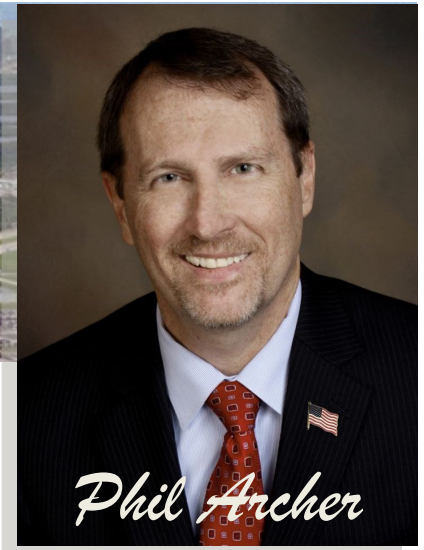




State Attorney
18th Judicial Circuit
Brevard and Seminole County



The Monthly Brief

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INVESTMENT FRAUD



Investment fraud can take many forms, but all prey on the desire to make money without much risk. It can sometimes take years to realize you've been scammed. Even savvy investors fall for investment scams.

In basic versions of the con, the scammer convinces you to "invest" in a project, company, loan, or other initiative. You may be shown reports that the project is producing great returns. But when you try to withdraw your money, it turns out the investment never existed.

Another common investment fraud is a pyramid scheme or Ponzi scheme. You buy in not based on sales of a product, but on bringing in more people to invest. Unable to sustain returns, the pyramid collapses.

- Be wary of terms like "guaranteed" to do well, or that offers low or no risk with a high return.
- Investments are regulated by the SEC or other investment industry regulators. Check licensing for the sellers.
- High-pressure sales tactics, opportunity meetings, success stories, and selling to a shared connection like ethnicity, church, profession, are all warning signs.
- Chain letters or emails that ask you to send money or other items in the mail with a promise of a return gift or payment are illegal in the US and Canada.

Learn more about [how to spot and avoid fraud](#), and check out the [Fighting Fraud 101 brochure](#).

Get more investment fraud tips and info [directly from the BBB](#) *BBB, Save&Invest.org

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Unemployment Benefit Fraud

The FBI has seen a spike in fraudulent unemployment insurance claims related to the ongoing COVID-19 pandemic and involving the use of stolen personally identifiable information (PII). From data hacks to phishing emails, even social media posts, crooks can obtain PII needed to file for unemployment benefits. They get the cash and come tax time; you get the bill for income you never received.

Victims become aware of the theft when they file for unemployment or receive a 1099G income notice from the IRS. According to [Terry Savage](#) the IRS says it would be the responsibility of the victim to report the fraud to the state agency that issued the 1099-G and have them issue a "zero dollar 10-99" correcting the tax record. With the number of unemployment claims filed in Florida in 2020, this would seem to be a daunting task and victims may have to seek assistance from a tax attorney.

Be on the lookout for the following suspicious activities: **Receiving** communications regarding unemployment insurance forms when you have not applied for unemployment benefits; **Unauthorized** transactions on your bank or credit card statements related to unemployment benefits; **Any fees** involved in filing or qualifying for unemployment insurance; **Unsolicited** inquiries related to unemployment benefits.

For tips on how to protect yourself, watch [this video by ABC Action News](#) and visit the [FBI's website](#)

*Source FBI, Savage Truth, ABC Action News

ROMANCE SCAMS



Loneliness and lockdowns have created the perfect scenario for scammers hoping to take advantage of singles looking for love. [According to the BBB](#), reports of romance scams are up nearly 20% over last year. In the most common form the scammer posts super attractive photos and profile details stolen from real Facebook or other accounts. They then reach out to the victim via social media or a dating app. Often they'll claim to be out of the country, or in the military stationed overseas, essentially catfish scams designed to gain the victim's trust. They claim to quickly fall in love, make plans for the future, and then ask for money needed for medical, travel or other expenses. In some cases the scammers ask for revealing photos (extortion), ask for personal info (identity theft), or send attachments that infect computers with malware. Check out this dating scam video from [ABC News 7](#).

Avoiding Romance Scams: 1) Avoid "too hot to be true" profiles; 2) Don't give out personal info; 3) Don't share financial info or send money to anyone you haven't met in person. 4) Conduct a [reverse image search](#) to see where else the person's image appears. 5) Use burner phones and email only used for dating/social media. 6) Be suspicious of anyone who won't video chat, (no Wi-fi, smart phone, camera). 7) Google search chat messages/emails to see if they are using a prepared script. 8) [Do a Background Search](#)

For more information on Romance Scams visit the [AARP](#), [US Army](#) and [Social Catfish](#) websites. Report suspected online romance scams to the [FBI's Crime Complaint Center](#) and the [Federal Trade Commission](#).

* Source BBB, FTC, AARP, ABCNews7