



Complete Financial Planning Newsletter

IMPORTANT INFO:

- *Congratulations to Shae and Kurt, who finally gave birth to a gorgeous baby girl – Giana Sage Degenaar. Mum and Bub are doing well.*
- *As of the 1st of July 2021, the government is now making us do annual fee consent forms for all clients on an annual basis. This is on top of the Annual Fee Engagement Letter that we are required to have you sign each year to confirm you wish to remain a client of CFPs for the next 12 months.*
- *Because we use several different products, all the product providers have different fee consent forms, and all have different expectations and date requirements.*
- *This has been a huge frustration for us over the last month and no doubt will be for a little while longer while we are sorting out their different systems and requirements. So please bear with us during this time. We are very grateful to those who have been through it with us and had to sign several of the same form to get it right!*
- We have been using software called DocuSign for a few months now and finding it to be very efficient and great for our environment.
- Emma & Kathy have passed the Client Engagement Unit and are now enrolled in the Economics and Legal Context Unit (and yes, its it as thrilling as it sounds!)
- Our office hours are Monday through Friday 8.30am til 4.30pm
- ***Reminder: Please remember to let us know of any personal details that need to be updated when we contact you before your review. If there have been no changes, please also let us know that the details we hold are current.***

ARTICLE FOR THIS MONTH:

5 tips to protect yourself from being scammed

General Advice Warning:

The information in this newsletter is of a general nature. We encourage you to contact us before making any financial decisions, so we consider your personal situation and ensure the advice is right for your circumstances.

In 2020 Australians reported over 7,000 investment scams to Scamwatch, well up on the 5,000 reported in 2019. Scamwatch recorded investment scam losses of \$65.8 million but add in notifications made to other government agencies and the major banks and reported losses across 2020 soared to \$328 million. Due to embarrassment many losses go unreported so we may never know the full extent of the damage.

With a high likelihood that we will all be targeted by scammers at some stage, perhaps repeatedly, how can we identify scams and protect ourselves from losses?

1. Ignore unsolicited offers

Most investment scams start with a phone call. No matter how compelling the story told by the caller, if you haven't done anything to invite contact from an investment's promoter, it is likely to be a scam. The simple solution? Hang up early in the call. If the approach is made by e-mail, social media or text message don't click on any links and delete the message.

2. Beware of promises of large and guaranteed returns

In times of low interest rates it's hard to find a good return on lower risk investments such as term deposits and bonds. The promise of high returns, perhaps with a built in guarantee may look compelling. But the age old saying holds: if it seems too good to be true, it probably is.

Some investors are willing to put such promises to the test by making a small investment. When professional looking statements show that the promised performance is being delivered, the investor makes a much larger deposit. Not long after that the promoter seemingly disappears.

3. Research the promoter through independent and official channels

Are they based overseas? This is a big red flag. If Australian, are they (and their prospectus) registered with ASIC? Do they have an Australian Financial Services Licence? Do they appear on the list of companies you should not deal with (available at moneysmart.gov.au)? Is their street address genuine and do they have a physical office? How long have they been in business?

4. Get independent advice before investing

Even with a legitimate investment an independent assessment is a good idea. With a questionable investment it might just save you from being scammed.

5. Educate yourself

Scams are evolving all the time. Government websites moneysmart.gov.au and scamwatch.gov.au provide information on a wide range of scams and are updated as new scams appear. They also provide advice on how you can protect yourself.

What can you do if you're the victim of a scam?

You can make a report via the Scamwatch website (operated by ACCC), to ASIC and to your local police. Stop sending money to the scammer and beware of the double sting where scammers offer to help you recover your losses, for a fee, of course.

While ASIC and ACCC do not provide direct assistance to scam victims, the information can help with investigation and law enforcement, and provide intelligence on scam activity. Police may also be limited in their ability to identify and prosecute scammers, particularly if they are located overseas. The sad fact is that most victims of scams never see their money again.

Practical help is available from IDCARE. This is a free support service that can assist businesses and individuals with a range of cyber issues including identity theft, romance scams and investment scams.