



KANSAS INSURANCE DEPARTMENT

____ Vicki Schmidt, Commissioner _____

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(Anti) Fraud Friday: Test your fraud awareness with SmartInvestKS.com

Topeka, Kan. – A friend tells you he is using a new financial adviser with years of experience in the industry who promises high returns with complex, one-of-a-kind investment strategies. They have invested with him for a few months now—and have seen big gains. Now he says you are in luck—while the adviser rarely takes new clients, he has room for you. Opportunity of a lifetime? Or Ponzi scheme? Knowing how to spot the red flags of investment fraud is not always easy, and scammers prey on a targets lack of fraud awareness as one of the most reliable ways to manipulate you out of your money.

“The financial harm inflicted by investment fraud can take years to recover from, but with a little effort, you can identify common scams before you invest,” said Kansas Insurance Commissioner Vicki Schmidt. “SmartInvestKS.com, a Kansas Insurance Department resource, is there to help you identify the fundamentals of investing and reduce your risk of falling victim to investment fraud.”

As a part of its SmartInvestKS.com investor education initiative, the Office of the Securities Commissioner’s, a division of the Kansas Insurance Department, conducted a survey on investing knowledge. Of over 500 individuals, only 58 percent correctly identified the hallmarks of a Ponzi scheme. Check out these helpful tools on [SmartInvestKS.com’s Training Camp page](#) to test your knowledge and increase your investment fraud awareness:

- **Investor Knowledge Quiz.** Start off with establishing how much you know about investing and identify subjects where you might need to learn more.
- **BrokerCheck.** Use this free tool from the Financial Industry Regulatory Authority (FINRA) to verify state and federal registrations of broker dealer agents, broker dealer firms, investment adviser representatives, as well as adviser firms. You can also research any regulatory actions, including any potential disciplinary actions, on individuals or firms.
- **Scam Meter.** With four questions, the Scam Meter will give you instant feedback on a proposed investment and any possible red flags. While it cannot help you identify bad or fraudulent investments 100 percent of the time, it can provide warning signs and offer suggestions on how to further vet a proposed investment.

[SmartInvestKS.com](#) has all these tools and more investing resources from FINRA and the Securities and Exchange Commission—all in one convenient location. All investments carry risk, but you can take proactive steps to help you better identify fraud before you invest. Be sure to visit [SmartInvestKS.com](#) to learn more about investing wisely and spotting fraud.

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The Office of the Kansas Securities Commissioner, a division of the Kansas Insurance Department, regulates investment sales in Kansas--the birthplace of “Blue Sky Laws.” In 2017, the Office was merged with the Kansas Insurance Department.