



GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

**FINANCIAL INTELLIGENCE UNIT
OF TRINIDAD AND TOBAGO**
MINISTRY OF FINANCE



FIUTT REFERENCE: ADV/002/2024

ADVISORY TO THE PUBLIC ON ONLINE INVESTMENT SCAMS

The Financial Intelligence Unit of Trinidad and Tobago (“the FIUTT”) is publishing this Advisory in accordance with *Section 17(1)(b) of the Financial Intelligence Unit of Trinidad and Tobago Act, Chap. 72:01, and Regulation 26(1)(d)(ii) of the Financial Intelligence Unit of Trinidad and Tobago Regulations.*

PURPOSE OF THIS ADVISORY

The FIUTT would like to advise the public to exercise caution with online investment scams.

GENERAL INFORMATION

The FIUTT has observed a rise in cases where suspected fraudulent online investment scams are being committed. A recurring theme in impersonation schemes relating to investments is that, suspected fraudsters establish credibility by purporting to receive a high return from their investment portfolio, it has even been seen where they purport to be connected to respectable, well-known companies. These scams take-off through social media promotion such as situations where people pose as registered investment professionals and promote entry to investment platforms, via encrypted group conversations on WhatsApp and Facebook Messenger.

In other types of scams, individuals might also pose as investors and create social media posts and leave comments detailing how much money they have made, having subscribed to a particular professional, or utilising links which leads to fraudulent websites or telephone numbers directing to a WhatsApp contact. Some scammers offer fictitious investments, particularly in binary trading, forex trading or crypto asset trading strategies, which they tout as “can’t miss” opportunities.

This advisory highlights the prevalence of online investment scams that have been filed as suspicious transactions/activities reports (STRs/SARs) with the FIUTT. Persons who are not acquainted with cryptocurrency and investments products, are defrauded of their money. This advisory also highlights some red flags associated with investment scams so that persons can mitigate their risk.

Here are some patterns to be aware of and tips to help spot the fakes:

- **Scammers might involve fictitious products designed to closely resemble legitimate investments** and respond to trends in the marketplace. They take advantage of the evolving world of crypto assets to offer fraudulent investment opportunities or direct potential investors to websites that mimic legitimate crypto asset trading platforms. In some cases, victims purchase digital tokens from unlicensed local companies and are promised a link to access a trading platform. If they opt out, the tokens are repurchased at a reduced value.
- **Scammers ask victims to deposit money into their (or third parties) accounts** for online trading in cryptocurrency (bitcoin), forex and others. When the deposits are made, the scammer asks the victims to wait some hours (such as 10 hours) to see profits on the online trading application. When the victim contacts the scammer after the waiting period, the scammer then subsequently asks them to deposit more money into the scammers' account. If asked for a refund, the scammer claims that the funds were already invested and cannot be returned.
- **Victims deposit money into the scammer's account** and after the deposits are made, the scammer reaches out to the victim and tells him/her that he/she is qualified for an increased return on his investment for which the victim, will realise a higher pay-out. However, to benefit from the higher pay-out, the victim will need to transfer additional funds as a "release fee" for the pay-out.
- **Where the victim do not provide the additional funds** for the "release fee" and requests a refund of the money originally sent to the scammer, the scammer in-turn tells the victim, in order to get the refund, they must pay an additional amount to have the original funds returned.



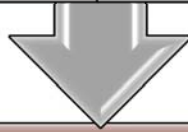
HOW THE ONLINE INVESTMENT SCAM WORKS?

Online investment scams may appear in various forms but they typically follow a similar pattern to entice you and steal your money. Here's a breakdown of how an investment scam might work:

Contact & Trust Building

Description: Scammer reaches out via social media, email, phone or even dating apps.

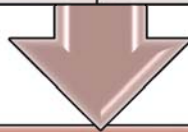
Tactic: pretends to have knowledge of investment markets, acts friendly, pretends to be successful investor/advisor/friend.



Urgency & Exclusivity

Description: Scammer presents an "exclusive" opportunity with high returns and low risk.

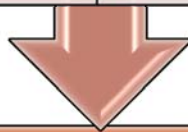
Tactic: Creates a limited-time offer to pressure quick investment.



Fake Platforms & Initial Gains

Description: Scammer directs you to a fake/unlicensed/unregistered platform showing fake growth.

Tactic: Creates professional-looking websites and/or social media profiles.



The Trap

Description: Scammers may allow initial small withdrawals to build trust.

Tactic: Makes real money withdrawal difficult/impossible (fees, stalling or no response). May show fake losses.



Leaving you Empty-Handed

Description: Disappears with your money

Tactic: YOU'RE LEFT WITH NOTHING

INVESTMENT SCAMS - RED FLAG / INDICATORS:

- ✓ **Guaranteed high returns with little risk:** Legitimate investments carry some level of risk and if something sounds too good to be true, it probably is false.
- ✓ **Pressure to invest quickly:** Fraudsters often create a sense of urgency to cloud your judgment and rush you into a decision. A legitimate investment professional will encourage you to do your research.
- ✓ **Unregistered investments:** Always check if an investment and the company and individual offering it are registered with the Trinidad and Tobago Securities and Exchange Commission (TTSEC).
- ✓ **Fake legitimacy:** Fraudsters use fake testimonials or endorsements of person on their social media pages.
- ✓ **Additional fees required:** Request for additional funds to have investment rewards released.
- ✓ **Complex investment products:** If you don't understand how the investment works, it's a major red flag.

Members of the public must exercise caution if approached by persons or entities holding out themselves as having knowledge of online investment opportunities. If you have an interest in investment products, visit the website of the TTSEC for useful information and guidance - <https://www.ttsec.org.tt>.

Financial Institutions, Non-Regulated Financial Institutions and Listed Businesses are reminded that any transaction/activity suspected to be fraudulent or related to money laundering, financing of terrorism or any other predicate offence, should be reported:

- by the immediate submission of STRs/SARs, to the FIUTT, and;
- immediately to the Fraud Squad of the Trinidad and Tobago Police Service (TTPS) at Telephone numbers: 1(868) 625-2310 or 1(868) 623-2644 or; Fraud Squad South office at 1(868) 652-8594; or by Email: Fraud.Squad@ttps.gov.tt

Dated: May 15, 2024

Financial Intelligence Unit of Trinidad and Tobago