

Red Deer RCMP - Potential \$90,000 Bitcoin fraud prevented

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On July 3, 2020, RCMP initiated an investigation into a phone scam incident. The victim had received a phone call from scammers pretending to be from the CRA and RCMP. The scammers fabricated a story to the victim that his identity had been compromised and his identity was involved in money laundering. The scammers led the victim to believe that to protect his money, he would need to deposit his money into a Bitcoin account; which was actually controlled by the scammer. The victim went to the Bitcoin machine as instructed by the scammer, but the RCMP warning poster and the vigilance of an employee at the business prevented the victim from completing the transaction.

“These are not small crimes; people are losing their life savings to these scams,” said Cst. Andrew Devine. “No government agency, the RCMP, nor any reputable business will ever call you and demand a payment through Bitcoin for any reason.”

Bitcoins are an unsecured and non-refundable form of cryptocurrency or “virtual” currency. They are not issued or guaranteed by any bank or government and are not considered legal tender in Canada. The Red Deer RCMP have started an initiative to post warnings on Bitcoin ATMs across the province, warning users of the potential for fraud.

“The more awareness we can spread about the risks associated with using Bitcoins, the better,” says Cst. Devine. “In this particular case, the gentleman was just seconds away from losing his life savings. Fortunately, the warning poster and the business employee intervened and prevented the irreversible transaction.”

For more information on the latest frauds affecting Canadians by mail, email, phone or in-person, visit the [Canadian Anti-fraud Centre website](https://www.antifraudcentre.ca).

The poster features the RCMP-GRC logo at the top left and the URL rcmp.gc.ca/en at the top right. The word "WARNING!" is prominently displayed in the center. On the left, a box lists government agencies: Canada Revenue Agency, Royal Canadian Mounted Police, and Citizenship and Immigration Canada. To the right, three red prohibition signs (a circle with a diagonal line) are connected to the agencies by lines with an 'X' in a circle. The first sign shows Bitcoin coins with the text "DO NOT accept Bitcoin". The second sign shows a telephone handset with the text "DO NOT demand immediate payment over the phone". The third sign shows a person with a speech bubble and the text "DO NOT threaten deportation or arrest for non-payment". At the bottom, two "STOP" signs are placed above the text: "DO NOT deposit cash to a Bitcoin address that you do not control." and "DO NOT provide any personal information by phone, email or text." The bottom of the poster contains two columns of text: "If you have lost money as a result of a scam, contact your local RCMP detachment." and "If you have not lost money, but suspect you have been targeted contact the Canadian Anti-Fraud Centre at 1-888-495-8501 or www.antifraudcentre.ca".