A $31.6 million Rug Pull? Let Beosin KYT take you to trace the fund flow and teach you to see through high-yield scams!

Beosin · Follow

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Have you ever been a victim of a Rug Pull in the Web3 world?

Rug Pull is usually perpetrated by dishonest developers or teams who may intentionally deceive or mislead users in order to steal their assets in a sudden exit.

Just recently, there was a suspected Ponzi scheme called Fintoch that absconded with $31.6 million, leaving users in a mess. **Today, we'll teach you to see through similar high-yield scams, as well as take you to track the flow of funds with Beosin KYT anti-money laundering platform.**

How does Fintoch program lure users into participating?

The first thing they did is the packaging. To enhance its credibility, the platform deceptively claims to be affiliated with Morgan Stanley, a well-known financial institution.

项目介绍

FINTOCH点对点区块链金融

Morgan DF Fintoch是一家美国区块链科技公司，由知名投资银行摩根士丹利与 DF 技术公司共同出资成立，专注创新区块链金融市场。

Morgan DF Fintoch的FINTOCH是一个P2P区块链金融平台。提供多元金融服务，其主要业务为借款投资理财。独家区块链安全技术"HyBri-id"，让用户能享受真正零风险的区块链投资。

Chinese introduction of FINTOCH

Then they packaged social accounts, sponsored events, and had big media outlets publish articles telling everyone: "We are a serious project".

Morgan DF Fintoch
@DFintoch

🔗 fintoch.com 🗓 Joined May 2022

5 Following **71.7K** Followers

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Tweets	Replies	Media	Likes

Morgan DF Fintoch @DFintoch · 22h ···
FINTOCH FTC Public chain launch in DUBAI
Let's give a big Welcome to the royal family!

youtube.com
FINTOCH FTC PUBLIC CHAIN EVENT LAUNCH in DUBAI

💬 33   🔁 19   ♡ 81   📊 13.1K   ⬆

Fintoch Holds a Public Event in Dubai to Contribute to Global Fintech

Newsfile Corp.

May 15, 2023 · 3 min read

Dubai, United Arab Emirates--(Newsfile Corp. - May 14, 2023) - On May 12, 2023, Fintoch from the United States held a public event in Dubai, United Arab Emirates, which was an important occasion for Fintoch to showcase its latest blockchain technology applications to the global financial technology industry.

Quote Loo

Fintoch's press release

It turns out that the CEO and other people listed on their website are paid actors.

By promoting the project's returns, a large number of users are attracted to participate.

起投金额 (USDT)	借贷理财周期 (天)	日收益率 (%)
500U起投	7天	1%

借贷理财收益率，详见下表

Fintoch gained traction by offering unsustainable returns and exploiting investor's greed, but its true nature as a Ponzi scheme is plain to see.

Ponzi schemes rely on a constant influx of new investments to maintain payments to early participants. **Eventually, the scheme collapses when the planners disappear with the funds raised.**

Let Beosin KYT take you to track the movement of the funds

From the transactions, we can see that the project owner is suspected to have made off with money.

|	
From:	0xec1a3d4ec207161d3b3341ce19542fecd660aa77
Interacted With (To):	Contract 0x19a00e359990ec7daf6e9dd9a2fb7664014bb5f7
Tokens Transferred:	▸ **From** 0xec1a3d4ec2071... **To** 0x19a00e359990e... **For** 20,001 Fintoch STO (FTH)
	▸ **From** 0x19a00e359990e... **To** 0xec1a3d4ec2071... **For** 31,666,317.817167183900341924 ($31,647,951.35) Binance-Peg ... (BSC-U...

We used the Beosin KYT anti-money laundering platform, and found that relevant contract address shows an abnormal warning and is marked as fraud related.

