

Issue Date: 4/7/2023 | Bulletin No.: 220818-1054353

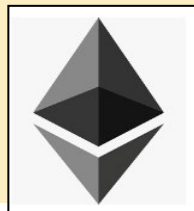
The Ohio Narcotics Intelligence Center (ONIC), during the course of drug-related investigations, has observed a growing trend of cryptocurrency scams targeting older adults. These scams ask individuals to pay in cryptocurrency or through cryptocurrency automated teller machines (ATMs). With the Ohio Department of Aging, we are jointly sharing this information to provide awareness and available resources for consumers who believe they have been a target of a cryptocurrency scam.

Cryptocurrency is a form of digital or virtual currency. Cryptocurrency operates like coin and paper money and can be used for payment methods or sending and receiving funds. Two of the most popular forms of cryptocurrency are Bitcoin and Ethereum.

Bitcoin



Ethereum



Cryptocurrency ATM



Scammers are often in constant communication with their targets, guiding them through the process until the payment is made. Some common types of scams targeting older adults include:

- Romance scams: scammer “meets” the target either online or by telephone, develops a relationship, and then requests a loan or financial help.
- Government impersonation scams: scammer pretends to be from a government agency, calls the target, and threatens arrest if payment is not immediately made.
- Grandparent scams: scammer pretends to be a grandchild of the target, states they are in trouble and need money immediately.
- Cryptocurrency ATM scams: scammer persuades the target to withdraw money from their personal bank or investment accounts, deposit the money into a cryptocurrency ATM, purchase cryptocurrency, and then transfer the cryptocurrency by scanning a code the scammer sends the target.
- “Pig Butchering” scams: scammer gains the trust of the target through social media or dating applications and persuades the target to invest money through a fraudulent website or application which reports false returns, according to the Internet Crime Compliant Center (IC3). In addition to the target’s initial investment, they are told to pay fees in order to access the inflated investment income. After the fees have been paid, the scammer either closes down the fraudulent website or application or cuts off communication with the target.

#### About the Ohio Narcotics Intelligence Center

The Ohio Narcotics Intelligence Center (ONIC) was established in 2019 when Ohio Governor Mike DeWine signed Executive Order 2019-20D. The ONIC operates as part of the Ohio Department of Public Safety in four locations throughout the state. Offices consist of public safety intelligence analysts and forensic computer specialists who assist law enforcement and other public sector agencies with support and information which supports various anti-narcotics related missions.

Issue Date: 4/7/2023 | Bulletin No.: 220818-1054353

The Federal Trade Commission (FTC) has provided the following information to best avoid cryptocurrency scams:

### *Cryptocurrency Scam Indicators:*

- No legitimate business is going to demand you send cryptocurrency in advance of a purchase or to protect your money. If the individual does, this could be an indicator of a scam.
- If you meet someone on a dating site or app and they want to show you how to invest in cryptocurrency, or asks you to send them cryptocurrency, this could be an indicator of a scam.

### *Prevention Tips:*

- Before you invest in cryptocurrency, search online for the name of the company or person and cryptocurrency name and also include words like “review,” “scam,” or “complaint” to see what others are saying.
- No legitimate business or government will ever email, text, or message you on social media to ask for money, and they will never demand that you buy or pay with cryptocurrency.
- Never click on a link from an unexpected text, email, or social media message, even if it seems to come from a company you know.

**If you or a loved one believe you have been a target of a cryptocurrency scam, please see the following resources and reporting guidelines:**

### **State Resources & Reporting:**

- Ohio Department of Aging: Stop Scams Before They Start: <https://aging.ohio.gov/care-and-living/get-help/elder-justice/stop-scams-before-they-start>
  - For local services and support for older adults and caregivers, call **1-866-243-5678** to be connected to the organization on aging serving your community.
- Ohio Attorney General’s Office, Elder Justice Unit: Report a scam: <https://www.ohioattorneygeneral.gov/About-AG/Contact/Report-A-Scam?fbclid=IwAR2iztZjezaovFkiy530sotRh5jtN0s0oWgVWnPcfWLRgNLbKNfVJFJdIsE>

### **Federal Resources & Reporting:**

- Federal Trade Commission (FTC): Report fraud: (202-326-2000) <https://reportfraud.ftc.gov/#/form/main>
- Internet Crime Complaint Center (IC3): <https://www.ic3.gov/home/fileComplaint>
- Commodity Futures Trading Commission (CFTC): <https://www.cftc.gov/complaint>
- U.S. Securities and Exchange Commission (SEC) <https://www.sec.gov/tcr>

### **Cryptocurrency Platforms:**

- Always contact the cryptocurrency exchange company where the funds (i.e. Bitcoin) were sent or transferred. Most cryptocurrency exchanges have scam reporting features.

### **Additional Sources:**

1. Scams that target older adults. Accessed December 1, 2022. <https://aging.ohio.gov/care-and-living/get-help/elder-justice/frauds-and-scams-1>
2. FBI. Accessed December 1, 2022. <https://www.fbi.gov/how-we-can-help-you/safety-resources/scams-and-safety/common-scams-and-crimes/elder-fraud>.
3. “A New Scam Directs Victims to Crypto ATMs to Send Money, Warns FTC.” Yahoo! Yahoo! Accessed December 1, 2022. <https://www.yahoo.com/video/scam-directs-victims-crypto-atms-115431152.html>.
4. Hebert, Amy, Alesha Hernandez, Rhonda Perkins, and Alvaro Puig. “What to Know about Cryptocurrency and Scams.” Consumer Advice, May 19, 2022. <https://consumer.ftc.gov/articles/what-know-about-cryptocurrency-and-scams>