

Essex Police Fraud Alert System

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13th August 2021

CRYPTOCURRENCY:

AN INVESTMENT NOT A PURCHASE

Earlier this year NatWest issued a warning to its customers to beware of cryptocurrency scams after they received a record number of reports.



Residents are reminded that cryptocurrency should be viewed as an investment and not a purchase due to its volatile nature - its value can fluctuate by up to 40% in one month. As with investments, make sure you protect yourself by using services provided by the Financial Conduct Authority (FCA) to identify whether the firm or individual is authorised to offer financial services.

Common scams can involve celebrity endorsement or a “get rich quick” opportunity. Potential investors will often be asked to fill in a contact form and set up a cryptocurrency ‘wallet’ over the phone. Unbeknown to them the criminal will also have installed software that also allows them access to the wallet. Investors will then be encouraged to invest increasingly large amounts of money until such a time as the criminal then empties the wallet of their savings.

Cryptocurrency—how to protect yourself:

- **Be suspicious** of anyone who contacts you out of the blue. Particularly if they claim to be a “trader” who offers to help you invest in cryptocurrency and promises big returns.
- **Ensure you have access to your wallet** - always try to set up your wallet yourself. If you did not set it up yourself, or cannot get access to it, it is likely to be a fraud.
- **Do your research** - many cryptocurrency sellers are not registered with the Financial Conduct Authority (FCA). Use the searchable FCA register to check whether the seller is registered or temporarily registered in the UK. If a company is not registered, there is little protection for your finances if something goes wrong.



If you or someone you know is vulnerable and has been a victim of fraud, please call **Essex Police** on 101
Report fraud or attempted fraud by contacting **Action Fraud** at actionfraud.police.uk or call 0300 123 2040

Keep up to date with fraud and
do **even more** Online **at** essex.police.uk

