



MEDIA RELEASE

(January 11, 2019)

Re: “Financial Services Commission cautions against investment scams”

Amid reports that members of the public are being invited to invest in a trading platform under an entity referred to as “The Bitcoin Wealth”, the Financial Services Commission (FSC) is again warning Barbadians to be on their guard against financial scams.

In an article recently posted on what appears to be a fake news site, a claim was made that Barbados’ Ministry of Finance had invested sums of money in the acquisition of a bitcoin startup company. The article stated that Barbados had finalised a \$500 million deal with the entity. Other articles with similar claims have allegedly also been made regarding other countries, and warnings have been issued via electronic media signifying that the purported platform and offer by this entity is a scam.

FSC’s CEO, Kester Guy, has consequently advised the public to exercise extreme caution when considering investment decisions in any type of offering. “We are aware that these type of scams will continue to surface from time to time and that with crypto currency still being a novel concept to many people, there is a lot of room for misinformation, misunderstanding and misguidance. As a regulator, we want to protect the public from that, as far as we are able to,” he said.

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... *FSC cautions against investment scams*

Guy explained that there are legitimate investment opportunities out there, and advised that people should, at the very least, do a basic search to see if and where the company is registered to do business. "Of course people want to find opportunities that offer them the best returns on their investments, but we need them to be prudent and exercise good judgment," he warned.

He further advised that the public should not solely rely on information provided by the company encouraging investment, but should consider these four common warnings of investor scam – is it promising you high returns and low risk; did you get a hot tip or insider information; are they pressing you to buy/act now; is the seller registered to sell investments?

"What we are stressing to the public, beyond and above all information presented to you, packaged in whatever form, is to check before you invest" said the chief regulator.

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About FSC:

The Financial Services Commission (FSC) is an integrated regulatory body, established on April 1, 2011 by virtue of the Financial Services Commission Act, 2010. It represents a consolidation of the regulatory and supervisory functions previously conducted by the Supervisor of Insurance and Pensions, the Securities Commission and the Co-operatives Department, insofar as it relates to credit unions. FSC is, therefore, responsible for supervising and regulating entities in the insurance, occupational pensions, credit unions and securities sectors which are licensed or registered under the following Acts of Parliament:

- *Exempt Insurance Act, Cap. 308A*
- *Insurance Act, Cap. 310*
- *Occupational Pension Benefits Act, Cap. 350B*
- *Securities Act, Cap. 318A*
- *Mutual Funds Act, Cap. 320B*
- *Co-operative Societies Act, Cap. 378A (as it relates to the supervision and regulation of credit unions)*

FSC issues guidelines, establishes standards for institutional strengthening, and seeks to increase the competitiveness of the financial services sector. In addition, FSC endeavours to promote stability, public awareness and instill public confidence in the operations of non-bank financial institutions.