



## Beware of Dangers of a Volatile Stock Market

The District Department of Insurance, Securities and Banking (DISB) is alerting District residents to beware of scare tactics designed to pressure stock investors to resort to panic trading due to unstable and falling market prices.

Recent stock market activity has resulted in market volatility which is characterized by daily widespread up and down gyrations in individual stocks and market indexes. The resultant turbulent market activity has spawned a tense and nervous investment climate.

Senior investors may be particularly concerned with respect to shrinking retirement accounts. As a recent headline in the *Washington Post* noted: "Tumbling stocks raise fears among retirement savers." They may become prey to assertive or aggressive sales efforts by unscrupulous salesmen to revise retirement plans and investment portfolios, promoted as make-ups for recent market losses.

Sales of unregistered securities by unlicensed firms is another favorite ploy. Other promotional vehicles include so-called exotic securities, such as oil and gas drilling rights, off-shore ventures, unlisted real estate interests, and promissory notes.

Tell-tale signs that you are being targeted are calls from strangers, e-mails from unknown sources and assurances that your recent losses will be recouped by swapping into a new investment opportunity.

DISB is providing eight tips below to help District residents avoid getting caught up in an investment scam:

- Hang up on calls from people you don't know or don't have a relationship with.
- Delete, filter to junk/trash folders or mark as spam e-mails from unknown sources.
- Get assurances in writing.
- Get copies of marketing materials.
- Adopt a high level of skepticism when presented with proposals that will separate you from your money.

- Search online for independent, authoritative sources for information.
- Check the credentials of the salesperson by visiting the Financial Industry Regulatory Authority's BrokerCheck website: [brokercheck.finra.org/](http://brokercheck.finra.org/) or contact DISB.
- If you suspect the investment is a scam, report it to DISB using our complaint process at [disb.dc.gov](http://disb.dc.gov) or by phone at 202- 727-8000.

## About DISB

The mission of the District Department of Insurance, Securities and Banking, also known as DISB, is two-fold: (1) protect consumers by providing equitable, thorough, efficient, and prompt regulatory supervision of the financial services companies, firms, and individuals operating in the District of Columbia; and (2) develop and improve market conditions to attract and retain financial services firms to the District of Columbia. Visit us online at [disb.dc.gov](http://disb.dc.gov).

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