

U.S. Securities and Exchange Commission Begins at 2:00 pm



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U.S. Securities and Exchange Commission

Your SEC at Work: Resources and Support for Investors and Small Businesses

The Securities and Exchange Commission is the nation's primary regulator of investments and the investment industry. In our program, led by two experienced SEC professionals, you will learn more about:

- resources the SEC has to help entrepreneurs access capital to grow their businesses;
- fundamentals of investing, including how to check out investments and investment professionals; and
- how to protect yourself from common investment scams.

Presenters:

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Senior Enforcement Counsel, Securities and Exchange Commission, Fort Worth

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Senior Exam Manager, Securities and Exchange Commission, Fort Worth

SEC Disclaimer

The SEC's Fort Worth Regional is providing this information as a service to investors. This presentation is not a statement of official SEC policy, a legal interpretation, or investment advice. The views express by the speakers are their own and not the views or the Commission or other staff members.

Overview of the SEC

Creation of the SEC

Created by Congress in 1934 following stock market crash of 1929 to:

- Restore confidence in the stock market
- Enforce securities laws



Mission of the SEC

- Protect investors
- Maintain fair, orderly, and efficient markets
- Facilitate capital formation

SEC Responsibilities

- Enact rules to maintain fair, orderly and efficient markets
- Review disclosures of public companies
- Examine broker-dealers, investment advisers and other market participants
- Enforce the federal securities laws
 - Collected \$4.3 billion from 862 enforcement actions (FY 2019)

Investment Professionals

Investment Professionals

- Broker-dealers and investment advisers can both help you with investing
- They differ in the types of services they provide and how you pay for them
- Be sure an investment professional can offer the services you want

Relationship Summary (Form CRS)

- SEC rules require broker-dealers and investment advisers to provide you a “relationship summary”
- A relationship summary must contain clearly written, meaningful, and current information about the firm and the services it offers

Relationship Summary (Form CRS)

Summarizes information about the firm including:

- Services
- Fees and costs
- Conflicts of interest
- Required standards of conduct
- Firm/representative disciplinary history

Relationship Summary (Form CRS)

- Q & A format promotes comparison of firms
- “Conversation starters” spark discussion with an investment professional
- Plain English makes it easier to understand

For more information, visit [Investor.gov/CRS](https://www.investor.gov/crs)

Protecting Against Fraud

Red Flags of Fraud

- Sounds too good to be true, such as promises of high returns with little or no risk
- Pressure to buy RIGHT NOW
- Lack of documentation, such as:
 - No public filings
 - No statements
 - No prospectus
- Unlicensed or unregistered salesperson

GUARANTEED
RETURNS!

HUGE UPSIDE,
NO RISK!

Unsolicited Offers

The salesperson or promoter approaches you, not the other way around

- **Examples:**
 - Cold call
 - Email
 - Social media
 - Radio and newsletters
 - Direct mail
 - Free dinner seminar
- **How to respond:** Ignore them, and if you don't, always do your own research



Affinity Fraud

- Affinity frauds target members of identifiable groups
- Fraudsters often are members of the group or pretend to be



Plays "Big Frank" audio from public service campaign

Groups Targeted



Includes:

Seniors/Retirees

Ethnic Communities

Military Personnel

Professional Athletes

Federal Employees

Religious Groups

Faith-Based Affinity Fraud

- A type of affinity fraud that targets members of a shared faith
- Criminals target both broad-based communities (for example, people of a specific religion) as well as smaller groups (for example, people who attend the same mosque, church, or synagogue)

Faith-Based Affinity Fraud

- While it may be hard to believe someone who shares your beliefs and values would ever try to cheat you, the losses can be devastating if they do
- Some scams even enlist leaders of a group to spread the word about the scheme. Those leaders may not realize the “investment” is actually a fraud, which means they too may be victims

Faith-Based Affinity Fraud

- Always “Ask and Check” even if you know the person making the investment offer through your faith-based community
- Remember: the person telling you about the investment might have been scammed

Key Things to Check For

3 key things to look for when you search an Investment Professional on **Investor.gov**:

1. If “Registered” appears in green, that person is licensed by a regulatory authority
2. If “Previously Registered” appears in gray, that person was registered in the past but currently isn't
3. If “Disclosure Reported” appears in red, that person has had a complaint, sanction or judgment filed against them. You should click “**Get Full Report**” for the details before proceeding

EDGAR

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How to Research Public Companies

Learn [how to quickly research](#) a company's operations and financial information with EDGAR search tools.

