Cryptocurrency Giveaway Scam with YouTube Live Stream

Iman Vakilinia
School of Computing,
University of North Florida,
Jacksonville, FL, USA,
i.vakilinia@unf.edu

Abstract—This paper investigates the cryptocurrency giveaway scam with the YouTube live stream. In this scam scheme, the scammer streams a recorded video of a famous person in a YouTube live stream, and annotates the video with a cryptocurrency giveaway announcement. In the announcement, the victims are encouraged to visit the scammer's webpage for a cryptocurrency giveaway. The webpage is designed intelligently to deceive victims. The scam claims that whatever donation the victim sends to a cryptocurrency wallet address, the giveaway scheme will double the donated amount and immediately send it back to the victim. By analyzing the scammers' wallet addresses, it can be seen that scammers could steal a significant amount of money in a short time. After analyzing the scammers' techniques, this paper discusses the countermeasures that can be applied to mitigate such a fraudulent activity in the future.

Index Terms—Giveaway fraud, cryptocurrency scam, YouTube live stream

I. Introduction

Recently, scammers are actively utilizing YouTube live streams for cryptocurrency giveaway scams. The scam scheme uses the recorded videos of tech celebrities, such as Elon Musk, Jack Dorsey, Bill Gates, Vitalik Buterin, and Michael Saylor to promote a fake cryptocurrency giveaway. The video is annotated with an announcement to direct victims to the scammer's webpage for more details about the giveaway. On the webpage, the scammer shares a cryptocurrency wallet address and requests a donation claiming that the giveaway will double the donated amount and immediately send it back to the victim.

According to a report by cybersecurity firm GROUP-IB [1], between February 16 and 18, 2022, the scammers ran 36 fabricated cryptocurrency giveaway YouTube streams that attracted more than 165,000 viewers. Group-IB's estimated that the wallets controlled by the scammers received more than \$1.6 million in 281 transactions. Based on the report, all these channels have supposedly been either hacked or purchased on the underground market.

According to the Tenable report [2], scammers have stolen over \$9 million dollars using YouTube live stream during the three days of May 7th to May 9th of 2021. In another research study, scammers have stolen \$8.9 million dollars over one month period from October/21/2021 to November/21/2021 [3]. In the former study, the scammers

have used footage of the notable persons including "Michael Saylor, chairman, and CEO of MicroStrategy and a fervent supporter of Bitcoin; Vitalik Buterin, Ethereum co-founder; Charles Hoskinson, Cardano founder, and Ethereum co-founder; Brad Garlinghouse, CEO of Ripple Labs; Elon Musk, CEO of Tesla and SpaceX".

Several lawsuits have been filed regarding this issue against YouTube. Apple co-founder Steve Wozniak filed a lawsuit against YouTube over videos that used his image to promote a cryptocurrency giveaway in 2020. This lawsuit has been rejected as a California state judge said YouTube and its parent company, Google LLC, are protected by federal law from responsibility for content posted by users.

Wozniak argued in his lawsuit that Section 230 of the Communications Decency Act should not apply because YouTube not only failed to remove the fraudulent videos but "materially contributed" to the scam by selling targeted ads driving traffic to the videos and falsely verifying the YouTube channels that carried the videos. However, Santa Clara County Superior Court Judge said those factors were not enough to overcome the immunity provided by Section 230 [4].

Ripple and its CEO Brad Garlinghouse have also filed a lawsuit against YouTube in 2020 claiming that the platform knowingly profits from the actions of the scammers, despite having the ability to stop them [5]. Later in 2021, Ripple ended this lawsuit expressing that the companies have reached a resolution to work together to prevent, detect and take down these scams. However, details regarding the nature of the settlement between Ripple and YouTube remained confidential [6].

On the other hand, Google has announced a Phishing campaign that targets YouTube creators with cookie theft malware on October 20, 2021 [7]. According to this report, a large number of hijacked channels were rebranded for cryptocurrency scam live-streaming. The channel name, profile picture, and content were all replaced with cryptocurrency branding to impersonate large tech or cryptocurrency exchange firms. The attacker live-streamed videos promising cryptocurrency giveaways in exchange for an initial contribution. On account-trading markets, hijacked channels ranged from \$3 USD to \$4,000 USD depending on the number of



Fig. 1: A screenshot of a YouTube Live stream giveaway scam

subscribers.

