

ALABAMA SECURITIES COMMISSION

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Investor Alert: Beware of the “Gold Bar” Scam

Montgomery, Alabama (August 20, 2025) – The Alabama Securities Commission (ASC) is issuing a warning to Alabama residents about the “Gold Bar” scam that is rapidly spreading across the nation. The “Gold Bar” scam involves fraudsters impersonating government officials who convince victims to purchase gold bars to supposedly protect their nest egg. This scam involves contact from someone claiming to be a government official, often associated with a treasury department, who convinces the victim to convert money held in financial accounts into gold bars in order to “protect their nest egg.” The fraudster claims that the victim’s financial institution isn’t safe, and that physical gold is the only way to protect the assets. Once the victims agree to convert their funds to gold, the fraudsters either appear at the victim’s front door or arrange for the victim to meet them at a nearby location. The ASC urges the public to stay alert, informed, and safe. Do not become the next victim of this scam.

More generally, the scam goes like this: victims are contacted through text, email, or phone call and told their financial accounts are at risk of being compromised for various reasons, including that the accounts were subject to a cyberattack or are being used for illegal activity and must be closed. Victims are advised to empty the account, purchase the gold bars, and then deliver them over to the “government official.” For those unable or unwilling to purchase the gold themselves, the fraudster will offer and even insist on making the purchase for them. Sometimes this includes giving the “government official” remote access to your electronic devices. Victims are scared into believing that converting their assets to gold and storing it with the government via the scammer “government official” is necessary in order to protect their assets. This is positively and always a scam. It has already caused millions of dollars in losses to Alabama investors and others across the country.

“It is disgusting that these criminals are using fear and a false sense of urgency to pressure victims into making devastating financial decisions. Even more horrifying is the reality that they are in our communities and facilitating these crimes in person,” said ASC Director Amanda Senn.

This makes the “Gold Bar” scam one of the most dangerous scams that the ASC has ever seen. Please ignore and avoid communication from strangers and run as fast as you can from requests involving you parting with your money. The sad truth is that the internet is not safe, and it can be viewed as a paradise for scam artists. Exercise the most extreme caution when using it.

As an additional precaution, the ASC emphasizes that government officials will never contact you and demand payment using gold bars. To stay safe:

- **Be cautious of someone contacting you and claiming to be a government official.** The imposter scam is the most common scam reported to the FTC during 2024. Government officials will never threaten you or demand that you make a payment using cryptocurrency, gift cards, or gold. If you need to communicate with a government agency, look up the contact information yourself, verify that you have not been directed to a scam site, and only then contact the agency using the information provided on their official website. Never share your home address with strangers who contact you.
- **A government official will never give you a top-secret password.** Some victims are given a supposedly top-secret password and instructed to give assets to a person who provides them with the password. This is always a scam.

- **Never click on suspicious links or respond to unsolicited messages.** If you receive an email or text from an unknown sender (even if the details appear accurate), do not respond, and do not click on any links or attachments found in that email. You could unknowingly download malicious software.
- **Never give out your personal and financial information.** Do not share personal and financial information with strangers. Steer clear of communication and calls from strangers.

Those seeking employment might be tempted to accept positions as a driver or courier from these scammers. This is part of the scam, to use outsiders- referred to as “money mules”- to help facilitate the crime. Be very skeptical about these employment offers. Research a company thoroughly before agreeing to become involved in any “employment” of unusual activity.

The ASC cautions Alabamians to remain cautious and informed. Contact the ASC to report suspected fraud, inappropriate securities business practices, or to obtain consumer information. Free investor education and fraud prevention materials are available at www.asc.alabama.gov or by calling the ASC at 1-800-222-1253.

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