

# INVESTMENT SCAMS:

Crypto and romance schemes on the rise

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# INTRODUCTION

If you were offered the chance to triple your money in an investment in just two months, would you take it? It might be hard to say no but be beware that investment offers might be too good to be true.

Over the past three years, Better Business Bureau® (BBB) received more than 4,000 reports related to investment scams, many of which involved opportunities related to cryptocurrency or tactics.

They are used to swindle people in a new take on romance fraud, in which the scammer gets more and more money out of the victim, increasing the amounts over time.

In 2023, BBB Scam Tracker<sup>SM</sup> reports nearly reached 1,400, a three-year high. In each of those years, monetary losses rose, with the median loss hitting a high of \$4,000 last year. Social media played a large role in these types of scams, with hundreds of people now encountering scammers on their favorite networking platforms.

Investment scams change over time, but one thing stays the same: the promise of huge returns on the money given by the victim. The fake investment often creates the illusion of astronomical returns. The potential payout is used by the fraudster to extract even more money from their target.

In response to the rising link between investment and cryptocurrency scams, the [BBB Institute for Marketplace Trust<sup>SM</sup>](#) combined and upgraded these two categories into the investment scam category making it the [#1 riskiest fraud last year](#).

Financial advocates, the federal government and BBB want to curb these scams, some of which are tied to dangerous international crime syndicates organized throughout Southeast Asia.

This study examines how investment scams change over time, evolving from small schemes to large, international operations. These scams not only steal money from people but sometimes even force others to help carry them out.

## ABOUT THIS STUDY

We focus on patterns of reports from the public about scams they encountered. Through an analysis of the reports, BBB studies are intended to give consumers, businesses, news media, researchers and regulatory agencies an in-depth understanding of:

- How these scams work
- How to avoid them
- What is being done to help curb fraud
- Red flags for consumers and businesses

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# INVESTMENT SCAMS

## HOW INVESTMENT SCAMS WORK

Investment scams persist because of the desire of many to save money for short-term security and eventual retirement. Because it can take years to build up a nest egg, shortcuts to supercharge savings attract many people. Without proper care, this can be a risky path.

**BBB Institute for Marketplace Trust found that 80% of people who reported an investment scam in 2023 lost money.** Further analysis of BBB data showed losses increased annually, climbing from \$1,000 in 2021 to nearly \$6,000 in 2024, a six-fold increase. In some of the most extreme cases, consumers reported to BBB that they lost hundreds of thousands of dollars.

**Ted** in Key West, Florida, dealt with an investment scam in September 2023, when he was contacted over social media by someone calling himself Rayyan. Rayyan said he wanted to purchase a home in Ted's area and asked for help in compiling a list of properties. Ted obliged, and as the two began to talk, they got into some of Rayyan's interests which included trading cryptocurrency.

Rayyan boasted about his successes and helped Ted set up a trading account, where he deposited \$250,000 worth of legitimately bought cryptocurrency into a secondary "exchange" – another name for a cryptocurrency trading platform. What Ted didn't realize at the time was that Rayyan controlled this secondary platform, and all the figures on it were made up.

Ted watched as his account grew to more than \$2 million. Ecstatic, Ted talked with Rayyan who suggested he withdraw some of his funds, a trick by scammers meant to create a false sense of security. When Ted went to do so, he was told by the so-called exchange that there was a backlog but joining the VIP service level for another \$122,000 would allow him to get his money faster. Ted sent the money, but excuses



for why he couldn't receive his funds continued to mount. When Ted said he wouldn't put any more money into the exchange until he received his original investment and profits, Rayyan disappeared with Ted's \$250,000.

**BBB Tip: If someone offers you a guaranteed return, be wary.**

Investment scams date back to some of our [earliest recorded histories](#), making them unique in that organized societies almost always deal with financial fraud. These plots take various forms over time, but the advent of the Ponzi scheme – a fraud in which new investors are recruited to pay existing investors in a fake business or investment firm – brought investment scams into the public consciousness.