Following the history of active and successful cryptocurrency giveaway scams with YouTube live streams, this paper investigates the current status of this scam. To this end, this paper has investigated the YouTube live streams cryptocurrency giveaway scams which have been carried out on 5/15/2022 and 5/16/2022. Once a live stream scam was found, the webpage advertised in the video was visited to analyze the scam in more detail. The result shows that this scam is still effective and actively ongoing.

II. YOUTUBE GIVEAWAY SCAM

A combination of "bitcoin, ethereum, live, giveaway, musk" keywords have been used to find the cryptocurrency giveaway live stream scams on YouTube. In total 18 scam live streams have been found. Out of these videos, 13 were streaming an interview of Tesla CEO Elon Musk, Twitter CEO Jack Dorsey, and Ark Invest CEO Cathie Wood which was originally recorded in July 2021 [8]. Two videos were streaming "Third Row Tesla Podcast – Episode 7 - Elon Musk's Story" [9] which was originally recorded in Feb 2020. The remaining three videos were streaming

Michael Saylor's interview which was originally recorded in November 2021 [10].

For all cases, the scammer has changed the name of the account to one of the following names: "Tesla Official, Tesla Live, Tesla, Tesla NEWS, MicroStrategy". In most cases, the previous shared contents of the YouTube account have been all removed. However, in some cases there were some crypto unrelated videos existed in the channel. By checking the "Store" and "community" tabs, it could be seen that in some cases, there are old crypto unrelated posts which have not been removed. By checking the about section, it could be seen that all of the accounts have been created before 2015. Observing these facts, it is reasonable to assume that these accounts have been hacked. Moreover,, a YouTuber with a large number of subscribers would not normally risk loosing its account for running a scam.

The number of scam live stream viewers were varied from 900 to 46,000. Most of the live streams had around (3K - 10K) likes. However, one scam live stream which was streaming "Third Row Tesla Podcast – Episode 7" had "104K" likes. This live stream had 16,456 watchers at the time of checking. Surprisingly, the original video which has



Fig. 2: Cryptocurrency scam webpage

published on Feb 2020 [10] has 27K likes. It is questionable if the scammers have applied/purchased fake likes or all likes are from viewers.

By checking the YouTube account, it could be seen that the scammer streams multiple live streams at the moment as can be seen in figure 3. It seems that, this strategy can promote the live streams. The live streams are recommended to viewers in the suggested video panel, and seeing multiple live streams of a same event can deceive viewers that the event is genuine as several channels are covering it live.

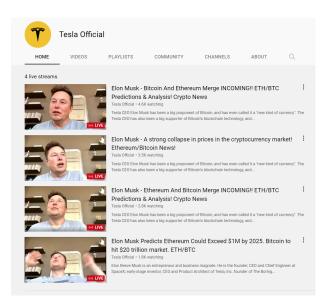


Fig. 3: Multiple giveaway scam live streams from one account

A. Giveaway Webpage Analysis

One of the giveaway webpage is shown in fig 2. Other giveaway webpages have used very similar platforms. To make the website looks legitimate, scammers have designed a good looking website with several sections as follows:

Live Cryptocurrency prices widget

The website displays the live price of cryptocurrncies on top of the website. To this end, the scammer has used the coinlib widget embedded code [11].

Live Chat support

The website is equipped with a live chat support. To this end, the website has used "tawk.to" chat service. To verify if the chat support is a programmed bot or a human, the author has communicated with the chat support. By asking different questions, it was perceived that a human is replying to the messages.

Fake live transactions

The webpage demonstrates a set of fake live transactions at the bottom. New fake transactions are added periodically in a short time.

Deceptive Texts

The following deceptive texts have been used to precipitate victims.

- You can only do it one time!
- Giveaway will be over soon!
- The fund is limited!

In some cases, a diagram was showing the decrease of available funds.

B. Domain names registration information

Table I demonstrates the scams' domain names registration information received from whois.com.

Most webpages have used cloudflare Content Delivery Network service as it can be seen in the nameserver field. It is worth mentioning that by checking these websites in the next days, the Cloudflare has labeled the websites as unsafe showing a message of "Warning: Suspected Phishing Site Ahead! This link has been flagged as phishing. We suggest you avoid it."

Domain names have been registered a few days before the giveaway scam. Some of the registration information are same for different domain names implying a same campaign behind the giveaway scam.

C. Transactions

The transaction history of scammers' ethereum and bitcoin addresses are demonstrated in table II which are taken from etherscan.io and blockchain.com.

