

Does your investment opportunity sound too good to be true? It just might be.

RECOGNIZE IT

We've all seen investment ads that guarantee high returns and promise to give us a life of luxury and dreams of easy retirement. While many advertisements touting investments are legitimate, some ads provide misleading information to the public regarding potential investment opportunities. These can include: newspapers, television or radio ads as well as paid "advertorials", billboards and information displayed at tradeshow booths.

CHECK IT OUT

Protect yourself from misleading investment advertising by using this checklist:

- **Watch for promises of guaranteed high-return, low-risk investment opportunities.** The higher the return, the higher the level of risk. Always question above-average growth involving little or no risk.
- **Be aware of frequent use of financial jargon.** Use of sophisticated language can convince investors that the people behind the opportunity are professional, knowledgeable and experienced.
- **Don't be drawn in by affluent lifestyle or wealth images.** The ad may show a vacation spot, or luxurious items to interest you in getting rich quick.
- **Be suspicious of free seminars or free gifts.** The promise of free incentives in an ad can make you pick up the phone to find out more. Avoid the temptation.
- **Note the red flags when you see references to tax-free or "offshore."** These are effective attention-grabbers, but are often misleading. The company may even go so far as to set up a toll-free number or website where investors can go for more information. If in doubt, check it out.
- **Research advertised investment opportunities** to lessen the risk of falling victim to a scam. Do a background check to investigate the company's history.
- **Contact your provincial securities regulator** to see if the company or individual selling the investment has any enforcement decisions or upcoming hearings that you'd want to know about.

PREVENT IT

Take time to check first. If you believe you or someone you know has been a victim of misleading investment advertising, report it to help yourself and others. Contact the Alberta Securities Commission at 1-877-355-4488 or email inquiries@asc.ca to discuss a course of action.