



SEC

OFFICE of INVESTOR
EDUCATION and ADVOCACY

Before You Invest, **Investor.gov**

BEWARE OF Investment Fraud

Targeting Haitian-American Communities



The SEC's Division of Enforcement has prosecuted frauds targeting Haitian-American communities:

SEC Charges Florida Resident with Operating a \$2.3 Million Ponzi Scheme Targeting Haitian-American Community

<https://www.sec.gov/litigation/litreleases/2022/lr25521.htm>

SEC Charges Florida Resident with Operating a Ponzi Scheme That Targeted Haitian-American Community

<https://www.sec.gov/litigation/litreleases/2022/lr25452.htm>

SEC Charges Adviser for Running Ponzi Scheme Targeting Haitian Community

<https://www.sec.gov/news/press-release/2019-234>

Investment fraud may target communities or groups with common ties, including based on ethnicity, nationality, religion, sexual orientation, military service, and age. These scams exploit the trust and friendship that exist within groups. Fraudsters have targeted Haitian-American communities for investment scams.

Fraudsters may be (or pretend to be) part of the group they are trying to cheat. They may solicit victims in person or through social media. Fraudsters also may enlist group leaders, who may not know the investment is a scam and may recruit other members.

Never make an investment based solely on the recommendation of a member of a group to which you belong. Research the background of the person selling the investment and the investment itself, even if someone you trust brought the investment opportunity to your attention. The person telling you about the investment may have been fooled into believing that the investment is legitimate when it is not.

3 Tips for Avoiding Investment Fraud

- 1 Type the name of the person selling an investment into the search tool on [Investor.gov](https://www.investor.gov). Confirm whether the person is currently registered or licensed, and find out if the person has any disciplinary history.
- 2 Carefully review all materials about the investment opportunity, ask questions, and use the SEC's [EDGAR](https://www.edgar.gov) database to research the investment.
- 3 Be wary of any investment that promises high investment returns with little or no risk. High guaranteed returns are a red flag of investment fraud.

The SEC's Office of Investor Education and Advocacy is providing this information as a service to investors. This is not a statement of official SEC policy or a legal interpretation. If you have questions about the meaning or application of a particular law or rule, please consult with a lawyer who specializes in securities law.