

ALABAMA SECURITIES COMMISSION

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Don't Let Fraudsters Clean Out Your Wallet This Spring

Montgomery, Alabama (March 10, 2023) – According to the recently released Federal Trade Commission (FTC) Consumer Sentinel Network report, consumers lost \$8.8 billion to fraud in 2022. Residents of Alabama lost \$53.9 million in scams perpetrated across the state. In recognition of Consumer Protection Week, the Alabama Securities Commission (ASC) is providing tips to help Alabamians protect their wallets from fraudsters.

“When a victim is defrauded, the loss is more than monetary. It impacts their physical, mental, and emotional health,” said ASC Chief Deputy Director Amanda Senn. “The ASC strives daily to protect investors from ever experiencing the life-altering consequences of losing money in an investment scam.”

The 2022 FTC report shows that investment-related fraud is the fourth most commonly reported scam. Consumers lost \$3.8 billion in investment-related frauds, the highest among all fraud categories. According to the report, 77% of individuals targeted lost money to a con artist- the highest percentage of all categories. Investment-related scams also account for the highest average loss at \$5,000.

The most popular contact method used by fraudsters continues to be by text and phone call. Ditch the urge to prank or chat with scam callers. Senn says it is best to ignore anything from an unknown number to combat the proliferation of scam calls.

“Even if the number appears to be from your area code, let it go to voicemail,” said Senn. “Fraudsters can utilize technology to make it look like they are calling from a local number. When in all likelihood, they are based somewhere overseas.”

Scammers also use the internet and social media to entice and meet victims. When using a platform's chat function, be careful about striking up a conversation or romance with someone you've never met in person. A quick profession of love, grammatical errors, requests or demands for cash “for an emergency”, or plane tickets, are all tactics fraudsters use to get you to fork over your hard-earned cash.

If you are concerned that you gave a con artist personal banking information, look at your most recent statement to get the contact information for your bank/credit card company and notify them immediately. Remember, a bank or credit card company will not ask you to verify your account information in full.

Another key component of protecting your finances is to review your annual free credit report from one of the three nationwide credit reporting companies: Equifax, Experian, and TransUnion.

Below is a short list of contacts for reporting fraud:

Alabama Securities Commission for investment fraud at **1-800-222-1253**

Federal Trade Commission for phone, email, computer support, imposter, fake checks, student loan or scholarship, and sweepstake scams at **1-877- 382-4357**

Alabama Attorney General for identity theft and consumer complaints **1-800-392-5658**

Internet Crime Complaint Center for internet fraud online at <https://www.ic3.gov/Home/ComplaintChoice>

Social Security for scams involving the Social Security online at <https://secure.ssa.gov/ipff/home>

IRS for scams involving the IRS by calling **1-800-366-4484**

Better Business Bureau for business scams in your local area online at <https://www.bbb.org/scamtracker>

Local Police Department if a crime has been committed.

Stay vigilant when conducting business online. Technology is giving fraudsters platforms to target individuals with finesse and precision. If you are suspicious about an online investment or financial opportunity, do your research before providing money and personal information. The best way to research an investment opportunity is to ensure that the product is registered, and the individual is licensed to sell investment products in Alabama. You can call the ASC at 1-800-222-1253 and request a background check on the individual making the offer. Always check before giving your personal information to someone so that you can protect your hard-earned money.

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For further information, contact 1-800-222-1253 and ask for Public Affairs.

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