

Romance Fraud — Lessons from the Tinder Swindler (Avoid Being Heartbroken & Scammed)

The new Netflix documentary “The Tinder Swindler,” alleges Simon Leviev scammed an estimated total of \$10 million by posing as a wealthy, jet-setting diamond mogul and wooing women online through dating apps. Sadly, this is becoming increasingly common leading the Canadian Securities Administrators’ (CSA) to issue a warning to the public (on Valentine’s Day) about fraudsters luring Canadians into relationships that eventually lead to investment scams.

The CSA reported that the latest data from the Canadian Anti-Fraud Centre (CAFC) showed that romance scams were the second highest reported scam in 2021 (the first being investment scams). Furthermore, the number of reported romance scams increased 24 percent year over year (1,546 in 2020 vs 1,928 in 2021) and the dollar loss for reported romance scams was more than \$64 million in 2021.

The CSA reports that fraudsters utilize a variety of techniques to defraud Canadians, including, but not limited to:

- Approaching people via dating apps, messaging apps, or other social media sites. After developing an online relationship, the fraudster brings up an “investment opportunity” and convinces the person to make an initial payment.
- Identifying a person’s friend and then taking control of the friend’s social media accounts. The suspect, posing as the friend, easily convinces the person to take advantage of the supposed investment opportunity.
- Researching their potential victims online, including reviewing their social media posts, in order to come up with a tailored strategy for each victim to maximize their chances of success.
- Convincing a person to provide remote access to his or her computer while calling with a pitch for an investment. The suspect shows the person a fraudulent investing website that promises substantial returns.
- Claiming that they will use a person’s money to buy investments, such as crypto assets, and then cut off all communication once receiving the funds.

People should be wary of any proposed investment opportunities and should always conduct their own research and contact a registered financial adviser for investment-related advice.

Additionally, the CSA further encourages investors to:

1. Be wary of unsolicited investment offers from new acquaintances or love interests. Check the CSA’s [National Registration Search](#) to see if the investment entity or individual that is offering the investment opportunity is registered with securities regulators.
2. Never send money to or invest solely on the advice of someone you meet through social media or a dating site.
3. Avoid “guarantees” of high returns with little or no risk. All investments involve some level of risk.
4. Resist the pressure to invest immediately and ignore the fear of missing out. It’s okay to say no and take the time you need to research any investment opportunity and get independent third-party advice.
5. Ask questions. If you can’t understand it nor get satisfactory answers to your questions, walk away.

If you think you have been approached with or are a victim of a romance scam consider contacting your local securities regulator: British Columbia: <http://www.bcsc.bc.ca/>; Ontario:



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If you have any questions about the CSA's recent announcement or any other matters related to this topic please contact the authors, Brigeeta Richdale or Rebecca Sim.