

**MICHELLE LUJAN GRISHAM, GOVERNOR**

Marguerite Salazar, Superintendent

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"The Mission of the New Mexico Regulation and Licensing Department is to ensure New Mexicans receive quality care and services from qualified professionals".

SECURITIES DIVISION ANNOUNCES TOP INVESTOR THREATS FOR 2020

SANTA FE —The New Mexico Regulation and Licensing Department's Securities Division today announced the top five investment products or schemes likely to trap New Mexico's investors in the new year and recommended steps they can take to protect themselves from investment fraud.

The list was developed by surveying members of the North American Securities Administrators Association (NASAA), of which the Securities Division is a member, to identify threats investors are likely to see in 2020. The following were most frequently identified by NASAA members as the top five areas of concern for the coming year:

- Promissory Notes
- Ponzi Schemes
- Real Estate-Related Investments
- Cryptocurrency-Related Investment Products
- Social Media/Internet-Based Investment Schemes

"It is important for investors to understand what they are investing in and who they are investing with. Don't fall for promises of guaranteed high returns with little to no risk or deals pitched with a false sense of urgency or limited availability," said New Mexico Regulation and Licensing Department Superintendent Marguerite Salazar. "As you begin the New Year, make a resolution to protect your money from fraudulent investments and those who may be trying to fleece you."

Investment offers that sound "too good to be true" often share similar characteristics. The most common telltale sign of an investment scam is an offer of guaranteed high returns with no risk. All investments carry the risk that some, or all, of the invested funds could be lost. "Anyone who says their investment has no risk is lying," said Securities Division Director, Matthew Bouillon Mascareñas. "No one can guarantee an investment return. Remember if it sounds too good to be true, it usually is."

Many of the threats facing investors involve private offerings, which are exempt from federal securities registration requirements and are not sold through public stock exchanges. "Unregistered private offerings generally are high-risk investments and don't have the same investor protection requirements as investments sold through public markets," Bouillon said.

Investors should always ask if the salesperson and the investment itself are properly licensed or registered. This information can be confirmed by the Securities Division. Working with a properly licensed investment professional affords investors certain legal protections. “For the same reasons you wouldn’t go to an unlicensed doctor or dentist, you should avoid unregistered investment salespeople and their products. Anyone offering to sell a security without a license is breaking the law and should be avoided,” Bouillon said.

Information about each of the 2020 investor threats and contact information for all state and provincial securities regulators can be found on the Securities Division website at www.redflagsnm.com. The Securities Division also offers a wide range of free investor education materials and can help investors research the background of those selling or advising the purchase of an investment. The Securities Division can be reached at 1-800-704-5533.

The New Mexico Regulation and Licensing Department regulates more than 425,000 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 processes.

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