



## Overview

Financial and cryptocurrency investments have never been more accessible to the general public. Those seeking to invest are looking to the Internet and social media to learn how and what to put their hard-earned cash into. But with so many options and sources of information, there is a very real risk of being scammed or making ill-informed decisions.

Celebrities, influencers and speculators are increasingly endorsing and promoting investment opportunities and this can lead people into false sense of security – most are not financial advisors. Scammers also take advantage of the power of celebrity status and large social platforms, and are known to impersonate or hack the social media accounts of well-known people or organisations to draw victims into an investment scam.

There are many fraudsters who go to extreme lengths to appear legitimate, even going so far as to have 24/7 customer support mechanisms, payment portals and interactive screens showing “live” profits/losses. We have seen a number of websites that are very sophisticated and so believable that it might take weeks or even months before you realise you have been scammed.

## So, what can you do to avoid investment scams?

- Reject unsolicited investment offers – Offers may appear online through paid advertisements, on social media or you may even receive a call on the phone. Even if you initiated contact, be very cautious when dealing with large sums of money.
- Don't take social media posts about investment opportunities at face value, even if it appears to come from a person you know and trust. Use legitimate, licensed and registered investments firms.



## Considerations

It is very important that you do your own research before investing money and it's a good idea to seek impartial advice from a professional.

At the time of publication, cryptocurrency investment firms on the Isle of Man aren't regulated but should be registered with the IoM FSA for anti-money laundering oversight.

If the company you intend to invest with is based outside of the Isle of Man or United Kingdom, you should check the local laws, regulations and registers of the country the company purports to be functioning from.

- Can you confirm the identity of the organisation or person you are investing with? Keep in mind that some fraudsters will clone or appear to represent legitimate firms. If you are in any doubt about the legitimacy of an investment company or individual, don't invest.
- Don't be pressured into putting money into an investment opportunity – this can be an indicator that the investment is a scam. And remember, if it sounds too good to be true, it probably is.