

## Items to Consider Before Investing

The below table reflects some of the most common examples of fraudulent, illegal, and legal crypto exchanges and/or websites.

It is important to note that scams work because they often appear as legitimate activity.

✓	⚠	✗
Information can be found online for the company, white papers, and products.	Information is limited on the company, white papers, and products.	Information is not available for the company and products and no white paper is available.
Website has a security certification, good grammar, company logo, and secure payment options. Verifiable contact information.	Domain appears similar and has company logo but contact information is not verifiable.	Suspicious domain name (.xyz), website has misspellings, and no security certificate.
Reviews are good and indicate happy customers.	Reviews are limited or include no details on customer experience.	Reviews are negative and indicate customers have been scammed or were involved in bad activity.
Has country regulator and oversight.	Has minimal oversight.	Country has no or limited regulator oversight.
Product is regulated by state and/ or federal authority.	Product is not regulated by any state and/ or federal authority.	State and/ or federal authority has warned about the product/exchange.
You are only able to conduct transactions on your own behalf.		You are being requested to deposit/ transact on behalf of another person.
Return is based on investment and time.	Is there a promise to make money within two to three months?	Is there a promise to make money at no cost or within 24/48 hours?
Are you required to provide a photo ID, address and telephone number before making purchase?	Exchange does not require any information to transact.	Exchange requests information which could be used for identity theft to include security questions/answers.

## Additional Resources

The following websites may provide additional information:

[www.ic3.gov](http://www.ic3.gov)

Fraud types and schemes  
Report a crime

[www.secretservice.gov](http://www.secretservice.gov)

Cryptocurrency Awareness Hub  
PSA videos  
Common definitions  
Crypto in the news

[www.fbi.gov](http://www.fbi.gov)

Cybersecurity Awareness Videos  
Submit a tip/report a crime

<https://consumer.ftc.gov>

What to know about cryptocurrency

<https://sec.gov>

Crypto Assets and Cyber Unit

<https://crypto3c.org/>

Reporting on common scams

<https://bitcoin.org/en/scams>

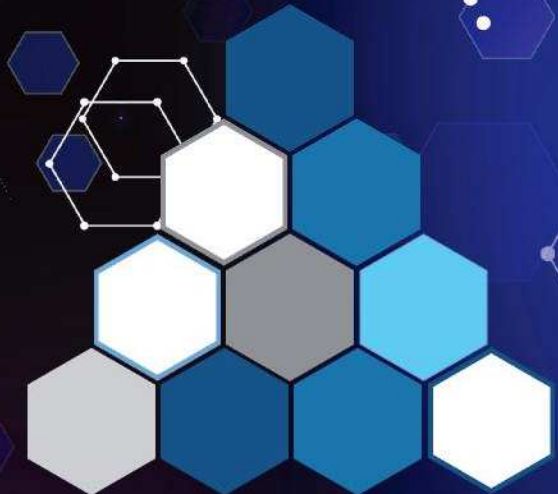
Reporting on common scams



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## Tips For a Safe Cryptocurrency Experience



2022

PUBLIC-PRIVATE  
ANALYTIC EXCHANGE PROGRAM

Combating Illicit Activity Utilizing Financial Technologies and Cryptocurrencies

This program enable U.S. Government analysts and private sector partners to gain a greater understanding of how their disparate, yet complimentary roles can work in tandem to ensure mission success. Participants work to create joint analytic products of interest to both the private sector and the U.S. Government.

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# What You Need to Know

## About Protecting Yourself

Transactions involving digital assets can be overwhelming. Below are a few items to know to keep you and your digital assets safe from bad actors.

### Online Use and Wallets

- **NEVER** invest money you cannot afford to lose.
- Use 2 Factor Authentication (such as a password and a phrase, a fingerprint, or a confirmation text).
- Safeguard your passwords and do not repeat them or share them.
- Maintain your own private key for your digital wallet.
- Store your digital funds in a secure wallet.
- If you did not request to reset your password, do not click the link. Go directly to the website.
- If you receive a request to update information, go directly to your profile to update, do not click links you are not certain of.
- DO NOT store your recovery seed digitally. Keep it secure and in a non electronic format.
- Read the fine print and know how to exit any investment you pursue.
- Always log out of your wallet and any sites you may have your wallet connected to.

### Fraud Awareness

- If you are called and told a friend/family member needs money, HANG UP, and call the friend/family member directly to confirm.
- Do not send or receive funds from someone you do not know or on behalf of someone else.
- Beware of investment opportunities promising guaranteed returns or those sounding too good to be true.

## About the Cryptocurrency Service Provider

The cryptocurrency market is changing and growing daily. As an investor it is important to understand how to identify available resources, and the indicators of a good or bad exchange as well as understanding that with the changing market, those resources may also change. Additionally, you must have a firm grasp of your own comfort level with the risk posed in trading and investing in cryptocurrency.

Below are some items to consider and understand before investing in the cryptocurrency market.

Before selecting an exchange/platform, understand who the company is and read up on the company. Below are examples of items to understand about the company.

### • Team/Ownership/Partnership

✓ Publicly available profiles and ownership information as well as company goals and partners or investors.

✗ No available information for company ownership or company goals, partners, or investors.

### • Company's Technology

✓ Easily accessible web page and white paper that outlines specifics and details of the project.

✗ No white paper available, or few details on the specifics behind the project.

### • Purpose

✓ Website explains the origins of the company and reasons the team started the project are values you agree with.

✗ Website does not include origins of the company and reasons the project was started are not listed or you do not represent values you agree with.

### • Regulation

✓ The service provider is regulated by a trusted regulator such as a country Financial Intelligence Unit or Financial Crimes Enforcement Network.

✗ The service provided is unregulated or in a country that has legal or regulatory challenges.

### • Review Customer Support Options

✓ Website with published FAQs on how to use the product, live customer support, and tips for safe investing.

✗ No FAQs and no or only automated customer support options.

## About Digital Assets

As with any investment, it is important to understand exactly what you are investing in before you start. Crypto is an evolving world, and exchange ratings change often. Conduct your research before investing.

Ensure that you understand cryptocurrency key terms such as:

- Bitcoin and Altcoins
- Token/Non Fungible token (NFT)
- Blockchain
- Public Key/Address
- Wallet and Private Key
- Seed Phrase

### Cryptocurrency

A digital currency that isn't regulated by a central authority, like a bank. Cryptocurrency, such as Bitcoin or Ethereum, can be used to buy everyday items, purchased on cryptocurrency exchanges, or traded on investment platforms.

### Stablecoins

Cryptocurrencies can experience significant changes in value, so stablecoins are pegged to a more stable currency or commodity, such as the U.S. dollar or gold, in an attempt to offer price stability.

### CBDCs

Central Bank Digital Currencies, such as China's digital yuan, are issued and regulated by a country's central bank and pegged to the value of that country's fiat currency.

### Privacy Coins

Privacy coins like Monero offer users more anonymity than other cryptocurrencies by hiding the value of payments across their networks as well as their senders and recipients.

### Tokens

A unit of value on a blockchain that also has some other value propositions. For example, non fungible tokens (NFTs) are used to represent ownership of unique digital items like art or collectibles.