

ASIC's top 10 ways to sniff out fraud before it's too late

BUSINESS

Cryptocurrency scams cost a record \$701 million last year and is rising fast, says the regulator.

By [Keonia Swift](#) • 09 November 2022 • 4 minute read



If your online romantic partner is asking for financial favours, or that celebrity ad fails the sniff test, you might be looking at a crypto scam in the making.

And if you fell victim to the con, you might be one of those who lost a record \$701 million to fraudsters last year — a 135 per cent increase on the previous year.

The ACCC's Scamwatch said its reports showed the two highest loss categories were investment scams, at \$293 million, and dating and romance scams at \$29 million.

The two cons are highlighted in ASIC's 'Top 10 ways to spot a scam', released this week as part of its campaign to raise alertness to online fraud as part of the ACCC's Scam Awareness Week.

ASIC highlighted cryptocurrency crime after a record-breaking 2021 with losses up 270 per cent — and the ACCC said they would rise even further this year.

"If you think you've been the victim of a crypto scam, it's important to act quickly," said ASIC deputy chair Sarah Court, and draw a line under it. "Don't send any more money. Block all contact from the scammer."

"Do not delay. Contact your bank or financial institution *immediately* to report the scam. Ask them to stop any transactions."

"Also, warn your family and friends so they can watch out for potential follow-up scams."

ASIC's investigators shared the top 10 indicators of a crypto scam:

1. You receive an offer out of the blue
2. You see a celebrity advertisement that is actually a fake
3. A romantic partner you only know online asks for money in crypto
4. You get pressured into transferring crypto from your current exchange to another website
5. You're asked to pay for a financial service with crypto
6. The app you're using or directed to isn't listed on the Google Play Store or Apple Store
7. You need to pay more to access your money
8. You are "guaranteed" returns, or free money
9. Strange tokens appear in your digital wallet
10. The provider withholds investment earnings 'for tax purposes'

"When Australians fall victim to scams, the cost is often more than purely financial. Scams cause emotional stress and can impact relationships," said Ms Court.

One-third of scam victims kept their victimisation hidden, said the ACCC, so the actual figures would be much higher.

Scams Awareness Week is a national campaign involving 350 public and private sector partners, including top banks and financial institutions, technology firms, trade associations, consumer groups, and non-profit organisations.