[GB] Fin-fluencers face legal action for promoting unauthorised high-risk investments on social media

IRIS 2024-7:1/16

Alexandros K. Antoniou
University of Essex

In May 2024, the Financial Conduct Authority (FCA), the UK's independent regulator of the financial services industry, announced that it had brought charges against a group of reality TV stars and social media influencers for promoting unauthorised investment schemes. This case marks the first prosecution by the FCA against individuals described by the neologism "finfluencer", highlighting the growing intersection between social media influence and financial regulations. The accused, including prominent figures from popular shows like *Love Island* and *The Only Way is Essex*, have been implicated in promoting an unlicensed foreign exchange trading scheme, potentially misleading millions of their followers.

Key players and charges

Among the defendants are well-known personalities such as Lauren Goodger, Biggs Chris, and Scott Timlin. The central figure, Emmanuel Nwanze, along with Holly Thompson, allegedly ran an Instagram account (@holly_fxtrends) that provided advice on trading contracts for difference (CFDs) without the necessary FCA authorisation. CFDs are high-risk financial products allowing investors to speculate on the price movements of assets (in this case foreign currencies) and are known for their potential to incur significant losses. To increase the reach of the scheme, the FCA claims that Nwanze allegedly paid several social media influencers to promote @holly_fxtrends to their large followings.

The charges include unauthorised communications of financial promotions and violations of the Financial Services and Markets Act 2000 (FSMA). Specifically, the influencers were charged under section 21 of the act which makes it a crime to communicate in the course of business an invitation or inducement to engage in investment activity, while Nwanze (the apparent architect of the unauthorised investment scheme) faces an additional charge under section 19, namely the general prohibition against running an unauthorised investment scheme. Upon conviction, these offences are punishable by fines and/or imprisonment for up to two years. The FCA's actions are part of a broader effort to regulate financial promotions on social media and protect consumers from misleading investment advice.

Court proceedings

© European Audiovisual Observatory (Council of Europe) 2026

On 13 June 2024, the defendants appeared before Westminster Magistrates' Court, with Nwanze, Timlin and Thompson pleading not guilty. Others did not indicate their pleas, leading to a plea and trial preparation hearing scheduled for 11 July at Southwark Crown Court. The cases of some influencers were adjourned, with their hearings rescheduled. All defendants were granted unconditional bail until their next court appearance.

Regulatory implications

This prosecution underscores the FCA's commitment to addressing the rising trend of financial promotions on social media platforms. The regulator has previously warned about the dangers of CFDs, noting that 80% of investors typically lose money due to their inherent risks. The FCA has intervened in this market and implemented restrictions on how these products can be marketed to retail investors. It has also issued guidance on financial promotions on social media.

The FCA's guidance emphasises that all financial promotions, including those on social media, must comply with regulatory standards. Promotions must provide a balanced view of benefits and risks, clearly communicate relevant information, and enable consumers to make well-informed decisions. Firms working with influencers must ensure compliance with these rules, maintain appropriate monitoring systems and take responsibility for the content promoted by their affiliates. The rules apply not only to public posts but also private or invitation-only social media channels.

The financial and legal communities are closely watching this case. The complexity of the financial products and the intricate regulatory framework mean that determining compliance can be challenging. The FCA hopes that this prosecution will raise awareness over the risks of promoting high-risk investments without proper authorisation and encourage compliance with financial promotion regulations among influencers and firms alike.

The prosecution of these nine finfluencers represents a significant moment in the regulation of financial promotions, likely impacting the future management of high-risk and unauthorised financial schemes on social media. However, the regulator’s actions underscore the evolving challenges faced in the digital age and highlight broader concerns about consumer harm from influencer marketing. As social media’s influence expands, more robust regulatory oversight is essential to protect followers and consumers from potentially harmful promotions.

Finfluencers charged for promoting unauthorised trading scheme

https://www.fca.org.uk/news/press-releases/finfluencers-charged-promoting-unauthorised-trading-scheme

© European Audiovisual Observatory (Council of Europe) 2026

Reality TV stars charged over investment plugs

https://www.bbc.com/news/articles/crgyg62wn7po

Celebrity Big Brother winner pleads not guilty in Instagram "finfluencers" case

https://www.theguardian.com/uk-news/article/2024/jun/13/love-island-towie-stars-in-court-instagram-lauren-goodger-yazmin-oukhellou

© European Audiovisual Observatory (Council of Europe) 2026

© European Audiovisual Observatory (Council of Europe) 2026