

Ten Red Flags of Financial Fraud

You see a swing in reported portfolio value of **more than 10%** in any account statement when you're a conservative or moderate investor.

You discover that **you cannot sell** investments you thought you could sell.

Your portfolio includes "**alternative investments**" such as limited partnerships (LPs), nontraded REITs, private placements, and interests in limited liability companies (LLCs). Many of these investments come with a prospectus, require you to sign special forms, carry high risks for investors, and pay big commissions to brokers.

You've had to formally certify that you are an "**accredited investor**".

You were advised to purchase investments **the same day** they were offered to you, without a chance to think it over, or if your advisor ever said things like "this opportunity won't last long".

You felt any sense of **rush, surprise, or pressure** to make any investment decision.

You have **investments that are not visible** on the account statements from the brokerage company. A related warning sign is if your financial adviser tells you "not to worry about it" or responds with statements not printed on the brokerage letterhead.

You've been promised returns that are **too good to be true**.
In today's market no legitimate, secure investment can guarantee an 8% return year after year. Any number above 8% deserves close scrutiny.

You are offered any investment that **just doesn't make sense** or is not understandable.

You discover that your advisors have **disclosures** on FINRA's BrokerCheck at <http://www.finra.org/Investors/ToolsCalculators/BrokerCheck>. These may include customer complaints, bankruptcy, termination from prior employers, or regulatory investigations.