

Investment Fraud Script

Speaker: We are about to listen in on a telephone conversation between a boiler-room scam artist and a potential investor. The swindler is lying. The question is, will the potential victim or "mooch" fall for the phone pitch?

Swindler: Hello, is this Mrs. Johnson? My name is Tim Thayer. My friends call me Tim and that's what I want you to do. I'm calling today to offer you the opportunity of a lifetime. Do you have a minute to hear how you can make a lot of money in a few short months?

Mooch: Well, I guess so. What's up?

Swindler: I am with the International Mining Company and for a limited time we are selling investment units in high-yield gold and silver mines in southern Texas. We guarantee that for each \$1,000 you invest you will receive a \$3,000 return on your money in just six months and there is no risk of loss whatsoever. Sound good?

Mooch: I don't know enough about gold and silver mining to invest.

Swindler: I understand, Mrs. Johnson, and I appreciate your concern. However, you probably don't know how to build a car—and neither do I—but that wouldn't keep us from investing in General Motors or Ford stock if we knew we would earn a lot of money. Doesn't it make sense, Mrs. Johnson, to just look at the return on your investment and leave the mining to us?

Mooch: I just don't know. My money is doing just fine in CDs.

Swindler: The truth, Mrs. Johnson, is that CDs are for suckers. The same goes for savings deposits, Treasury bills, municipals, and blue-chip stocks. You keep your money there earning its pitiful 3 to 6 percent a year and you can take it from me, Mrs. Johnson: The rich will stay rich and the poor—including you—will stay poor. What I'm talking about is putting an end to that. This is your chance to break out of the pack, move up to the big time, and take care of your future needs. Probably the hardest thing to do, Mrs. Johnson, is to make a decision. But let's face it, only the doers achieve success—because they reach out and grasp the opportunity. If you don't do anything, nothing gets done! Right?

Mooch: I have to think this one over.

Swindler: Our information is very clear or I haven't done my job. I have plenty of research information to help you make an intelligent decision. If you are a serious investor, you can check everything out. Our company has business offices throughout the United States, Europe, and the Pacific Rim. We enjoy an international reputation for good management. As a matter of fact, the Securities and Exchange Commission recently listed our company as the #1 investment company in safety and yield over the next 10 years. So, can you make a decision to invest today?

Mooch: I still need more information.

Swindler: Fine, Mrs. Johnson. I'll send all the information you need about our company and its highly trained mining engineers. This is no secret silver mine. We have mountains of research reports if you care to read and study them. Oh, by the way, Mrs. Johnson, you do have the cash available to take advantage of this investment opportunity, don't you?

Mooch: Yes, I have the money and it sounds like a good investment. I'd sure like to get that kind of return on my money, but it just sounds too good to be true. Will you put the guarantee in writing?

Swindler: This company is solid. You saw what happened to the savings and loan industry. And now the banks are in trouble. I wouldn't keep my money in any bank these days. Be safe. Put your money with us. How many units are you prepared to buy today?

Mooch: Oh, I'm not sure.

Swindler: Let me help you make the decision, Mrs. Johnson. A \$10,000 investment today will yield \$30,000 in just six months. What do you say?

Mooch: Let me think about it for a couple of days.

Swindler: Look, Mrs. Johnson, the deal is for today only. The opportunity will be gone tomorrow. You're not a procrastinator, are you? A courier will be at your house by 3:00 today. Just have your check or cash for \$10,000 ready. You won't regret it.

Mooch: You sound honest, and the investment sounds good. I'll have my check ready today at 3 o'clock.

Conclusion 1:

Narrator: The mooch gave the swindler \$10,000 of hard-earned savings, and never heard from the con artist or saw her money again.

Mrs. Johnson was too embarrassed to tell anyone for days. By the time she told the authorities, the swindler had moved on to take money from a new set of people who trust too much. They let greed or fear distort their common sense.

Second Ending:

Swindler: Look, I can tell that you're a person that likes to put your money to work. You obviously are a savvy investor. You recognize a good investment when you see one. You will not be sorry. I guarantee it.

Mooch: As soon as I get your printed information I will discuss it with my financial advisor and my family. And by the way, Mr. Thayer, where did you say you are located? I need your address and the phone number of the headquarters office.

Swindler: You don't need to bother with all that information. Just trust me. Listen, Mrs.

Johnson, this opportunity may be gone tomorrow. Units are selling fast. Shall I have a courier stop by your house today and pick up your check?

Mooch: Just send the information. I want to contact the nearest Better Business Bureau and the Attorney General office. I like to check these things out, you know.

Swindler: Have a pencil handy? I can give you the number of the International Better Business Bureau. It's 1-800-999-9999. Check us out. I'll call you back in an hour.

Conclusion 2:

Narrator: The 800 number turned out to be a fraud, too. The person who answered the phone was hired by the National Mining Company to say nice things about the gold and silver mine investment.

Mrs. Johnson did not invest, but rather reported the fraudulent telephone call to the Attorney General's office. Local newspapers, radio, and TV newscasts picked up the story and warned others of the fraud.

The telemarketing scam moved on the next victim. Mooches are plentiful and swindlers are difficult to catch. Caveat emptor—buyer beware.