Whether you have a little money or a lot, you may be looking for ways to “put your money to work,” and earn more. But your money could be lost if you get caught in an investment scam.

- Do not believe claims that there is no risk. There is always risk in investing, but con artists will tell you otherwise. Know the risk before you invest.

- Beware of promises that you will make big profits fast. No one can accurately predict how an investment will do. Often the investments that promise the most pay-off are also the riskiest.

- Get the details in writing. Legitimate companies will be happy to provide you with all the information you need.

- Do not agree to anything on the spot. Pressure to act immediately is a danger sign of fraud.

- Understand your investments. Do you know the difference between stocks and bonds, margin accounts and cash accounts, options and futures, mutual funds and certificates of deposit? If not, do your homework before you invest. Consider professional advice.

- Do not act on testimonials from strangers. Someone wanting to share a friendly tip about a great investment opportunity may actually be a con artist or shill trying to lure you into an investment scam.

- Be especially wary of investments in commodities. Crooks often promise that the value of investments in coins, precious metals, artwork, oil leases, gemstones, and other commodities will rise. The truth is that the value of these types of investments can go up or down significantly.

- Steer clear of “offshore investments.” These are often promoted as a way to avoid taxes. Actually, you are still liable for taxes, and the investments themselves are usually very risky.

- Be cautious about emails for investments. Almost all unsolicited emails are fraudulent.

- Take the time to check out investment offers. A good place to start is with the Wisconsin Department of Financial Institutions, Division of Securities, 800-472-4325, wdfi.org. Other resources for information to help you make wise investment decisions include: the federal Securities and Exchange Commission, 800-732-0330, sec.gov; the North American Securities Administrators Association, 202-737-0900, nasaa.org; and the National Futures Association (for investments in commodities), 800-621-3570, nfa.futures.org.

For more information or to file a complaint, visit our website or contact:

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(Information provided by the National Fraud Information Center)