

SeniorALERT



ATTORNEY GENERAL OF TEXAS
GREG ABBOTT

CONSUMERS SHOULD DO THEIR HOMEWORK BEFORE INVESTING IN GOLD COINS

FOR CENTURIES GOLD has been one of the world's most popular investments. And the recent surge in the price of gold continues to make it an attractive haven. But consumers who are considering investing in gold and gold coins should study the market carefully to avoid becoming victims of high pressure and unscrupulous sales tactics.

Recently we heard from a number of consumers who spent thousands of dollars each to purchase gold coins which they were assured by the "consultants" selling them that they were a wise investment. Often these high pressure pitches were directed at seniors who would use their savings or liquidate other assets to buy coins which they were often told would double or triple in value in a very short time.

However, when some of these consumers purchased the coins and took them to independent appraisers, they were informed that they paid three times or even more the fair market value of the pieces. Many of these consumers were unsuccessful in getting refunds.

Before making any investment, especially for a large sum of money, consult a trusted individual, such as a CPA or other professional who will offer you a realistic outlook on various investment options and their expected rate of return. There are also several nonprofit associations of coin dealers, such as the American Numismatic Association at 1-800-367-9723, that can offer tips on selecting a reputable seller in your area who adheres to the association's ethics and arbitration guidelines.

Be especially wary of those who want to sell you gold insisting that you make an immediate decision and who use scare tactics or make extravagant promises about how

quickly these will rise in value. Always compare prices with several dealers before making your selection. Also, before you buy make sure you get the seller's refund and all other terms in writing. You can also contact my office or the Better Business Bureau before making your purchase to find out if there are complaints against a particular seller.

If you believe you have been the victim of an unscrupulous gold coin seller or other investment scam, you should report it to my office at 1-800-252-8011.

Sincerely,

A handwritten signature in black ink that reads "Greg Abbott". The signature is written in a cursive, flowing style.

Greg Abbott
Attorney General of Texas

WRITE TO: Greg Abbott, Office of the Attorney General
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