Back in the 1920s, Charles Ponzi, the eponymous founder of the scheme, promised a 50% return on investment in 90 days. His infamous scam inspired many copycats, and the hype and unrealistic promises Ponzi made lie at the heart of all modern investment schemes.

## BBB SCAM TRACKER SCAM REPORTS

YEAR	REPORTS	MEDIAN LOSS
2021	822	\$1,000
2022	1,152	\$1,500
2023	1,378	\$4,000
2024 (through June)	737	\$5,800
<b>Total</b>	<b>4,089</b>	<b>\$2,750</b>

# INVESTMENT SCAMS

**K**ave in Sheridan, Wyoming, encountered this type of claim. Kave invested over \$100,000 in a foreign currency exchange investment scheme – commonly known as Forex trading scam – because he was promised his funds would double within just a few months. When the time passed and Kave asked for his money, the scammer disappeared.

*“The impact of this Forex fraud on my family and me has been devastating, causing immense financial losses and severe mental distress,”* he said.

Total losses reported to government agencies are staggering. Since 2020, the Federal Trade Commission (FTC) recorded over \$11.5 billion in losses related to investment fraud. Reports show scams rising every year, with median losses reaching nearly \$10,000 so far in 2024. And like Kave, targets report significant emotional distress after investment scams, with effects lasting long beyond the initial fraud.

## FTC CONSUMER SENTINEL NETWORK DATA

YEAR	REPORTS	MEDIAN LOSS
2021	83,673	\$3,000
2022	107,779	\$5,000
2023	110,388	\$8,000
2024 (through June)	52,264	\$9,000

**T**he Federal Bureau of Investigations (FBI) noted a rise in these types of scams perpetrated against older targets. The [Internet Crime Complaint Center Elder Report for 2023](#) saw over 6,400 complaints from people over 60 years old. Reported losses in these cases were over \$1.2 billion.

BBB data backs up those assertions. In 2023, over a quarter of reports to BBB Scam Tracker were from

**BBB Tip: Some scammers like to target older people with access to retirement money. Watch out for those seeking access to 401(k)s and similar savings accounts.**

people older than 55 years old, and the median loss exceeded \$6,000, a six-fold increase since 2021.

**Emma Fletcher**, an FTC senior data researcher, said in an interview with the BBB that aggregate reported losses to investment fraud are far higher than any other fraud category. Those 60 and older report higher median individual losses than their younger counterparts.

*“They started to skyrocket at the end of 2020, and they continued up from there,”* she said. *“They’ve remained high since then.”*

## CANADIAN ANTI-FRAUD CENTRE INVESTMENT SCAM DATA

YEAR	REPORTS	MEDIAN LOSS
2021	3,550	\$169 million
2022	4,810	\$306 million
2023	4,213	\$317 million
2024 (through March)	1,910	\$146 million

# HOW CRYPTO RESHAPED INVESTMENT SCAMS

The explosion in popularity of cryptocurrency over the last five years pushed the once complicated technology into the public sphere. What was once considered a niche and largely philosophical idea about currency warped into a frenzied investment opportunity as popular trading platforms and banks adopted the online currency – often called tokens.

They prey on the public’s lack of knowledge about the subject, branching out into smaller, lesser-known cryptocurrencies to further cloud people’s understanding.

Because many smaller cryptocurrencies aren’t sold on big name exchanges, scammers convince targets to hand over cash to buy tokens. **David** in Fort Worth, Texas, told BBB he believed he was investing \$50,000 in a lesser-known cryptocurrency. When he sent the money to his scammer, the investment appeared to grow, but when it came time to withdraw, the fraudster said he needed to make a payment for taxes. It was then that David realized he’d been scammed.

Since 2021, nearly half of all investment scams reported to BBB Scam Tracker were cryptocurrency related. This shift prompted the BBB Institute for Marketplace Trust to begin counting investment and cryptocurrency scams under the same category, revealing the increasingly intertwined nature of the two.