In total 151 ethereium transactions and 110 Bitcoin transactions submitted to the fake giveaways addresses. It can be seen that the following domain names have used same eth/bitcoin addresses:

- teslaget.org and ether2x.net
- muskelon.io and ms2x.one
- fundtesla.us and 2xtesla.us

It has been observed that 2xbitcoin.org has changed its eth address during the giveaway fraud.

For Ethereum transactions, etherscan has translated the sender's address of several transactions to cryptocurrency exchange platforms' names. The number of identified transactions of the cryptocurrency exchange platform is listed as follows:

- Coinbase 41
- Binance 16
- Kraken 2
- LUNO 2
- FTX exchange 2
- Crypto.com 1
- OKEx 1
- CEX.IO 1

Once the website/YouTube account is filtered, the scammers purged the stolen funds into crypto mixers to hide it and then withdraw the stolen funds. This can be observed by checking the destination addresses that the funds have been transferred.

Blacklisted addresses

Checking the bitcoin addresses on scam-alert.io and bitcoinabuse.com on 5/20/2022, 12 addresses have been correctly labeled as "Giveaway Scam" while 3 addresses were classified as unknown indicating that there were no report for these addresses. For ethereum addresses, no resource was found to check the ethereum blacklisted addresses.

Checking cryptoscamdb which is an open-source dataset tracking scam URLs and their associated addresses, none of the domain names and their corresponding addresses have been listed at the time of writing this paper.

D. Reporting

The author has reported the scam videos to YouTube as soon as seeing the videos. This can be done by choosing the flag icon under the video, and then report the video using the correct classification. The author has selected "Spam or misleading" > "Scams or fraud" category. YouTube has removed the reported videos after around +8 hours on average (the time of removing for different videos were varied). It is expected that more than one viewer is reporting the scam videos specifically due to the large number of watchers. YouTube sent an email regarding this report:

"Hello, Thank you for reporting videos you find inappropriate. The video that you reported to us on May 15, 2022 has been removed or restricted from YouTube. Please note that Creators have the right to appeal YouTube's decision any time after their content is removed or restricted. You are able to check the status of the content you flagged at any time."

Checking official authorities investigating the cryptocurrency frauds, the following sources have been found:

- Federal Trade Commission (FTC) report fraud section, https://reportfraud.ftc.gov/
- U.S. Securities and Exchange Commission (SEC), https://www.sec.gov/tcr

The author has reported the scam websites/scheme to FTC and SEC using the above links. However, no reply has been received regarding these reports.

III. COUNTERMEASURES

In this section, the countermeasures that can be considered to protect users from cryptocurrency scams are discussed.

Educating users

Arguably the most important factor in preventing such a simple scam scheme is to educate users regarding cyber scams. It seems many cryptocurrency owners are not well-educated regarding cyber-attacks and scams. Despite the wide cryptocurrency investment from diverse investors, there is a lack of sufficient education regarding the cybersecurity and cyber scams in this area causing a huge loss specifically for micro investors.

On the other hand, although detecting a giveaway scam is common sense, still many users fail to detect such a simple fraud. This failing can be rooted in an incorrect mindset/culture developed in cryptocurrency communities that it is easy to become rich by investing in the crypto market. Therefore, the education should not be only limited to cybersecurity concepts but also cover basic economic rules behind the crypto market such that crypto owners can invest mindfully.

Blacklist ETH addresses

Surprisingly, at the time of writing this paper, the author has not found any intelligent source dedicated to reporting

