

Scammers Create Crypto Coins And Promote False Information To Sell them: Cyber-Forensics urges to stay cautious

Scammers are always developing new ways to promote false information regarding crypto. This time, they're creating fake news stories to drive up prices.

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/EINPresswire.com/ -- Digital scams took over \$2.8 billion worth of cryptocurrency last year. They accounted for 37 percent of the year's crypto scam revenue, up from 1 percent in 2020. The pump and dump scheme is one such scam traditionally done through cold calls. However, with the help of the internet, scammers have taken this illegal practice to a whole new level. Fraudsters nowadays use social media platforms to promote and advertise their schemes. They target new investors and lure them into buying a stock or token quickly, claiming to have inside information that the share's price will upswing, which is not true.



Cyber-Forensics.net



Cyber Forensic Specialist

The Straits Times reported that seven people from Singapore lost over \$1.45 million after buying a fake share in a US-listed company that claimed 80 percent profit in just two days.

Cyber-Forensics.Net, a [crypto recovery service](#) for online scams, says, "There is no such thing as guaranteed profit; the value of cryptocurrencies like bitcoin can vary from time to time. New investors should not make quick decisions because promised returns are too good to be true."

What Is A Pump And Dump Scheme?

A crypto pump and dump scheme is a practice of spreading false information about a token and luring investors to buy or invest their money. Scammers have been using this scam for a long time, and the scheme has evolved throughout the years, but the motive of the scheme remains the same.

There are mainly two methods to execute the scheme:



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Timothy Benson

Pump: The fraudster first tries to create hype about a token on social media platforms and shares fake information to lure investors. Once they capture the investors' attention, the fraudster lures them with sugar-coated words and big guaranteed returns.

Dump: After the fraudster successfully convinces the investor to invest or buy the token, the fraudster dumps the shares of the token by selling their token at an inflated price. After that, the price dramatically drops, causing a big

loss to innocent investors.

According to a report, in March 2021, a British-American computer programmer and his bodyguard were accused of running a cryptocurrency pump-and-dump scheme. They had bagged nearly \$13 million out of crypto investors.

How To Spot And Avoid Pump And Dump Schemes?

According to Timothy Benson, a chief analyst at Cyber-Forensics.Net, "Due diligence and proper research are vital before getting into any investment. Never take anything at face value. Dig for information and be skeptical"

Anonymous founders are always a major red flag, and we all know the scheme they bring is fraud. Strong research about the founder is a must before getting involved.

An individual should also learn and understand the token the person is issuing.

Check the past trading volume of the token; if the token has a massive purchase in just a couple of days, it is better to let it go.

Always try to avoid those schemes that sound too good to be true; it may be.

Never make quick decisions under someone's pressure.

How To Recover Stolen Cryptocurrency In Online Scams?

Suppose anyone has been the victim of an online cryptocurrency scam. In that case, they may wonder if there's any way to recover their lost funds. Fortunately, there are a few steps victims can take to try to get their money back. And one of the best options is to use a [fund recovery](#) service. These services can help victims track down and recover stolen funds from online scams. They typically charge a fee for their services, but they may be able to help victims recover their lost money.

What To Do And How To Recover Scammed Bitcoin From a Scammer?

Suppose an individual loses their bitcoin in an online scam; the first thing they can do is to contact the local authorities and report it. They can even seek help from a [cryptocurrency private investigator](#) that will brief an individual on how to recover stolen bitcoins. They can investigate cyber crime and help them recover the lost bitcoin with the help of high-tech technology and experienced professionals who have been dealing with scammers for a long time.

How To Differentiate Between Fake And Legit Fund Recovery Services?

Before anyone engages with the services of a fund recovery company, it is important to understand the difference between fake and legitimate services. Many companies claim to be able to help victims recover their lost funds, but not all of them are legitimate. Here are some things to look for when victims are trying to determine if a company is legitimate:

A reputable fund recovery company will:

Perform all tasks with honesty and integrity. The scope of work and procedure performed should be precise and clear. There should be reasonable answers to your questions and specific actions to take in order to recover funds.

- 2) Discuss, either in person or via virtual meetings, the procedures to be performed, detailing each step of the investigation.
- 3) Display a wide range of skill sets and capabilities in respect of networking with lawyers, investigators, and international bureaucratic authorities.
- 4) Request and analyze various investigation documents, including, but not limited to, preparing a legal affidavit for the police.
- 5) Ensure a fair and coherent contract is in place, providing reasonable terms that understandable and mirror the expectations of both parties, as previously discussed. Discussions between the sales team and the client should be represented in the written contract.
- 6) Ensure that the website provides quality content, researched and drafted by agents who express expertise in such subject matters.
- 7) Recommend legal actions, such as reporting findings and conclusions made during the investigation phase to the police and/or regulatory agencies and/or any other relevant authorities.

A reputable fund recovery company will NEVER:

1. Guarantee a favorable outcome. A guarantee is a red flag to look out for.
2. Discourage and/or dissuade you from working with the police and local authorities. Discouraging a client from interacting with law enforcement agencies indicates their fear of authority and law enforcement.
3. Suggest recovery "from the exchange" or their Insurer. The same would be akin to suing the World Bank.
4. Accept money in the form of cryptocurrency.
5. Pressure and/or cause duress to clients. Undue pressure is a sign of fraud.
6. Avoid questions and/or provide cryptic responses in respect of the same. Confusion and

avoidance is a tactics used by scammers.

7. Defame and criticize their competition. The company should present its strengths and competencies without the need to slander its competition.

8. Provide unrealistic discounts. Any company that advertises large discounts should be regarded as suspicious as it is an indication of poor resource management: The company does not allocate funds to the procurement and utilization of hiring lawyers, investigators, and various technology providers in efforts to retrieve funds.

9. Recommend NOT speaking to lawyers and/or the police and/or law enforcement agencies.

A word on Review Sites

Whilst review sites do provide valuable information and opinions, many review sites are owned and/or managed by individuals within the industry with strong marketing strategies aimed at manipulating unsuspecting clients. Now marketing is not illegal, and even favorable reviews is not, one should probe the sales with pertinent questions to understand if the company is indeed legit. This step is of utmost importance.

About Cyber-Forensics.Net:

Cyber-Forensics.Net is committed to providing the most accurate tracing service for victims of online scams. Cyber-Forensics.Net empowers and simplifies the process of tracking down the cyber-criminals and assists in recovering the funds and creating an atmosphere for a negotiated settlement. For more information, please visit <https://cyber-forensics.net>.

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