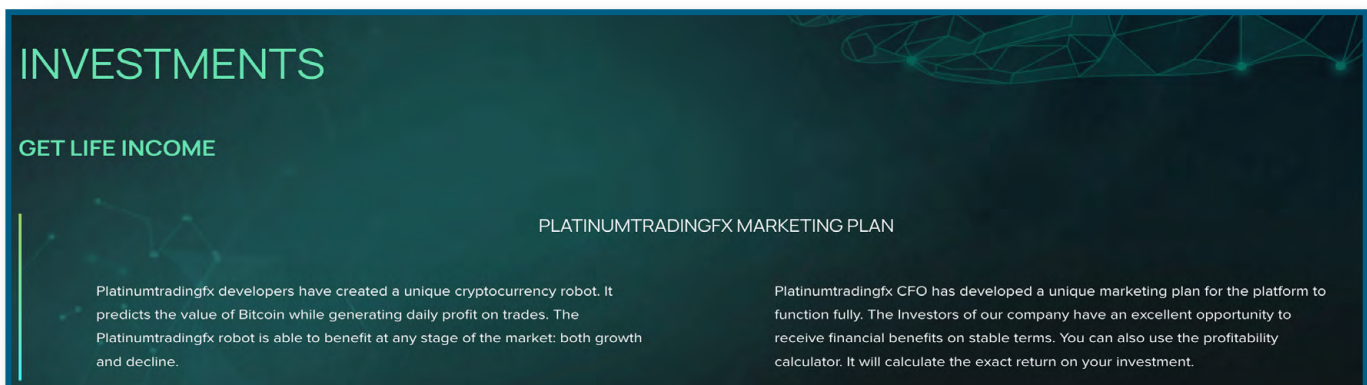
BBB has been tracking this issue in-depth for several years. [In 2022](#), it compiled a study on cryptocurrency fraud, detailing the rise in scams. That report found a lack of regulation and consumer education results in dramatic increase in fraud and financial losses.

**BBB Tip: Avoid unknown cryptocurrencies and trading platforms when deciding whether to invest.**

## BBB SCAM TRACKER CRYPTO SCAM REPORTS

YEAR	REPORTS	MEDIAN LOSS
2021	515	\$1,000
2022	690	\$1,350
2023	403	\$3,000
2024 (through March)	206	\$5,000
<b>Total</b>	<b>1,814</b>	<b>\$1,800</b>

### Fake Website 1



A scam website promises “life income”, a common claim in investment frauds.

# HOW CRYPTO RESHAPED INVESTMENT SCAMS

**S**ocial media and internet message applications are now the de facto method for scammers attempting to initiate cryptocurrency investment scams. Over 60% of reports to BBB Scam Tracker happened through a social platform.

**Jeanne** in Torrington, Connecticut, reported to BBB in April 2024 about a cryptocurrency scam she encountered on social media in 2024. Unbeknownst to her, a friend's social media account was hacked. Posing as the friend, the scammer posted publicly about a plan to learn how to trade cryptocurrency. Jeanne was interested in the concept and reached out to who she believed to be her friend, asking how to invest.

The scammer said they ran an automated trading bot – a program used to trade cryptocurrency automatically according to a user's guidelines – with guaranteed returns.

Jeanne first bought a well-known cryptocurrency through a legitimate exchange and then sent it to one run by a scammer. The account appeared to grow and grow, and eventually she wanted to withdraw some of it. The scammer, still posing as the friend, said they wanted a 20% commission, which Jeanne paid. Afterward, the scammer disappeared, and Jeanne lost \$84,000 in the process.




[The FTC issued a warning](#) about social media and investment opportunities, saying unexpected messages on social media about investing are almost always a scam.

Cryptocurrency remains largely unregulated though, and anyone looking to invest in it, even though legitimate means, faces significant financial risk.

