

# Facebook bans ads for cryptocurrencies

January 31 2018

---



Facebook wants people to use the network "without fear of scams or deception"

Facebook says it is banning all ads related to cryptocurrencies in an effort to fight scams.

The [social media](#) giant said it is barring ads for "financial products and services that are frequently associated with misleading or deceptive

promotional practices, such as binary options, initial coin offerings and cryptocurrency."

Initial coin offerings or ICOs are a way for companies to raise funds by selling investors cryptographic assets.

Fraud is common in the world of red hot digital currencies such as bitcoin.

This week, for instance, the US Securities and Exchange Commission shut down an initial coin offering by a Texas [company](#) called AriseBank.

AriseBank was accused of relying on celebrity endorsers such as boxer Evander Holyfield and social media to cheat investors out of \$600 million of its goal of \$1 billion for a currency it called "AriseCoin."

In a blog post announcing the news, Facebook product management director Rob Leathern hinted that Facebook may modify the new policy at some point to allow bona fide crypto-related businesses to advertise again.

"We want people to continue to discover and learn about new products and services through Facebook ads without fear of scams or deception," Leathern wrote. "That said, there are many companies who are advertising binary options, ICOs and cryptocurrencies that are not currently operating in good faith."

"This policy is intentionally broad while we work to better detect deceptive and misleading advertising practices, and enforcement will begin to ramp up across our platforms including Facebook, Audience Network and Instagram. We will revisit this [policy](#) and how we enforce it as our signals improve," he added.

© 2018 AFP

Citation: Facebook bans ads for cryptocurrencies (2018, January 31) retrieved 26 April 2024 from <https://phys.org/news/2018-01-facebook-ads-cryptocurrencies.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.