

## Outsmarting Investment Fraud Program

Investment fraud accounts for billions in lost savings every year. Recent high-profile cases have drawn new public attention to the sophisticated tactics fraudsters use to con even the savviest investors out of their money and have underscored the fact that we are all at risk.

Research funded by the FINRA Investor Education Foundation shattered stereotypes when it revealed that a majority of investment fraud victims are not who you might think—they are financially knowledgeable, highly educated and self-reliant when it comes to investment decisions. Moreover, research revealed that a majority of investors ages 55 to 65 do not perceive themselves as vulnerable to investment fraud; yet many reported investment behaviors that put them at risk.

The truth is, regardless of age or circumstance, we are all at risk. Anyone with money is bound to hear from a fraudster at some point. But there are simple steps every investor can take to protect their finances before making any investment decision.

With this in mind, the FINRA Investor Education Foundation, in collaboration with AARP, state securities regulators and noted fraud and persuasion experts, developed the Outsmarting Investment Fraud program to arm investors with the tools and knowledge they need to:

- ❑ Realize they are vulnerable to financial fraud;
- ❑ Identify persuasion tactics used by fraudsters; and
- ❑ Reduce risky behaviors by asking the right questions and knowing how to verify answers.

Campaign components include:

- ❑ **Outsmarting Investment Fraud Curriculum**—This interactive presentation uses a combination of video and activities to unveil the “psychology of a scam” and helps investors recognize and resist the sophisticated tactics used by fraudsters. Developed with noted fraud experts and tested in the field, this cornerstone of the campaign has proven effective in reducing participant responses to fraudulent offers.
- ❑ **SaveAndInvest.org**—Free online information and tools—including a Fraud Risk Meter, Scam Meter and FINRA BrokerCheck—are designed to help individuals assess the everyday behaviors that may put them at risk and verify the legitimacy and licensing of investment products and professionals.
- ❑ **“Tricks of the Trade: Outsmarting Investment Fraud” DVD**—This cinema-quality DVD features insights from fraud experts and fraudsters and unveils the sophisticated persuasion tactics used by con men and women.

- **Investor Forum Events and Activities**—The FINRA Investor Education Foundation joins with partners across the country to hold investor forums and campaign events. Led by local partners, these activities provide communities with an opportunity to learn from experts in the field.

*The mission of the FINRA Investor Education Foundation is to provide underserved Americans with the knowledge, skills and tools necessary for financial success throughout life. The FINRA Foundation awards education and research grants and develops targeted programs aimed at segments of the investing public that could benefit from additional resources. Empowered by the federal government, FINRA is an independent, not-for-profit regulator of all securities firms doing business in the United States. FINRA and the FINRA Investor Education Foundation do not sell investment products, promote products or firms or offer specific investment advice.*