Full Text (Past 4 Years)
CIK Lookup
Confidential Treatment Orders

Guides

How to Research Public Companies
Learn [how to quickly research](#) a company's operations and financial information with EDGAR search tools.

Form Types

Review [reference versions](#) of EDGAR forms filed by companies, funds, and individuals.

Search Tools

CIK Lookup Tool
Look up the [central index key \(CIK\)](#) of an EDGAR filer. Searching by CIK is the most accurate way to view filings.

Save Your Search 
Want to get updates on new filings? Learn how to [save your search](#) by subscribing to EDGAR RSS feeds.

Other Steps to Protect Yourself

- Verify anyone claiming to be from the government (call the agency)
- Don't pay for investments with credit cards, gift cards, or wires sent overseas
- Don't speak to unknown salespeople – and if you do, never share any personal information
- Don't pay an upfront fee in order to claim proceeds, stock, or winnings

Applying for Jobs with the SEC

How do I find SEC jobs?

USAJobs

- www.usajobs.gov

SEC Website

- www.sec.gov/jobs
- <http://www.sec.gov/divisions.shtml>
-

SEC Social Media



SEC Resources

Before You Invest, **Investor.gov**



Investor.gov

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EXCHANGE COMMISSION

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Introduction to
Investing

Financial Tools &
Calculators

Protect Your
Investments

Additional
Resources

Check Out Your INVESTMENT PROFESSIONAL

Individual ▾



It's a great first step toward protecting your money.
Learn about an investment professional's background,
registration status, and more.



About Investment Professionals

Investment Products

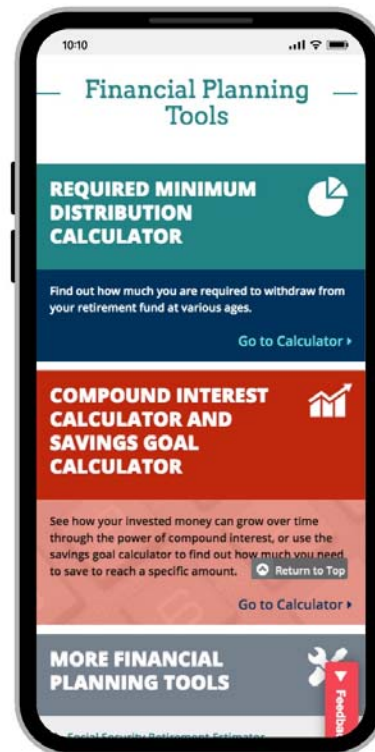
Understanding Fees

Invest For Your Goals

Financial Tools and Calculators

ICOs and other Digital Assets

Financial Planning Tools



Investor.gov Calculators

Step 1: Savings Goal

Savings Goal *

Desired final savings.

Step 2: Initial Investment

Initial Investment *

Amount of money you have readily available to invest.

Step 3: Growth Over Time

Years to Grow *

Length of time, in years, that you plan to save.

Step 4: Interest Rate

Estimated Interest Rate *

Your estimated annual interest rate.

Step 5: Compound It

Compound Frequency

Times per year that interest will be compounded.

Annually

CALCULATE

RESET

Investor Alerts and Bulletins

- Five Red Flags of Investment Fraud
- Protecting Your Online Investment Accounts from Fraud
- Robo-Advisers
- Initial Coin Offerings
- Top Tips for Selecting a Financial Professional

Let's Stay in Touch...

**Office of Investor Education and Advocacy
U.S. Securities and Exchange Commission**

Investor Assistance: 800-732-0330 | help@sec.gov



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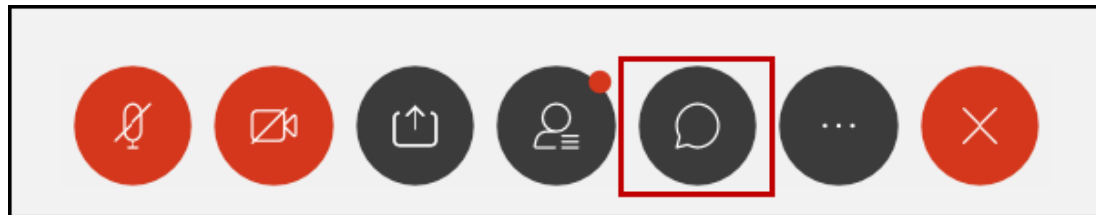


Outreach@SEC.gov

Questions?

Send your question by **Chat**:

- Open the **Chat** panel



- In the **Send To** or **To** drop-down list, select the recipient of your question
- Type your message in the **Chat** text box, then press **Enter** on your keyboard.