

COMPLIANCE ALERT



Annual Disclosure Reminder

Please remember that April 30th is the deadline for disclosing your updated ADV and Privacy Notices to clients. This may be accomplished electronically or via mail. Do not forget to include your Form CRS. Also, if you have a website, remember to update links to new versions of your updated disclosures.

Special Notice for Private Funds

If you require assistance with FORM PF, since the filing is due April 30th, we require the data as soon as possible, but no later than close of business, today, Thursday, April 28.

Beware of the Phish Scams!

There you are, minding your business, and you see an email from one of your clients. He's asking for \$20,000 wired out of his account for his daughter, Sarah's, wedding. It's to go to another account that he claims is a vendor. It seems right because you know his daughter's name Sarah and, and you know she is getting married in a few months. You've talked to on the phone about it so you know it's coming up. You and this client have also exchanged emails before. No need to bother him with a call, right?



How many times have we seen advisers fall victim to this? Too many to count! And this is old hat for scammers. They get access to a client's

account, they observe the dialogs, figure out who the players are, and delete anything right after they send it. They are getting more and more sophisticated.

This week, an article in Newsweek, discussed a scam whereby scammers mask their phone numbers to make it look like someone else's, specifically your bank's number. The scammer will send you a fraud alert

asking you if you recognize a charge. You will reply yes or no. Then, they will call from what looks like your credit card or bank's number, masking their own. They will ask you to verify your information...and it's over, they are in!



So, what's the moral of the story?

1. You don't have to like it, but you must accept the world we live in. Meaning this isn't something to be complacent about.

Of the losses reported by consumers, more than \$2.3 billion of losses reported last year were due to imposter scams—up from \$1.2 billion in 2020, while online shopping accounted for about \$392 million in reported losses from consumers—up from \$246 million in 2020.

Federal Trade Commission, February 22, 2022

2. NEVER give information or send money to someone who contacts you, no matter how convincing it seems. VERIFY first!!

3. Stay informed. Stay up to date on scams and provide training to your employees. Also, as their trusted advisor, don't be afraid to educate your clients too!

4. If you are one of our clients, you should already have policies in your manual that helps to mitigate these types of things from happening. Follow them!

Following the aforementioned could save you and your firm thousands of dollars while protecting precious information from scammers. If you should ever feel unprepared with policies or training regarding cybersecurity, Red Flag rules, and/or how to respond to identity theft, please know that we are here to help.

Contact us:

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