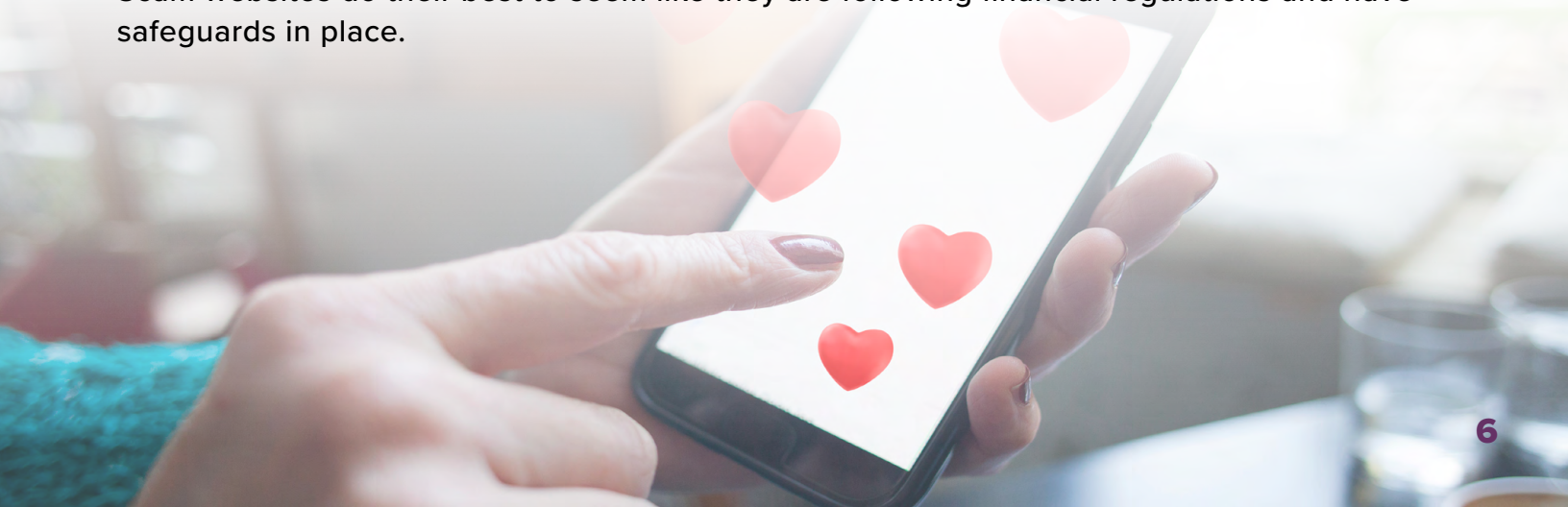
## Fake Website 2

### Check our Services

Building trust is important and to ensure you know you are protected, Fx-crypto-house has employed regulation and state-of-the-art technology for you to trade with confidence.

 <h4>Regulation</h4> <p>As a regulated broker we must maintain high levels of capitalization, transparency and reporting. Our clients' funds are segregated from our own in Tier 1 banks.</p>	 <h4>High Level Security</h4> <p>We use DDOS attack prevention, and Secure Socket Layer encryption in order to protect our assets and our client data.</p>	 <h4>We Are Global</h4> <p>Our services are provided in over 100 countries worldwide.</p>
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Scam websites do their best to seem like they are following financial regulations and have safeguards in place.



# ROMANCE FRAUD AND INVESTMENT SCAMS

One reason for the rise in investment scams is the proliferation of so-called “pig butchering” scams. Despite the term’s wide use by law enforcement and media outlets, BBB is sensitive to scam survivors and prefers not to use it. The FTC simply refers to the scams as investment or romance scams.

Traditional romance scams lure targets by feigning interest in a relationship to build trust. The fraudster often provides a story related to hardship or expresses a wish to visit their target. The scammer then asks for money and help. While this new form of the scam shares characteristics, there are key differences.

Some investment fraudsters also express romantic interest, but many strike up platonic friendships. The biggest difference is the scam hook. Instead of providing a story to manipulate their target’s emotions, the scammers pretend to be successful investment gurus who offer advice. That shift, from charity to self-improvement, makes people more likely to send money, according to experts. And scam survivors don’t just send money once, they often do it multiple times over several weeks.

**BBB Tip: Keep your guard up around any stranger who suddenly contacts you on the internet and wishes to strike up a relationship.**

More than 40 BBB Scam Tracker reports explicitly mention this new type of investment fraud, but dozens more contain telltale signs of the fraud. Interviews with scam survivors reveal many of these long-term deceptions.

