



Carefully check the credentials of anyone calling themselves a “Specialist” in any field.

People may call themselves “senior specialists” to give you a false sense of comfort by implying a certain level of training on issues important to those 55 plus. However, the training they receive may be nothing more than marketing and selling techniques targeting older investors. These sales people can be confusing and even deceptive.

Fraudsters impersonating senior specialists commonly target older investors through seminars. They may review your assets, and typically recommend liquidating including securities portfolios (stocks, bonds or mutual funds), to use the proceeds to purchase other, more risky products like indexed or variable annuities.

These recommendations may be viewed as providing investment advice for compensation. In such cases, the “senior specialist” would be offering investment advice as an unregistered investment adviser, which is a crime in Minnesota.

Make sure you work only with individuals licensed by the State of Minnesota. Brokers and investment advisers are licensed only after they pass rigorous standards. You can check the status of a license by going to the Minnesota Department of Commerce website’s Investment Advisor Lookup tool (mn.gov/commerce/topics/securities/investment-advisors/investment-adviser-lookup.jsp), or by calling the Department of Commerce: 651-539-1600.

Remember, an “alphabet soup” of credentials after someone’s name does not give them the authority to sell securities. In most cases, a stockbroker or any other person who wants to sell securities or advise you on investments must be licensed or registered in the State of Minnesota to do so.

Protect Your Money

Check out strangers touting strange deals. Trusting strangers is a mistake anyone can make when it comes to their personal finances. Say “no” to any investment professional who presses you to make an immediate decision, giving you no opportunity to check out the salesperson, firm, or the investment opportunity itself. Extensive background information on investment salespeople and firms is available from the Minnesota Department of Commerce.

Stay in charge of your money. Beware of anyone who suggests investing your money into something you don’t understand or who urges that you leave everything in his or her hands.

Watch out for salespeople who prey on your fears. Con artists know that you worry about either outliving your savings or seeing all of your financial resources vanish overnight as the result of a catastrophic event, such as a costly hospitalization. Fear can cloud your good judgment.

Don’t make a tragedy worse with rash financial decisions. The death or hospitalization of a spouse has many sad consequences – financial fraud shouldn’t be one of them. If you find yourself suddenly in charge of your own finances, get the facts before you make any decisions. Monitor your investments and ask tough questions. Keep an eye on the progress of your investment. Insist on regular written reports and look for signs of excessive or unauthorized trading of your funds.

Look for trouble retrieving your principal or cashing out profits. If a stockbroker, financial planner, or other individual with whom you have invested stalls you when you want to pull out your principal or profits; you have uncovered someone who wants to cheat you. Some kinds of investments have certain periods when you cannot withdraw your funds, but you must be made aware of these kinds of restrictions before you invest.