Ohio | Department of Commerce

Mike DeWine, Governor
Jon Husted, Lt. Governor
Sheryl Maxfield, Director

NEWS RELEASE

For Immediate Release
May 5, 2020

Contact:
Dan Orzano, 614-644-9530
Daniel.Orzano@com.state.oh.us

Ohio Division of Securities Joins International Task Force Cracking Down on COVID-19 Investment Scams

(COLUMBUS, Ohio) – The Ohio Department of Commerce's Division of Securities announced today it has joined an international enforcement task force organized by the North American Securities Administrators Association (NASAA) to investigate criminals trying to defraud the public during the COVID-19 pandemic.

"We are proud to join our colleagues in NASAA's COVID-19 Enforcement Task Force," said Ohio Securities Commissioner Andrea Seidt. "Investment schemes related to COVID-19 are a significant threat to investors in Ohio. We are dedicated to protect Ohio investors from COVID-19 investment fraud."

The Division of Securities is a member of NASAA, the membership organization of state and provincial securities regulators in the United States, Canada and Mexico. The task force consists of state and provincial securities regulators and was formed to identify and stop potential threats to investors stemming from the COVID-19 pandemic.

Task force members are using online investigative techniques to identify websites and social media posts that may offer or promote fraudulent offerings, investment frauds, and unregistered regulated activities.

To assist in protecting investors from COVID-19 investment scams, the division encourages the public to report suspected fraudulent COVID-19 investment offers. Investors who see or suspect they fell victim to COVID-19-related investment scams can call the division's toll-free Investor Protection Hotline at 1-877-683-7841.

"Reporting suspicious COVID-19-related investment offers helps us investigate and prosecute illegal activities and protect Ohioans from falling victim to a financial fraud in these unprecedented times," Seidt said. "In addition to their standard fraud investigations, four of our division's enforcement staff members are assigned to investigate any potential COVID-19-related fraud reported to our hotline."

Investor awareness is a critical component of fighting fraud. To help investors identify common signs of possible investment fraud, Commissioner Seidt suggests asking three questions before making a new investment:

- Is the investment being offered with a guaranteed high return with little or no risk? All investments carry the risk 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 of detailed information surrounding the investment? If someone offers you a “can’t miss” investment opportunity and pressures you to invest right now, 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,” said Seidt.

# # #

The Division of Securities is part of the Ohio Department of Commerce. The department is Ohio’s chief regulatory agency, focused on promoting prosperity and protecting what matters most to Ohioans. We ensure businesses follow the laws that help them create jobs and keep Ohioans safe. To learn more about what we do, visit our website at com.ohio.gov.