

# Beware of scams in binary options

[Finance](#), [Investment](#)



Betting or binary scams are fixed odd-even kind of scams made on predictions related to global events, markets (shares), assets, etc. The outcome of such betting can be in yes or no. If the outcome is as predicted by the investor, they get return on investment, or they lose the whole money. In 2018(January 3) the UK government approved binary investment but the risk is high in such investments as one loses all money a wrong prediction and hence, investment should be made through authorised firms. There are many firms offering such investment schemes which are not supported by the FSCS (Financial Services Compensation Scheme) or the FOS. One may not get back the investment amount on losing, if it is not supported by the government schemes.

How binary works?

These investment products are offered online at various prices with promises to give you exponential returns. The company offering the scheme will show a valid UK address or London office address on their website. They portray as professional investors but manipulate software and other web content to cheat investors.

How to identify and avoid investment in such scams?

Stay away from schemes offering very high returns. Invest with firms that offer schemes backed by government. Check the latest warning list or notices related to such investment on government related financial and regulatory websites.

Some such investment websites are clone of original government-backed websites and it is difficult to identify the original website from the scammed one. Ask for the reference number of the company to find out their details. Get contact information and visit the office. Call back on the numbers on website instead of answering through mails.

Be wary of offers where huge money is promised. Seek guidance from your own financial advisor instead of talking to the experts offered by the website / company, and do not be pressurized into investing such schemes, especially, those offering early-bird benefits or money-back guarantees.

To find about experts in such investments contact government links or groups that represent such advisors (e. g. Money Advise Service and PIMFA).

In case you have already invested in such schemes and you are not getting back the money as promised, report to consumer helpline number 0800 111 6768 or fill the reporting form. Those who have been scammed may get call of the fraudsters again and details of such calls can be recorded to be produced during enquiry related to scams.

One can take steps to counter potential threat or financial risks associated to calls or messages related to such deals.