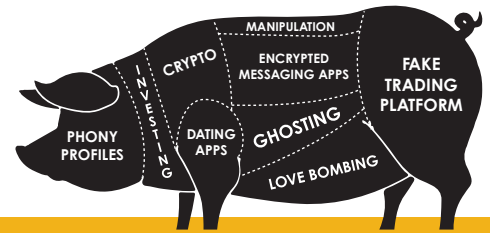


“PIG BUTCHERING” FRAUD



A new scam - called “pig butchering” - includes a sophisticated new twist that combines a romance scam with an investment spin. According to the Federal Bureau of Investigation (FBI), the term “pig butchering” refers to a time-tested, heavily scripted, and contact intensive process to fatten up the prey before slaughter.

How it Works

Pig butchering scams originated in Southeast Asia and are spreading globally. This scam is executed by a ring of cryptocurrency (crypto) scammers who mine dating apps and social media sites in search of victims. Tragically, some of the “con artists” are also victims of the crime of human trafficking. The criminal organizations running the crypto scams are traffickers who trick people into thinking they will do generic customer service, administrative work, or telemarketing. However, the job candidates are then forced through coercion and threats to perpetrate financial fraud.

Trafficked workers are given scripts and instructions and are unable to leave due to threats from the traffickers. The complex psychological manipulation and physical control make it very difficult for victims to resist or escape the trafficking situation. Many endure these abuses out of fear, with little chance to seek help or exit this exploitative work.

Overall, the crypto scam involves creating a fake profile to reach out to potential victims, often through social media, dating sites, and random texts, masquerading as an incorrect number or an old acquaintance. The goal is to initiate a cordial discussion with the victim, attempting to be their “new friend” or “lover.”

They create reasons to continue a conversation, which leads to multiple calls. They slowly develop a relationship to insert themselves into their victim’s daily life. While building trust with the victim, they gradually introduce the idea of making a business investment using crypto. They employ persuasion rather than requesting money outright because they are aware that individuals know that being asked for money by a stranger is a sign of a scam. The victim is gradually drawn into “benign talk” about crypto investments and earnings, but they are being manipulated to invest.

The new friend slowly convinces the target to invest in crypto and refers them to a bogus website or app that looks authentic but is controlled by the scammer. The victims are encouraged to invest small amounts initially, and the scammer will make sure to post a modest gain on the investment. They may even allow the victim to withdraw money once or twice to convince them the process is legitimate.

The victim is then persuaded to invest more significant amounts, sometimes hundreds of thousands of dollars. Once the money is sent to the fake investment app, the scammer vanishes, taking it with them, resulting in significant losses for the victim.

Cryptocurrency scams have bilked billions of dollars from unsuspecting investors, and most people who lose funds can't recover the money. Worldwide losses were estimated to be in the tens of billions of dollars in 2021 alone, making the pig butchering scam a “super scam.”

What to Do

Look for red flags:

- Strangers sending text messages out of the blue.
- Strangers who try to move the conversation elsewhere.
- People who avoid video-calling or flat-out refuse to initiate any kind of video-calling.
- People chatting about their investment knowledge.
- The URL doesn't match the official website, but is similar.
- The app generates warnings of being “untrusted” when launched, or the computer’s antivirus marks it as potentially dangerous.
- The investment opportunity sounds too good to be true.



Follow these tips to protect yourself:

- Don't send money or invest with someone you've met online.
- Don't speak of your financial position or investments.
- Don't share personal information with strangers.
- Don't provide any sensitive information to anyone you cannot verify is authentic.
- If an online investment or trading site promotes unbelievable profits, it is most likely just that—unbelievable.
- Be cautious of individuals who claim to have exclusive investment opportunities and urge you to act fast.

Don't have a bad romance! If you don't know someone, don't send them money. Your romantic interest could be a trafficker, fraudster, or scammer. If you are unsure, talk to a bank manager or law enforcement!

About the New Jersey Coalition Against Human Trafficking

The New Jersey Coalition Against Human Trafficking (NJCAHT) is a volunteer-run 501c3 nonprofit founded in 2011 that coordinates statewide community efforts to end sex and labor trafficking in New Jersey. Comprising over 150 volunteers and more than 200 affiliates including nonprofits, faith-based organizations, academics, law enforcement, and direct service providers it works to empower communities with the knowledge of what human trafficking is, how to prevent it, and how to support those affected by it... For more information go to: www.safernj.org

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