

NEWS RELEASE | **FOR IMMEDIATE RELEASE** | March 2, 2020

ND Securities Department Reminds Investors to Beware of Con Artists Looking to Profit from Fear and Uncertainty

Bismarck ND – In light of the ongoing developments related to the coronavirus (COVID-19) and its impact on financial markets, the Securities Department is reminding investors in North Dakota to beware of con artists seeking to capitalize on fear and uncertainty.

“We know con artists are opportunistic and use current events to cloak their schemes with an air of immediacy and legitimacy. Never make an investment decision without understanding what you are investing in, who you are doing business with, where your money is going, how it will be used, and how you can get it back,” said Securities Commissioner, Karen Tyler. “Always ask if the salesperson and the security are registered with their state securities regulator.”

Commissioner Tyler also said investors should be on the lookout for scam artists trying to use the market downturn and the coronavirus to scare investors into so-called “safer, guaranteed investments.” “If you have concerns about your retirement accounts or investments, talk to your financial professional,” Tyler said. “Avoid making decisions based on panic or fear.”

To help investors identify common telltale signs of possible investment fraud, the ND Securities Department has provided three questions to ask before making a new investment.

- First, is the investment being offered with a guaranteed high return with little or no risk? All investments carry risk that you may potentially lose some or all of your money. Anyone who says their investment offer has no risk is lying. No one can guarantee an investment return.
- Second, is there a sense of urgency or limited availability surrounding the investment? If the offer is legitimate, it will be there later. If someone offers you a “can’t miss” investment opportunity and puts you on the spot, don’t be afraid to walk away.

- Third, is the person offering the investment, and the investment itself, properly licensed or registered? For the same reasons you wouldn't go to an unlicensed doctor or dentist, you should avoid unregistered investment salespeople and their products.

"Make sure you have all the facts before you hand your money over to someone else to invest," Tyler said.

Commissioner Tyler also encourages investors to contact the ND Securities Department with any questions about the investment professional they are working with or the product being offered. The agency is available at (701) 328-2910 and online at www.nd.gov/securities.

#

For More Information Contact:

North Dakota Securities Department
Kelly Mathias | 701-328-2910
kmathias@nd.gov

Doug Burgum, Governor

Karen Tyler, Commissioner Securities Department

State Capitol | 600 E. Boulevard Ave., 5th Floor | Bismarck, ND 58505
PHONE: (701) 328-2910 | E-MAIL: ndsecurities@nd.gov

www.nd.gov/securities