



Senior Crypto Scam

Scam Overview

This is another scam overview requested by seniors during our scam awareness training sessions.

During our in-person Fraud Awareness Presentation, we cover the “Gift Card” scam. Gift cards are a common physical form of alternative currency found in most grocery or drug stores. Gift Cards as a scam are becoming less effective as people gain awareness of the potential risks of these products. Scammers are in some cases shifting to the “new shiny thing” known as cryptocurrency, also referred to as “Bitcoin”.

Details Of The Cryptocurrency/Bitcoin Scam

Sometimes the scam begins with a romance scammer who claims they can help the victim invest in cryptocurrency. Victims are told to buy cryptocurrency using a legitimate cryptocurrency exchange. Then they are told to send their cryptocurrency to a website wallet address where it will be invested. In other cases, the scam begins with a notice that the victim won cryptocurrency on some website, in this case, messages will often be sent through chat rooms.

In either case, the scammer controls the website, so they make it look like there is money in the victim’s account on their website. Then the scammer (or the scammer pretending to be someone official who is associated with the website) tells the victim they have to put more money into the website before getting their money out of it. Of course, all of the money sent by the victim has gone directly into the scammer’s wallet, and any additional money sent by the victim to retrieve their money from the website will also go directly into the scammer’s wallet. All of the information about money being held by the website was fake.

Red Flag Assessment

For the Romance Scam version, the critical red flags are:

- You have never met the person in real life
- The person offers to teach you how to invest
- The person lends you a small amount of cryptocurrency

For the “GiveAway” Scam, the critical red flags are:

- You have a limited time to take advantage of the giveaway
- You must send a small amount of cryptocurrency to be eligible for the giveaway
- They claim you will get “double” or more on the cryptocurrency (bitcoin) you enter
- They appear to be a well-known/famous person (e.g. Elon Musk)

Here is a link to a video highlighting the “[Giveaway Bitcoin Scam](#)”

What To Do If You Are Contacted

Scammers rarely develop an entirely new, innovative method to perform their crimes. Cryptocurrency is the 21st-century version of the gift card, the 20th-century version of the Nigerian Prince Scam. They all attempt to convince you that you will reap significant gains by investing a small amount. Cryptocurrency is a new thing that most people do not understand well, and scammers use this lack of understanding to encourage people to trust the scammer’s knowledge about cryptocurrency and investing.

If you are involved in a relationship with someone you met online--and your relationship has continued solely as an online relationship--we encourage you to assess the relationship via our [Relationship Assessment tool](#) for the Romance Scam version of this fraud. Use this tool to gain more information to make a better-informed decision. For the giveaway version of this fraud, we would encourage you to remember that if it sounds too good to be true, it is often fraud.

End Elder Fraud is a 501c3 non-profit organization. We rely on our donors to help us deliver our Fraud Awareness Presentations FREE of charge to seniors. These fun, interactive, live sessions are designed to help seniors feel empowered and confident versus victimized by scammers. All donations are tax-deductible and can be made through our [website](#).

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