince you to move your money offshore to avoid taxes, when they really want you to move it to an inaccessible offshore account. They also tell you to keep it a secret so that you don't benefit from the advice of financial advisors who might see through the scam.



### GET IN NOW!

Scam artists use this tactic to pressure you into making a quick decision. They make the offer more attractive by suggesting they have secret information about a company that the general public doesn't have.



### YOUR FRIENDS AND FAMILY CAN'T BE WRONG!

This pitch relies on the trust you place in your loved ones. Scam artists target religious, ethnic, or close-knit groups by working their way into organizations and befriending members in order to defraud them.