TABLE I: Domain name registration information received from whois.com

Domain name	Registrar	Registered On	Name Server	Organization/Name	Address
teslaget.org	Registrar of Domain Names REG.RU LLC	2022-05-14	jade.ns.cloudflare.com wilson.ns.cloudflare.com	SergeiIUdakov	State:Moskovskaia obl/ Country:RU
btc-elon.net	Registrar of Domain Names REG.RU LLC	2022-05-01	benedict.ns.cloudflare.com sasha.ns.cloudflare.com	Sergei IUdakov	State:Moskovskaia obl/ Country:RU
microstrategy.vin	Registrar of Domain Names REG.RU LLC	2022-05-14	jade.ns.cloudflare.com wilson.ns.cloudflare.com	SergeiIUdakov	State:Moskovskaia obl/ Country:RU
2xbitcoin.org	Registrar of Domain Names REG.RU LLC	2022-05-15	raegan.ns.cloudflare.com odin.ns.cloudflare.com	SergeiIUdakov	State:Moskovskaia obl/ Country:RU
fundtesla.us	PDR Ltd. d/b/a PublicDo- mainRegistry.com	2022-05-15	ns2.ddos-guard.net ns1.ddos-guard.net	Alex Jordon	State:Rlga/ Country:LV
2xtesla.us	PDR Ltd. d/b/a PublicDo- mainRegistry.com	2022-05-15	ns2.ddos-guard.net ns1.ddos-guard.net	Alex Jordon	State:Rlga/ Country:LV
twitup.org	Registrar of Domain Names REG.RU LLC	2022-05-11	pat.ns.cloudflare.com maciej.ns.cloudflare.com	Private Person	State:Moscow/ Country:DE
ether2x.net	Registrar of Domain Names REG.RU LLC	2022-05-12	ns1.hosting.reg.ru ns2.hosting.reg.ru	Ivan Ivanov	State:Moscow/ Country:RU
ms-btc.us	Sav.com LLC	2022-05-10	aspen.ns.cloudflare.com clayton.ns.cloudflare.com	lewal52205 lewal52205	State:Ms/ Country:RU
tesla-drops.org	Registrar of Domain Names REG.RU LLC	2022-05-12	ns1.shelter.to ns2.shelter.to	Wild Boar Shel- ter	State:Omsk Region/ Country:RU
ethtesla.us	PDR Ltd. d/b/a PublicDo- mainRegistry.com	2022-05-13	anuj.ns.cloudflare.com sierra.ns.cloudflare.com	Muni Muni	State:Helsinki/ Country:FI
elontesla2x.com	NICENIC INTERNA- TIONAL GROUP CO., LIMITED	2022-05-09	ns1.my-ndns.com ns2.my-ndns.com	DOMAIN PRIVACY	State:HK/ Country:CN
elon-fund.net	Hosting Concepts B.V. d/b/a Registrar.eu	2022-05-04	byron.ns.cloudflare.com lisa.ns.cloudflare.com	Whois Privacy Protection Foundation	State:Zuid-Holland/ Country:NL
ms2x.one	PDR Ltd. d/b/a PublicDo- mainRegistry.com	2022-05-09	clara.ns.cloudflare.com houston.ns.cloudflare.com	N/A	State:Kiev/ Country:UA
muskelon.io	NetEarth One Inc. dba NetEarth	2022-05-11	clara.ns.cloudflare.com houston.ns.cloudflare.com	N/A	State:Kiev/ Country:UA

the fraudulent Ethereum addresses. For bitcoin, two active websites have been found which are scam-alert.io and bitcoinabuse.com. On these websites, users can simply report a fraudulent bitcoin address, and the website keeps a database of flagged fraudulent addresses. Users can inquire about bitcoin addresses on these websites. Having a database of scam Ethereum addresses can also effectively protect users by helping them to identify fraud addresses.

On the other hand, as many users are using cryptocurrency exchange platforms such as Coinbase, and Binance, it is expected that these companies actively check the reported scam addresses and alert users before committing the suspicious transactions.

YouTube removing process

According to the Google transparency report, YouTube is actively removing Channels violating its policy [12]. From Oct-2021 to Dec-2021, YouTube has removed 3,850,275 channels. It can be seen that more than %90 of the detection of violating videos has been done by Automated Flagging, and then the rest is from Users, Individual Trusted Flaggers, NGOs, and Government agencies. However, following items can be considered to reduce the impact of live stream scam.

 YouTube has a verified badge for verified channels. It can also add "Not-verified" badge for channels choosing the same name as verified channels such as "Tesla".

- YouTube can consider some incentives to motivate users in reporting contents violating its guideline. Currently, as there is no incentivization, many users are not participating in the reporting process.
- The time between flagging a scam video and removing it from YouTube is considerably long causing the scam to be successful. From the author's perspective detecting a cryptocurrency giveaway live stream scam is an easy task, and removing it should not take hours.
- As YouTube is equipped with an Automated Flagging system to detect inappropriate videos, this tool can be developed to detect scam giveaway videos as well. Considering the development of deep fake videos, it is expected that more advanced giveaway scams can be conducted in the near future with a fake video of a famous person requesting donations for a giveaway in the video.

Regulations

The lack of strict regulations in the area of cryptocurrency is another fact leading to such scam schemes. Regulations can put more pressure on big tech companies to take more responsibility for detecting and preventing scam schemes. Moreover, the regulations can enforce cryptocurrency exchange platforms to check the validity of cryptocurrency addresses before committing the transaction.

