



# KANSAS INSURANCE DEPARTMENT

*Vicki Schmidt, Commissioner*

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## **Don't let cupid's arrow pierce the pocketbook**

Topeka, Kan. – Roses are red, violets are blue; the Kansas Insurance Department has tips to financially protect you! One in ten Americans fall victim to investment fraud and Kansans have less than a 7 percent chance of recovery when it comes to investment fraud. From wine and dine to pressure claims that ‘everyone’s doing it,’ fraudsters have multiple tricks up their sleeves to lure their targets into falling in love with the idea of big investment gains. This Valentine’s Day take time to review the top lies from investment fraudsters hoping to get you to fall in love with a deal.

1. **It's not puppy love when a tradeoff is involved** - If an investment pitch involves something that feels or sounds like a favor for a favor, proceed with caution.
2. **Don't fall head-over-heels when it seems too good to be true** - Promissory terms like “risk-free investment” and “guaranteed return” are commonly used in schemes promising phantom riches.
3. **Guard your heart when they are coming on too strong** - The over embellishment of credentials is a pseudo credibility tactic of many fraudsters. If someone tries to justify an investment decision based on an embellishment of their credentials or the credentials of others it's wise to take a step back.
4. **“I'll have what they're having” can be a dish for disaster** - Pointing to the involvement of big named celebrities or a ‘it was good enough for them’ sales pitch, are both red flags for potential fraud.
5. **Watch out for marketing that wants you to say YES before you're ready-** Potential investors should pay heed to skeptical sales phrases before they enter a financial partnership. Both time and quantity-sensitive verbiage like “act now before it's too late,” “supplies are limited,” or “only a few select investors” are often associated with high pressure tactics of a fraudster.

When investing hard earn dollars, the best way to avoid being cheated on is to do your homework. If you believe you or a loved one may have been the target of a scammer's investment fraud attempt, contact the Kansas Insurance Department by calling **785-296-5203** or visiting **[insurance.kansas.gov/securities](https://insurance.kansas.gov/securities)**.

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