

# This week's Web Winners: Investment help

January 13 2009, By Reid Kanaley

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Sophisticated investors were among victims of Bernard L. Madoff's alleged \$50 billion Ponzi scheme. Avoiding financial scams must be even trickier than we thought. These sites might make it easier.

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## PONZIS AND PYRAMIDS

Maybe the Securities and Exchange Commission - which is taking heat over its failure for years to take complaints about Madoff more seriously - should have been reading its own definitions. Here are the SEC pages that describe Ponzi and pyramid schemes that masquerade as legitimate investment plans.

Ponzi:

[investor.gov/answers/ponzi.htm](http://investor.gov/answers/ponzi.htm)

Pyramid:

[investor.gov/answers/pyramid.htm](http://investor.gov/answers/pyramid.htm)

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## SCHEME AVOIDANCE

Read here on the Money Under Thirty site how to spot and avoid Ponzi,

pyramid and other financial scams. Check out an adviser's credentials; don't let your manager serve also as your broker; don't invest in anything you don't understand; and diversify. Sounds simple enough, but who's listening?

[go.philly.com/under30](http://go.philly.com/under30)

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## SAVE EGGS

This site, Save Your Nest Egg, asserts that, with few exceptions, the financial-advice industry, if not a scam, is expensive, and it suggests do-it-yourself investing. It provides a variety of resources and tools for getting started. There are links to Vanguard Inc. and MSN Money pages where questionnaires help you figure out your tolerance for financial risk.

[www.saveyournestegg.com/](http://www.saveyournestegg.com/)

Here are the Vanguard and MSN Money quiz pages:

[go.philly.com/vanguard](http://go.philly.com/vanguard)

[go.philly.com/msn](http://go.philly.com/msn)

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## PERSUASIVE CRIMES

Crimes of Persuasion is a compendium of "schemes, scams and frauds" - credit scams, talent-scout scams, missing-person hoaxes, work-at-home scams, and others - so many, in fact, that it could make you afraid to

answer the phone.

[www.crimes-of-persuasion.com/](http://www.crimes-of-persuasion.com/)

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## ANNIEBIRD'S ADVICE

The blogger "Anniebird" says the fine print of some financial advisers' paperwork may disclose their potential conflicts of interest. But a lot of people don't bother to do the reading - and their investments may suffer as a result.

[nobrokers.savingadvice.com/](http://nobrokers.savingadvice.com/)

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