TABLE II: Transaction history received from etherscan.io and blockchain.com

Domain name	Eth/Bitcoin addresses	Number of In TXs	Total In
teslaget.org	0x2Ed3da051F8a5F8fAA8D6A09c842388d04456Ca4	8	6.572415868541148
	bc1q7k92epzh3fxvhz8glr7xckx23p5sw530gse67j	2	0.00061852
btc-elon.net	0x917b3d76B237B59Cb6d8ad7058BC2DFddB768FC3	5	2.09849628
ote-cion.net	1BFwsZuFHkmtfMF7d13bRVYt8WtvUVRd9t	10	0.59769947
microstrategy.vin	0xE2A9B9f5f14Cb78B8Fc1Fe845c7939036e9f07d5	21	44.891283571251568
	1PAJQG4BxuNNwKSS6EsuS4xxVpZ8CbKSJK	24	5.88351915
2xbitcoin.org	0x9Ca287De08115215A65C6444Ab9275eBb6119aB7	23	31.607592727646691398
	0xee1B39a9A1E6A87C24c4FF31b645c58c076106d8	24	26.972458942987742
	1K1YjyjTusN2ijQwQqkYp6HNnoZcdFWJid	32	3.63523266
fundtesla.us	0xF7A5E6BbF816Be2221ce149bcC5e9CC777A3B7e2	19	14.662921377974322
	bc1q7k92epzh3fxvhz8glr7xckx23p5sw530gse67j	11	1.31218138
2xtesla.us	0xF7A5E6BbF816Be2221ce149bcC5e9CC777A3B7e2	19	14.662921377974322
ZXICSIa.us	bc1q7k92epzh3fxvhz8glr7xckx23p5sw530gse67j	11	1.31218138
turitum one	0x4e2bd4a18dA82D14d5764F5c25ad9adef30E86C5	14	14.789810876541761185
twitup.org	1H8eygZVfWpgzwk7yMDXsQcGgYh8cW5dXx	5	0.03516008
ether2x.net	0x2Ed3da051F8a5F8fAA8D6A09c842388d04456Ca4	8	6.572415868541148
ether2x.net	bc1q7k92epzh3fxvhz8glr7xckx23p5sw530gse67j	2	0.00061852
ms-btc.us	0x2Ed3da051F8a5F8fAA8D6A09c842388d04456Ca4	1	0.099527637712372
	bc1qudd0d3802ja9c806necjxt2v55d7dw2w3hq29a	1	0.25000000
tesla-drops.org	0x46a36ff5aE210215348a7fb60B49676749579fE4	11	20.586943184252219
	19Q7qX6DENhKsfXLPcjR6XULPoec5RLEU7	14	0.44607352
ethtesla.us	0x0024a0BEB06e0C9136A4aD96ecEE2D35Aa61F048	0	0
etntesia.us	1CJYt8zcnXxTRtfGnEhnuVtnmxTpWL1HEX	0	0
elontesla2x.com	0xe9781C03dcA555212a4FB2ff5EC48ff9D6B81Cd0	5	4.33331649
	1KCHtxvpJnkkp7wkxTTLvaw6VGRv4wccXR	8	1.45012020
elon-fund.net	0x3ae7A923A1B318454D69Ef9d902d4A1667d71655	16	11.882348341814229
	1P3xLkrzGhtDQZL2do26hnAwXufNc6nguv	1	0.50402378
ms2x.one	0x6daCDE98C5FB6F0A3eE4E71c8681216E0C17231B	4	0.6976665645274818
	1PY5y459ErUiexiwhpWeCLRcBKfqtxagQk	2	0.00209249
muskelon.io	0x6daCDE98C5FB6F0A3eE4E71c8681216E0C17231B	4	0.6976665645274818
	1PY5y459ErUiexiwhpWeCLRcBKfqtxagQk	2	0.00209249

Recently Securities and Exchange Commission (SEC) has announced new crypto regulation initiatives to expand investor protections in the crypto market [13]. SEC plans to register and regulate crypto exchanges.

IV. CONCLUSION

This paper has analyzed the simple and effective cryptocurrency giveaway scam based on YouTube live stream. The analysis shows that using this technique, scammers are stealing a large amount of money in a short time. The paper has also discussed the feasible countermeasures which can be applied to protect users from live stream cryptocurrency giveaway scams in the future.

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