The United States Institute of Peace (USIP), an independent institution established by Congress to mitigate of deadly conflict abroad, recently completed a report on investment scams. The report attempted to categorize the scope of these scams and track their origin. It found organized crime in southeast Asia played an outsized role in propping up the frauds, which stole nearly \$64 billion worldwide.

## Training Doc 1

When the Tinder number is almost created, you must set up your own character according to the character template. It's up to you to edit it, use your imagination, and communicate with your clients according to the personas you set. Talk about realism. Don't talk too fake!

**Kaye** in River Forest, Illinois, told BBB about a scam she encountered in 2024. While on a dating app, she met a man who said his name was Kees. The two began to chat and eventually moved their conversation off the platform. Once they were on WhatsApp, Kees told Kaye about his cryptocurrency investments. Over several weeks, Kaye invested over \$65,000 through a fake investment platform. When she tried to withdraw the money, the platform claimed she needed to pay for her funds to be taken out, and she knew she was scammed.

The BBB published a study on romance scams in 2018, but the fraud evolved significantly, as both investment and cryptocurrency scams gained significant traction since then.

In 2023, the BBB Institute for Marketplace Trust saw romance scams rise on its list of Riskiest Scams. The median dollar loss in these types of scams increased by 155% from the previous year, and the percentage of people who reported losing money increased 308%.

The Institute warns that “the topic of cryptocurrency comes up casually at first, with the scammer dropping hints about their own financial success. Eventually, the scammer encourages the person to try investing in cryptocurrency. It always starts small, with the scammer building trust over time.”

**Darryl** in Los Angeles, California, told BBB he was traveling through France when he matched on a dating app with a woman calling herself “Mei”.

The two talked for months and even made video calls as they got to know one another. Eventually, she brought up cryptocurrency investing as a hobby of hers and convinced Darryl to join her. When Darryl made small gains of \$20 and was able to withdraw it, he gained confidence in the platform.

The two continued to chat on the phone for months, and he invested nearly \$1,000. One day, when Darryl went to check the application he used for investing, it appeared to be down. When he contacted Mei, she rebuffed him and disappeared.

# ROMANCE FRAUD AND INVESTMENT SCAMS

Efforts to curb investment schemes are gaining steam. Several grassroots groups sprung up within the last few years to bring together scam survivors and experts. One such group, the [Global Anti-Scam Organization \(GA-SO\)](#), put together a host of resources for [those affected](#).

Some of the people involved fell for scams themselves. **Troy Gochenour**, a volunteer investigator for the organization told BBB his story.

In 2021, Troy met someone on social media. The woman said she lived in Seattle and owned a chain of clothing stores. The two talked for months before she told him about “liquidity mining,” a ruse in which smaller returns are guaranteed daily by the scammer. Gochenour said he lost \$25,000 before catching onto the fraud.

**“These scammers are not stupid. They study their targets. They study the country, events going on in the world, your economy, your state,”** he said.



**BBB Tip: “liquidity mining”, “crypto farms” and “play-to-earn” scam structures are growing in popularity, and anyone approached with an investment opportunity related to these two concepts should be wary.**

Looking for answers, he turned online and found GA-SO. The group put him to work to find the origins of these types of scams. The group found ties to organized crime in Asia, and government reports support those assertions.

USIP tracked the origin of these scams back to several southeast Asian countries, including Myanmar, Cambodia, and Laos. The fraud is not run by individuals, but by enormous, organized groups, often with the unofficial backing of governmental or high-ranking groups in the area. The report also details how many of these groups appear to be funded by individuals and groups operating and living in China.

**“The growing power and influence of these criminal networks has enabled them to establish a web of what are known as ‘scam compounds’ or ‘fraud factories’ across Southeast Asia and increasingly in other parts of the world,”** [the report states](#).

The scam survivors are not the only people affected. USIP, along with several news organizations, detailed how these scam compounds often use forced labor to perpetuate the fraud, tricking people into working and threatening them with physical and financial harm if they attempt to leave.

