

Fraud Bingo Master Sheet - *Advanced*

- F 1 In affinity fraud, con artists often use religion or ethnic status to gain trust.
- F 2 Variable Annuities - high surrender charges & steep sales commissions to agents
- F 3 More than a dozen mutual funds are under investigation.
- F 4 Tax preparers and insurance agents must have a license to sell you securities.
- F 5 Investment fraud accounts for more dollar injury than any other telemarketing fraud.
- F 6 If it sounds too good to be true, it probably is.
- F 7 Low risk and high returns usually do not go hand in hand.
- F 8 Do your senior specialists' credentials really count?
- F 9 Is a locked account worth unlocking?
- F 10 Know your investments.
- F 11 Be careful of the V products: Viaticals and Variable Annuities.
- F 12 Do your homework and check your monthly financial statements.
- F 13 Suitability, does it fit?
- F 14 In phishing scams, emails are often sent from fake banks.
- F 15 If you become an investment fraud victim, let the authorities know.
- R 16 Early withdrawal - you may pay now and later.
- R 17 Want your money now? What are the hidden costs?
- R 18 Offshore accounts are often places where scam artists hide money.
- R 19 Keep your perspective, read your prospectus.
- R 20 Is your insurance agent also licensed to sell securities?
- R 21 Retirement account rollovers - is it necessary?
- R 22 Threats and verbal abuse are common scam artist tools.
- R 23 Read the fine print before you sign up.
- R 24 Nigerian scams - why me?
- R 25 Your securities regulator is the cop on the beat.
- R 26 Diversify your investments: Don't put all your eggs in one basket.
- R 27 Is the company or person registered to sell securities in your state?
- R 28 Use the Internet cautiously and confirm any information you gather.
- R 29 Don't get burned - make sure it's not churned.
- R 30 Be a fraud fighter - share this information with family and friends.
- A 31 Not all mutual funds are low risk investments.
- A 32 Categorize investments based on their risk levels. Then decide.
- A 33 Make sure you understand the fees and the way your adviser makes money.
- A 34 Common frauds include Prime Bank Notes and Promissory Notes.
- A 35 Financial crimes can be as devastating as violent crimes.
- A 36 Know how much risk you're willing to take and how much money you're willing to lose.
- A 37 It's your responsibility to ask the right questions.
- A 38 For free investment fraud information, call your securities regulator.
- A 39 Ponzi schemes - money paid in by later investors is used to pay earlier investors.
- A 40 Don't discuss any financial materials over the phone that you didn't request.
- A 41 Don't send money to anyone who insists on immediate payment.
- A 42 Never purchase any financial product that is described as "low risk, high yield."
- A 43 Viaticals can be legitimate, but sometimes the person doesn't pass when expected.
- A 44 Pay phone and ATM scams? Oftentimes the equipment in question doesn't even exist.

Fraud Bingo Master Sheet – *Advanced* (continued)

- A 45 Report investment scams to the Pennsylvania Securities Commission.
- U 46 Websites devoted to investing & the stock market often 'pump up' thinly traded stock
- U 47 Remember how easy it is to disguise your identity online.
- U 48 Hot tips posted online are seldom, if ever, true.
- U 49 Always take the time to do your own research using reputable information sources.
- U 50 Learn the signs of investment fraud.
- U 51 No license, no sale.
- U 52 Scam artists use Internet tools such as unsolicited email to spread false information
- U 53 Affinity fraud - "I'm like you so you can trust me" scam
- U 54 Age-old schemes include precious metals, oil drilling ventures, and pyramids.
- U 55 Realize that seminar "trainers" often are there to sell something, not teach.
- U 56 Low interest rates and rising health care costs make seniors susceptible to scams.
- U 57 Common investment scams - Oil & Gas, Mobile Billboards, Pay phones
- U 58 Natural disasters or world events breed new scams.
- U 59 Be alert when you hear "Last chance, you must act now." Hang up!
- U 60 Education and awareness are an investor's best defense against fraud.
- D 61 Churning means frequently selling investments and buying new ones.
- D 62 Hyperactivity in an account often signals churning and wins commissions for brokers.
- D 63 Look at the big picture- your objectives, tax considerations & risk tolerance.
- D 64 Obtain a free report about your broker-dealer/investment adviser.
- D 65 Educate family and friends on how to identify and act against investment fraud.
- D 66 Don't let embarrassment or fear keep you from reporting investment fraud.
- D 67 If you discover a problem with your finances, act quickly.
- D 68 Contact your local securities regulator at www.dobs.pa.gov (this replaces www.psc.state.pa.us)
- D 69 Penny stocks are a popular pump and dump scam.
- D 70 Log on to www.nasaa.org for the Senior Investor Resource Center.
- D 71 Understand the risks of viatical and life settlements.
- D 72 Senior citizens remain the number one target of investment fraud.
- D 73 There is no such thing as a "no risk" investment.
- D 74 Be careful. Recovering your money is very difficult.
- D 75 Free investment advice is worth what you paid for it.