

## INVESTMENT SCAMS ON THE INCREASE

By John Clarke

A report recently published by the Australian Competition and Consumer Commission (ACCC) indicates that Australians continue to be vulnerable to scams, including investment scams. It also shows that scammers are increasingly using online methods to reach and take advantage of Australian investors.

According to Australian Securities and Investments Commission (ASIC) Deputy Chairman Peter Kell, social media platforms are being used more and more to lure victims into investment scams.

The ACCC report showed that online scams have increased by 130% over the previous year, and this reflects an increase in both email and social media-based scams.

"The scams reported to ASIC generally involve unsolicited phone calls or emails offering investment opportunities with attractive returns. These investment scams can come across as very professional and are often supported by sophisticated and genuine looking websites and social media advertising. If you receive an unsolicited investment offer, the best way to avoid being a victim of a scam is to hang up the phone and don't respond to emails", Mr Kell said.

There are a number of ways for consumers to check the legitimacy of a company including asking the person offering the investment questions such as:

- What is your name and what company do you represent?
- Who owns your company?



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- Does your company or scheme have an Australian Financial Services Licence or an Australian Credit Licence and what is the licence number?
- What is your address?

The answers to most of these questions can be checked via ASIC's website. If the representative can't answer these questions, hang up the phone, delete the email or stop dealing with the person.

Finally make sure you block those scammers contacting you on your social media platforms so they cannot contact you or your social communities and delete or remove adds for financial products from your social feed.