The problem is significant enough that the [FBI warned Americans](#) working or traveling abroad to be wary of getting caught up in work scams related to investment fraud.

**“Upon job seekers’ arrival in the foreign country, criminal actors use multiple means to coerce them to commit cryptocurrency investment schemes, such as confiscation of passports and travel documents, threat of violence, and use of violence,”** the FBI warning reads.



# ROMANCE FRAUD AND INVESTMENT SCAMS

**B**BB examined several groups on an online messaging group used by scammers to train recruits to the scheme. Written in Chinese, BBB used translation services and conferred with experts to ascertain the contents, including a training manual and a recruitment board for models willing to aid in impersonation.

These highly organized manuals contain strikingly detailed information, with step-by-step information on how to find a persona for impersonation, information on how to approach someone and tips about what to say to them once contact is made.

***“Try to create at least 10-15 (dating app accounts) on the first day,”*** the manual reads. ***“Because this stage of raising an account is relatively boring, you must have patience ... Only then will you have the opportunity to open to customers to earn wages.”***

The manual gives information about when to exchange photos with someone, how to speak about hobbies, and cautions not to talk about cryptocurrency right away but to instead build information about other interests first.

***“Do you like to travel? What country have you been to? What kind of food do you like?”*** it reads. With such sophisticated efforts springing up in a relatively short amount of time, there has been little framework for stopping these scams. That shifted

recently, and the charge is led by Santa Clara local prosecutor Erin West.

In March 2022, the Santa Clara County District Attorney’s Office received a complaint about \$300,000 being stolen from someone over the internet.

**Erin West**, a deputy district attorney on the office’s REACT task force, was assigned to the case. She knew it was clear that they couldn’t go after the criminal in the report, but West wondered whether she could recover any funds.

Using blockchain analysis – the technology at the basis of cryptocurrency – West and her office were able to track down the victim’s funds to an exchange called Binance. Much to her office’s surprise, West said the exchange complied with a court order to return the funds. It was then she knew there was an opportunity.

***“Nobody had gotten Binance to be cooperative like this before,”*** West said. ***“And no one had looked at this as an asset finance recovery method before.”***

**BBB Tip: Always report investment fraud to the proper authorities.**

## Training Doc 2

When you find a model, follow the process to create a number. Try to create more than 10 numbers on the first day. At least 10-15 tinder numbers should be reserved per person. Because this stage of raising an account is relatively boring, you must have patience to create an account. Only when you have a referral account, you can add customers to communicate. Only then will you have the opportunity to open to customers to earn wages!

Training documents show how fraudsters create multiple accounts and lower-level members of the scam are encouraged with monetary bonuses.



# ROMANCE FRAUD AND INVESTMENT SCAMS

West's methods proved to be successful. Since that initial case, her office returned over \$2.5 million. That method to recover funds is waning, however, as scammers caught onto their tactics and are moving funds out of exchanges and the hands of law enforcement.

But West's efforts to combat the fraud haven't slowed down. She created a group called the Crypto Coalition, which shares information about investment scams with law enforcement groups across the country. It has grown from 85 to 1,800 members.

***“This coalition is really fantastic in that it is a constant influx of current information on the ground. We talk about different bitcoin ATM owners, different exchanges that are cooperative,”*** West said.

Her success also helped her launch a new initiative called [Operation Shamrock](#). Officially started in 2024, this cross-industry working group, which includes not

only law enforcement but also social media companies, the banking industry, non-governmental organizations and diplomats, is meant to galvanize an international response to the rise in investment scams.

Their goal? A congressional hearing. West said these scams are shifting, moving from their original origin countries to places like Kazakhstan, Turkey, South Africa and Uganda.

***“This isn't just fraud, but it is fraud by transnational organized crime. It is being run in such a sophisticated way. It is a massive enemy. We need our best governmental resources on this,”*** West said.



# NOT-SO-PRECIOUS METALS

Historically, gold and silver as investment options are incredibly popular. With countless ways to invest in the two precious metals, many consumers seek out investment opportunities related to these materials that are synonymously known as valuable.

