

CRYPTOCURRENCY INVESTMENT FRAUD (A.K.A. “PIG BUTCHERING”)

The term “Pig Butchering” comes from a translation of a Chinese word used to explain the scammers’ practice of “fattening up” their victims (pigs) by building trust over time before “slaughtering” them and stealing their money.

HOW THE SCAMS WORK:

The scam often starts with a random text, usually something like, “Hi”, “Hello”, or “Is this Tim from the pet store?” This text is often from an unknown number. The reason for the text is to start a conversation with the potential victims.

Once the conversation has started, the scammer continues talking to the victims (much like the romance scam), but eventually the victims are given a “fantastic business opportunity!”

The business opportunity usually involves cryptocurrency. The scammer has created a fraudulent cryptocurrency price-listing website which looks legitimate (it even has daily changes which mimic the true value of the cryptocurrency in other markets).

The victims are then enticed to send money to the website thinking the money is being invested; however, it is actually linked to the scammer’s account, and the money is then lost. Usually before the money is lost, the victims actually receive small payments for their investment, which entices them to invest more money.

Once the victims ask for their money back, they are told they need to pay bills for taxes, or there is an immediate drop in the value of the cryptocurrency, which is usually a last-ditch effort to get more money from the victims.

This scam is almost always from outside the United States. The scammers just send thousands of cold calls/texts to US citizens in an attempt to start these types of conversations.

In business, and when investing money, always remember, “If it sounds too good to be true, it probably is...”

WHAT CAN BE DONE TO AVOID BEING VICTIMIZED?

- Do NOT respond to the texts from unknown phone numbers because your response lets the scammer know your phone number is a good number.
- Only invest with investment brokers you have interviewed in person and be sure to perform your due diligence.

DO NOT GIVE MONEY TO PEOPLE YOU DO NOT KNOW OR HAVE NOT SEEN!!!

BLOCK AND DELETE THESE UNKNOWN PHONE NUMBER(S)!!!