



# Protect yourself against investment fraud

## Four signs of investment fraud

- 1. Promises of high returns with little or no risk** – in general, higher-risk investments offer higher potential returns, and lower-risk investments offer lower returns.
- 2. Hot tip or insider information** – the sources of “hot tips” or insider information don’t have your best interests in mind. If the tip is false, you will lose your money if you act on it. If it is really inside information about a public company, it would be illegal to act on it under insider trading laws.
- 3. Pressure to buy** – scammers frequently use high-pressure sales tactics because they want to get your money and then move on.
- 4. Not registered to sell investments** – in general, anyone selling securities or offering investment advice must be registered with their provincial securities regulator.

## Four ways to avoid investment fraud

- 1. Take the time to make an informed decision** – if the investment is legitimate, you should not have to invest on the spot.
- 2. Research to understand the risks and any fees** – make sure you know how the investment works and how it fits with your financial goals.
- 3. Get a second opinion** – from a registered financial representative, lawyer or accountant, or contact the Ontario Securities Commission (OSC) at **1-877-785-1555**.
- 4. Do a background check** – check your financial representative’s registration status with the OSC or use our online search tool at **CheckBeforeYouInvest.ca**.

Learn more at [GetSmarterAboutMoney.ca](https://www.getsmarteraboutmoney.ca)

### Ontario Securities Commission

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