Nearly 120 reports to BBB Scam Tracker show fraud related to precious metals, revealing a small but significant risk for consumers hoping to make money in this sphere.

Mashanda in Westchester, Virginia, told BBB in early 2023 a man approached him with an opportunity to invest in gold and silver. The scammer promised 10% returns every month. Over time, Mashanda said he invested \$125,000, and returns first came back every month as promised. Eventually, the fraudster stopped paying him and cut off contact. Mashanda never recuperated the remainder of his money.

Other scams involving precious metals include schemes to buy bullion, bullion coins and collectible coins. [The Commodity Futures Trading Commission \(CFTC\) issued a warning](#) about these types of scams, including ones attempting to convince people to liquidate their retirement funds into metals.

“Investing in precious metals as part of diversified portfolio—along with stocks and bonds—may be a wise decision,” [another CFTC report warned](#). “However, even if they call themselves ‘IRA experts,’ precious metals dealers often times are not licensed or registered to provide investment or trading advice to retail customers.”

While traditional scams related to precious metals saw investors tricked into fake purchases of the raw materials, this scam continues to evolve, with fraudsters incorporating cryptocurrency as well.

**BBB Tip: Gold and silver may be popular investment avenues, but be wary of those with too-good-to-be-true promises**



**Michael** in Sacramento, California, told BBB he was contacted accidentally by a woman called “Kelly” in March 2024. The two continued to talk, and she told him she invested in gold. After some time, Kelly convinced Michael to buy \$4,000 as well. To do so, he would buy a cryptocurrency tied to the price of gold and trade it throughout the day. Michael saw 40% increases day after day, but when Kelly pressured him to invest more, he became suspicious. After he questioned her, she disappeared.

# INVESTING LESSONS TO AVOID

**M**any people wish to become savvy investors but don't have the formal training to do so. Scammers take advantage of this push for self-improvement, adopting their investment scams to take on the guise of "investment schools" or "training programs" which will help people become self-sufficient investors.

Reports to BBB Scam Tracker show more than 40 instances of this tactic.

According to the FTC, these investment scams often rely on someone claiming they have secret or little-known knowledge. Many times, it involves trading stocks, like the case of Steven in Camas, Washington.

In April 2024, **Steven** was contacted over social media. The person identified himself as "Steve Chen" and said he was selling a financial literacy class that helped people reach "financial freedom". They started with small investments of \$100 at a time, and Steven saw his account increasing quickly. That excited him, and he eventually sent about \$10,000 to Steve Chen.

Whenever Steven attempted to call his investing coach, he avoided answering and kept all conversations on Facebook. Eventually, the account supposedly contained over \$250,000. But when Steven went to withdraw his funds, he was unable to do so.

***"I should have known better," Steven told BBB. "When something is too good to be true, then it is."***

Like other investment scams, trading schools moved into the crypto world.

**Robert** in McKinney, Texas, told BBB he was introduced to a "trading and business school" in April 2024. The instructor taught him how to take advantage of a little-known aspect of "initial coin offerings" – a concept where someone can buy a cryptocurrency at an early stage, supposedly while the price is low. Robert invested money continuously until he put in over \$135,000. The school offered to "leverage" his investment by "borrowing" him money. Robert accepted.

He saw his account balloon to \$17 million and realized he needed to withdraw some of the funds to lock in his gain. When he tried to withdraw, the school said he needed to pay back the borrowed funds, and that he couldn't use the gains. When Robert declined, they threatened him with legal action before disappearing.

# PROSECUTIONS & ACTIONS TAKEN AGAINST INVESTMENT SCAMS

There are significant steps being taken to cut off the financial underpinning of investment scams, which saw massive amounts of funds moved around internationally. In May 2024, the Department of Justice (DOJ) arrested two Chinese nationals for their alleged role in helping to launder [\\$73 million](#) in funds related to cryptocurrency scams. The DOJ identified these funds as related to investment scam operations.

**“Cryptocurrency investment scams exploit the borderless nature of virtual currency and online communications to defraud victims,”** Deputy Attorney General Lisa Monaco said in a release. “While fraud in the crypto markets takes on many forms and hides in many far-off places, its perpetrators aren’t beyond the law’s reach.”

