



Dear Fellow Delawarean,

When it comes to protecting our families, safeguarding our wallets, knowing our rights as victims of crime, or understanding how the law can make our communities better, information is the key. Equipped with knowledge, we can make choices that greatly reduce our risk of becoming a victim of crime or fraud, and we can learn how to get help if we're mistreated.

The mission of the Delaware Department of Justice is to protect Delawareans from harm by enforcing the law and being your advocate. We're here to help you, and also to give you the information you need to help yourself and your family. Inside this brochure, you'll find useful tips on avoiding investment fraud, what to do if you are victimized, and ways to contact the Department of Justice for further assistance. Together, we can keep Delaware safe and strong.

Beau Biden,
Attorney General

Investor Protection Unit
Delaware Department of Justice
820 North French Street, 5th Floor
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Investigate Before You Invest

Protecting Delaware's Investors



Delaware Department of Justice



**Attorney General
Joseph R. "Beau" Biden, III**

Investor Protection Unit

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Some things to look out for

- Be suspicious of investment opportunities that offer a rate of return far above the currently existing rates offered for similar investments from established financial institutions.
- It is not uncommon in fraudulent investment schemes for the perpetrators to say their investments are “low risk”, “no risk”, “guaranteed”, or “insured.”
- Most legitimate investment opportunities provide investors with a reasonable amount of time to investigate or evaluate the claims that are made. High-pressure demands for “immediate action” may indicate a scam.
- Do not invest if you don’t know who you are dealing with or cannot verify that they are legitimate.
- A requirement that the payment for a potential investment must be made in cash is a red flag. Legitimate investment offers do not generally require a cash payment.



InvestorResourceCenter.org



Your one-stop resources for informed investing!

Visit InvestorResourceCenter.org, an interactive Department of Justice website featuring video webcasts from investment experts, an investment professional background check, reporting tools for victims, investor alerts, and other resources.

Delaware Department of Justice
Attorney General Joseph R. “Beau” Biden, III



Protect Yourself From Investment Fraud



Now more than ever, it is important to be an informed investor. Before you invest your hard-earned money, be sure to ask the right questions and obtain accurate information about financial products from the investment professionals who sell them.

The Attorney General’s Investor Protection Unit recommends that investors consider the following tips before making an investment decision:

Remember the ABC’s of investing:

Ask questions.

- Ask the person pitching the investment how they are paid. Think: Are they acting in your best interest or their own?
- Ask a trusted family member, friend, or financial adviser what they think about the investment.

Be wary.

- If an investment sounds too good to be true (e.g., guaranteed returns), it probably is.

Check it out.

- Research the proposed investment. Find out whatever you can about the company or organization that is selling the product.
- Search reliable sources on the Internet for information about the company or organization, including the SEC’s website at www.sec.gov.
- Call the Attorney General’s Investor Protection Unit and ask if they have information about the investment or the salesperson.
- If information about the product or its seller is limited or nonexistent, pass it by.

Attorney General’s
Investor Protection
Hotline
(302) 577-8424

Investor Protection
webpage
[www.state.de.us/
securities](http://www.state.de.us/securities)

The Attorney General’s Investor Protection Unit protects consumers by conducting educational, investigative and enforcement efforts to encourage sound investing and enforce securities laws.

Before you invest

Ask yourself the following questions:

1. Is the security registered with the state or another federal regulatory agency?
2. Does the investment meet my financial goals?
3. Are the claims made about the investment realistic?
4. Do I understand and accept the risks involved?
5. Is the investment part of a balanced portfolio?
6. Can I sell the investment when I want to?
7. Do I understand the withdrawal conditions?
8. Has the seller provided me with information that fully explains the investment?
9. Have I read and understood the information I have received about the investment?

