

Cryptocurrency Too good to be true?

Alert 3.11

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Bromley Trading Standards have received complaints from residents that they have been unable to withdraw money they invested in **cryptocurrency** schemes.

They are reminding readers to take time and do plenty of research **BEFORE** 'investing', as criminals rush people into making quick decisions – with the threat of 'losing out' if they don't act quickly.

Cryptocurrencies are digital currencies e.g. **Bitcoin** and are nothing like money. Scam firms can have professional-looking websites and prestigious City of London addresses but they scam people into buying non-existent assets, suddenly close customer accounts and refuse to transfer the funds or ask for *more* money before the funds can be transferred.

Spotting a Cryptocurrency scam:

- **Adverts** on social media, sometimes celebrity endorsed, offering unrealistic returns on investments
- **Contact** by phone, email or social media about an opportunity with incentives to buy before a deadline
- **'Perfect time'** to buy and may be offered a high return on your investment with apparently little or no risk
- **Pressure** – to make a decision with little or no time for consideration

Find out more about different types of cryptocurrency scams on the Take Five website [CRYPTOCURRENCY SCAM | Take Five \(takefive-stopfraud.org.uk\)](http://CRYPTOCURRENCY SCAM | Take Five (takefive-stopfraud.org.uk))

Most cryptocurrencies are **NOT** regulated by the Financial Conduct Authority, which means they are not protected by the UK's Financial Services Compensation Scheme, so if you are scammed you are unlikely to recover any of your money. [Cryptoasset investment scams | FCA](#)

Report a cryptocurrency scam:

- < Contact your bank as soon as possible
- < Financial Conduct Authority on 0800 111 6762 or via the above link
- < Action Fraud by calling 0300 123 2040 or visiting www.actionfraud.police.uk
- < Contact Citizens Advice for help and advice about scams on **0808 223 1133**