

# Dubious financial service providers

**Brazen financial service providers tempt customers looking to invest with promises of high yields. But such seemingly large profits come with high risks. And sometimes even involve illegal schemes.**

## How to protect yourself against dubious financial service providers:

(inspired by the [“Ten tips for protecting yourself against unscrupulous providers”](https://www.finma.ch/en/finma-public/schutz-vor-anlagebetrug/kundenschutzbericht/#Zehn-Hinweise-zum-Schutz-vor-unserioesen-Anbietern) (<https://www.finma.ch/en/finma-public/schutz-vor-anlagebetrug/kundenschutzbericht/#Zehn-Hinweise-zum-Schutz-vor-unserioesen-Anbietern>) of FINMA)

- Take your time to make any decisions on where and how to invest your money. Don't let anybody pressurise you.
- Before you invest any funds, do some research on your own about provider and products, e. g. using Google. You can also use relevant Internet forums and consumer websites to do so.
- Check whether the provider holds a [FINMA authorisation](https://www.finma.ch/en/finma-public/bewilligte-institute-personen-und-produkte/) (<https://www.finma.ch/en/finma-public/bewilligte-institute-personen-und-produkte/>) or is listed on the [FINMA blacklist](https://www.finma.ch/en/finma-public/warnliste/) (<https://www.finma.ch/en/finma-public/warnliste/>) or the [IOSCO Investor Alerts Portal](https://www.iosco.org/investor_protection/?subsection=investor_alerts_portal) ([https://www.iosco.org/investor\\_protection/?subsection=investor\\_alerts\\_portal](https://www.iosco.org/investor_protection/?subsection=investor_alerts_portal)). You should also check the certificate of registration of Swiss providers under [zefix.ch](https://www.zefix.ch) (<https://www.zefix.ch>).
- For providers or offers from abroad, you should always consider who you can turn to in case of any problems.
- Compare products, yields and commissions with other providers. In case they are considerably better than those offered by institutes which have been authorised (by FINMA), you should act with caution.
- Innovative technologies and products (for instance virtual currencies) might look like exciting new opportunities, but they also harbour risks.
- You should always remember the one basic rule for investing: High yields are always linked to high risks.

It is during any low-interest period in particular that investors are sorely tempted to entrust those providers with their money which offer high yields. But the higher the yield, the higher generally the risk. Frequently, particularly attractive offers frequently have rather dubious or even illegal providers hiding behind them. The higher the profits promised then, the more thoroughly investors should check providers and their offers before deciding on any investments.

The [FINMA video “Protection against investment fraud”](https://www.finma.ch/en/dokumentation/finma-videos/schutz-vor-anlagebetrug/) (<https://www.finma.ch/en/dokumentation/finma-videos/schutz-vor-anlagebetrug/>) also provides some practical tips how you can protect yourself.

## Report dubious offers

If you discover any dubious offers, you can report them to FINMA via their [report form](https://www.finma.ch/en/finma-public/meldung-erstatten/) (<https://www.finma.ch/en/finma-public/meldung-erstatten/>). Such tips enable FINMA to uncover any financial service providers who act illegally and to take them out of business.

*Investors most frequently lose money if they entrust their funds to a company operating illegally. Illegal financial service providers are very inventive and keep developing new business models to rip off investors and steal their money.*