The Virgin Islands Consortium

Lt. Gov. Potter Urges Residents To Be Wary Of Get Rich Quick Investment Scams

VIC News / **Published On September 20, 2015 11:21 AM /**

Staff September 20, 2015

ST. CROIX -- Lieutenant Governor Osbert Potter is reminding residents that fraudsters are constantly on the lookout for unsuspecting persons who they are able to extract monies from, and has made available tips that can be utilized to protect oneself from such activity.

Potter says fraudulent schemes may include newspaper advertisements promising free money, unsolicited phone calls or emails promising individuals a supposed “high-return, low-risk” opportunity, or financial seminars where high-pressure tactics are used to extract monies from investors. Red flags should be raised, for example, whenever an investment promises the avoidance of taxes or an individual is pressured to recruit family and friends to the investment opportunity.

"Members of the public are also advised that they should always check the background and registration status of persons and companies providing investment advice or offering “money-making” opportunities," Potter said. "Investment funds should never be entrusted to someone simply because that person is a friend, family member, co-worker or member of one’s church."

The press release added that any individual or entity offering investment advice or selling a financial product in the Virgin Islands must be registered with the Division of Banking and Insurance. Similarly, any financial product for sale must be registered with the Division if not subject to a valid exemption.

In brief, members of the public are urged to call the Division to verify whether any individual or firm claiming to be a broker-dealer, financial planner or investment adviser, or representative thereof, is registered in the territory, according to the release.

The Division of Banking and Insurance may be contacted at (340) 773-6459 on St. Croix and (340) 774-7166 on St. Thomas.