

How to protect yourself against scams online

- Beware unexpected contact. Ignore unexpected phone calls, letters, emails or people knocking on your door.
- Never give out personal information, PIN codes and passwords; they can be used to steal your identity and access accounts. No legitimate company will ask for PIN codes and passwords.
- Email address. If you get an email, expand the pane at the top of the message and see exactly who it has come from. If it is a scam, the email address is often filled with random numbers or misspelled.
- Keep operating system and virus protection software up-to-date. Don't ignore updates as these often protect against new scams, viruses and ransomware. This goes for mobile devices as well.
- Make sure all accounts have a strong password. Don't use the same password for multiple accounts and change them regularly.
- Don't make any advanced payments until you are sure the company you're dealing with is legitimate.
- Use safe and secure WiFi connections and avoid public WiFi. Often 3G or 4G connections are more secure than those in restaurants etc.
- Make sure any websites you use are secure. Check to see if the web address starts with HTTPS, not just HTTP.
- Check if a firm is regulated.

What should I do if I've been scammed

- Contact the police to report the scam.
- If you've made a payment contact your bank or credit card company.
- If you've provided any personal details change your passwords and contact any providers of affected accounts.
- Monitor your finances for any suspicious activity.

Is the product an investment under IoMFSA legislation

Many different types of "investment opportunities" are marketed on the Island; not all are investments under the IoMFSA's purview. Examples includes adverts to purchase houses and apartments or invest directly into wine, art, or stamps, invitations to lend money to another person or business, often with a tempting rate of return being suggested.

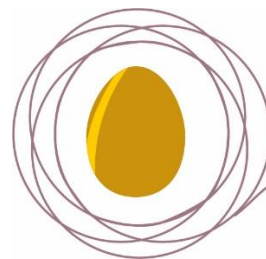
If you invest in something that is not an investment, a collective investment scheme, a deposit or something else covered by the IoMFSA framework you will not have any recourse to the Financial Services Ombudsman Scheme if things go wrong.

If you need guidance always talk to a regulated investment professional.

If it looks too good to be true –
it probably is!

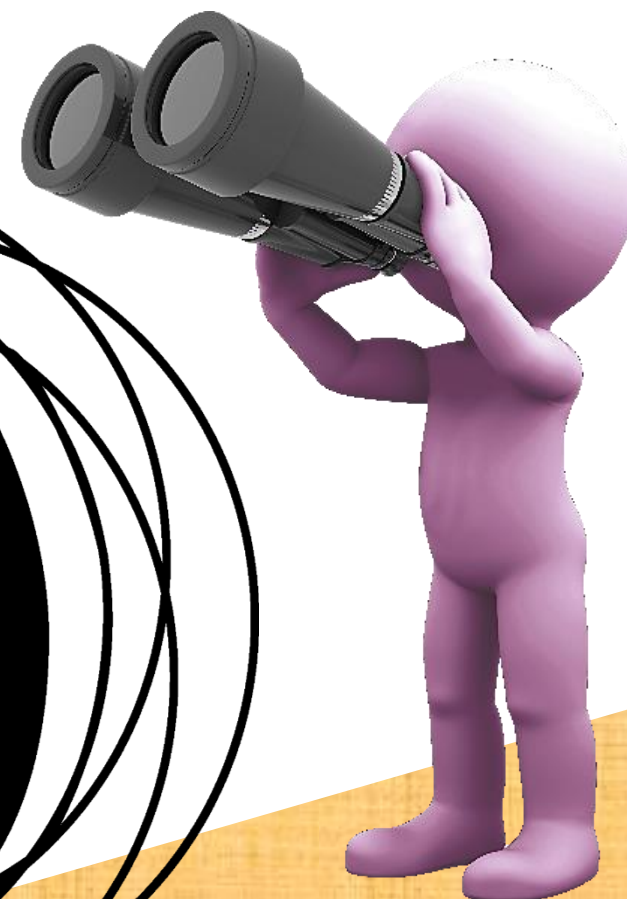


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ISLE OF MAN
INVESTMENT MATTERS

Safeguard your future



**How to
spot an
investment
scam**

Don't lose your hard-earned cash!

