NEWS RELEASE
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New Mexico Regulation and Licensing Reminds Investors to Beware of Con Artists Looking to Profit from Fear and Uncertainty

SANTA FE - In light of developments related to the COVID-19, and its impact on financial markets, the Regulation and Licensing Departments Securities Division is reminding investors in New Mexico to beware of con artists seeking to capitalize on fear and uncertainty.

“We know con artists are opportunistic and use current events to cloak their schemes with an air of immediacy and legitimacy. Never make an investment decision without understanding what you are investing in, who you are doing business with, where your money is going, how it will be used, and how you can get it back,” said Superintendent Marguerite Salazar. “Always ask if the salesperson and the security are registered with their state or provincial securities regulator.”

Salazar also said investors should be on the lookout for scam artists trying to use the market downturn and the COVID-19 to scare investors into so-called “safer, guaranteed investments.” “If you have concerns about your retirement accounts or investments, talk to your financial professional,” Salazar said. “Avoid making decisions based on panic or fear.”

To help investors identify common telltale signs of possible investment fraud, the Securities Division suggests these three questions to ask before making a new investment.

• Is the investment being offered with a guaranteed high return with little or no risk? All investments carry risk that you may potentially lose some or all of your money. Anyone who says their investment offer has no risk is lying. No one can guarantee an investment return.

• Is there a sense of urgency or limited availability surrounding the investment? If the offer is legitimate, it will be there later. If someone offers you a “can’t miss” investment opportunity and puts you on the spot, don’t be afraid to walk away.

• Is the person offering the investment, and the investment itself, properly licensed or registered? For the same reasons you wouldn’t go to an unlicensed doctor or dentist, you should avoid unregistered investment salespeople and their products.
“Make sure you have all the facts before you hand your money over to someone else to invest. I also encourage investors to contact the Securities Division with any questions about the investment professional they are working with or the product being offered.” Call 1-800-704-5533, or visit redflagsnm.com.

The New Mexico Regulation and Licensing Department regulates more than 420,000 individuals and businesses in 35 industries, professions, and trades across the state. Its goal is to ensure that New Mexicans receive quality services from qualified individuals and businesses while also assuring fair and prompt administrative process.

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