In [New York](#), the Department of Justice (DOJ) seized investment scam web domain as well, which it said was responsible for at least \$340,000 in losses.

Prosecutors are also attempting to recover funds they believe were part of scams, filing an asset forfeiture case for cryptocurrency valued over [\\$2 million](#). The investigation into these funds was kickstarted after a Massachusetts resident reported a loss of \$400,000.

Four others were charged late last year in a [\\$80 million](#) scheme as well.

Investment fraud unrelated to cryptocurrency has not escaped the eyes of the DOJ either. Four men were charged in an alleged [\\$18 million](#) investment plot where targets were told they could invest in foreign banks. The indicted men allegedly guaranteed large returns that prosecutors said, “the defendants could not and did not ever produce.”

**“For years, the defendants’ blatant and egregious investment fraud scheme used false promises to bilk investors out of millions of dollars of their hard-earned money,”** Special Agent in Charge Christopher J. Altemus Jr. of the IRS Criminal Investigation (IRS-CI) Dallas Field Office said in a release.

## Do You Know an Investment Scam Survivor?

The FBI’s Phoenix Division is currently seeking victims of cryptocurrency frauds related to several fake cryptocurrency exchanges:

- NTU Capital Limited
- Create Wealth Global
- Deribitex, Deribitexin, deribit-w, deribit-e, deribit-x, and deribit-exchange
- Top Tank
- Penzo Limited
- Aly Financial
- MCUS
- MGCKKJ
- Eth-defis

[Reach out to the FBI](#) if you believe you’ve been affected.

## RECOMMENDATIONS TO REGULATORS:

- Continue to fund and expand the research of the USIP into investment scams
- Double down on efforts like those done by District Attorneys to recover stolen cryptocurrency
- Find ways to collaborate with international law enforcement to curb investment scams
- Hold a congressional hearing on investment scams to raise awareness and increase congressional involvement

# RED FLAGS & TIPS

## Red flags: How to avoid cryptocurrency investment scams :

- Watch out for little known cryptocurrencies
- Never share your cryptocurrency wallet with someone you don't trust completely
- Avoid strategies that offer guaranteed returns
- Be wary of claims that an investment takes little effort or time to pull off
- Stop and reassess if someone offers their secret strategy
- Don't believe someone when they say not to research their claims
- Think twice about too-good-to-be-true claims
- Question why a stranger wants to suddenly befriend you

## Tips to avoid an investment advisor impostor:

- Do an online search for any advisors who contact you
- Ask for their certifications and location
- Research those licenses and certifications to determine their legitimacy
- Conduct a [FINRA check](#)
- See if their state offers publicly searchable criminal records
- Look up their phone numbers or emails they provide to see if they are linked to any other organizations
- Ignore those offering services without websites or organizations backing them unless you know the advisors personally
- Call to confirm if a friend reaches out with financial advice to ensure they aren't being impersonated
- Utilize [BBB's scam survivor toolkit](#)

## Resources for researching investment advisors:

- The Certified Financial Planners Board
- Better Business Bureau
- US News & World Report
- Financial Industry Regulatory Authority

## Where to report:

- [Better Business Bureau](#) or [BBB Scam Tracker](#)
- [Federal Trade Commission \(FTC\)](#) or call **877-FTC-Help**
- [Federal Bureau of Investigation \(FBI\)](#) or call **(202) 324-3000**
  - FBI Investigation and reporting hub for scams listed at link
- [Canadian Anti-Fraud Centre](#) - or **1-888-495-8501**
- [Find your state's Attorney General online](#)

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Find more information about this study and other BBB scam studies at [BBB.org/scamstudies](https://www.bbb.org/scamstudies).

BBB's mission is to be the leader in advancing marketplace trust. We do this by:

- Setting standards for marketplace trust
- Encouraging and supporting best practices by engaging with and educating consumers and businesses
- Celebrating marketplace role models
- Calling out and addressing substandard marketplace behavior
- Creating a community of trustworthy businesses and charities

**Image Credits:** Getty Images