JARGON BUSTER

Scam/Fraud	Scams can come in many forms, but all are designed to get hold of your money. Scammers and fraudsters do this by getting you to reveal your personal details, stealing your information, or even getting you to willingly hand over the cash.
Ponzi Scheme	A type of pyramid scheme, where money from new investors is used to provide a return to previous investors. The scheme collapses when money owed to previous investors is more than the money that can be raised from new ones. Ponzi schemes always collapse eventually.
Pump and Dump	<p>A small group of informed people buy a stock before they recommend it to thousands of investors. The result is a quick spike in the price followed by an equally fast downfall. The fraudsters who bought the stock cheaply sell it at a huge profit when the price peaks. Those who bought it from them at the high price are left with a stock that is worth far less.</p> <p>Most pump and dump schemes recommend small companies that are not listed on major stock exchanges. Small companies are more volatile and it's easier to manipulate a stock when there's little or no information available about the company.</p>
Unsolicited invitations	If you're contacted out of the blue about an investment opportunity, there is a high chance that it's a high-risk investment or a scam. Scammers usually cold-call but might contact you by email, post, word of mouth or at a seminar. If you get cold-called, the safest thing to do is to hang up. If you get unexpected offers by email or text, it's best to simply ignore them.
Clone firms	Cloning - scammers may pretend to be from legitimate regulated firms. They create clone websites which look like the real firm's website, then cold-call to promote shares, property or other investment opportunities that are not-tradable, worthless, overpriced or non-existent.
High pressure sales	If an offer is legitimate you will be given time to think about whether it is right for you.
IoMFSA	The Isle of Man Financial Services Authority.

Before you invest always check if a firm is regulated

Investment firms are regulated on the Island and elsewhere – if a firm isn't it's probably a scam. You can check the IoMFSA Register to see if a firm is licensed in the Isle of Man. Always access the Register from our website, www.iomfsa.im, rather than through email links or the website of the firm. Scammers can clone regulators' websites.

If the firm is outside the Isle of Man, check with the regulator in that country and check the list of international scam warnings maintained by the International Organisation of Securities Commissions - http://www.iosco.org/investor_protection/?subsection=investor_alerts_portal

How to recognise an investment scam – Beware

Exceeding your Expectations - Scammers will tell you what you want to hear and promise high returns or very high returns (e.g. 40%). If the scam meets your desire for high returns, you are more likely to buy it. The promises must be believable or you won't buy; so scammers will talk about exciting complex investments that you are not familiar with.

Too Good to Be True - As a rule of thumb, if it sounds too good to be true, it's not true. Scammers don't just promise superior returns, they promise high returns for low risk. There are no lower risk products that produce higher returns. You have to give up the potential for higher returns if you want to reduce your exposure to risk.

Referrals - Ponzi scheme fraudsters make sure early investors have a very positive experience, even if the performance they quote is false. Then they ask for referrals to friends and family. Early investors think they are doing people they care about a favour, until the scheme collapses. No matter how much you trust the person making a referral make sure you fully consider the risks of the investment opportunity.

The Scammer is not your Friend - Scammers want you to let your guard down because if you like them, then you trust them, then you buy what they are selling. Your investment decisions should be based on facts not personalities, sales pitches and unsubstantiated claims.

The Freebie - Scammers may entice you with a free gift/ lunch/ round of golf, etc. If you accept a free offer you may feel indebted and be more open to buy what the scammer is selling. Don't accept free offers until you've made an objective, rational, prudent investment decision. If it's a scam, it might be the most expensive lunch you have ever eaten.

Random competitions - Contact about winning a competition should ring alarms, particularly if you don't remember entering it.

Quick decisions. If you are pushed into making a decision on the spot, be suspicious. Scammers don't want you to have time to think.

You worked hard to grow your savings; don't give them away!