Beosin KYT's comprehensive risk scoring mechanism enables **continuous monitoring of virtual asset transactions and risk penetration assessment of the fund flow of each transaction, outputting not only the risk score of the address/transaction, but also the details and transaction characteristics of each risky transaction. Thus we will have a full picture of the risks as well.**
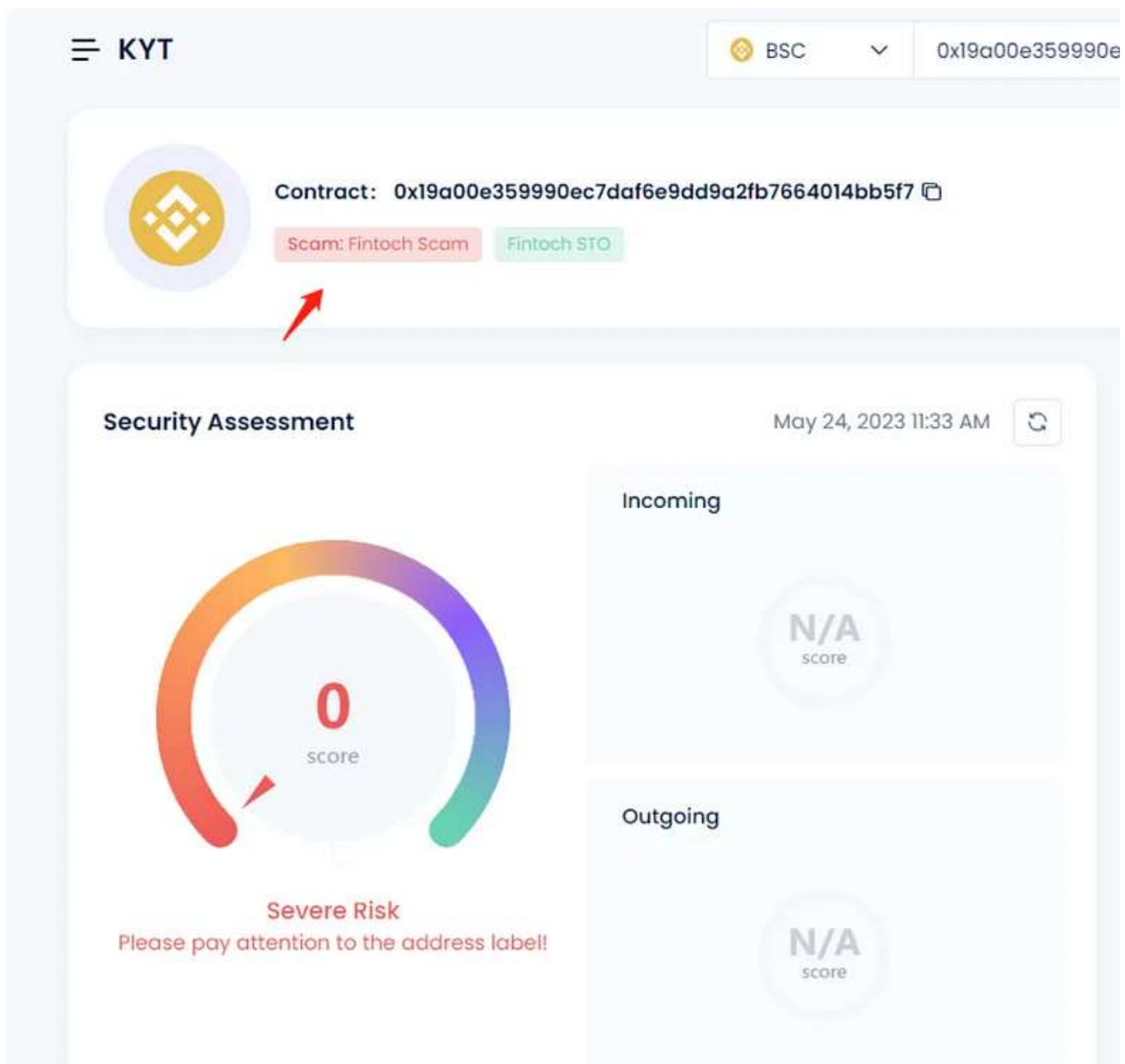
Beosin KYT Anti-Money Laundering Analytics Platform

Once we enter the relevant addresses into KYT system, the distribution of Fintoch STO tokens can be seen: 20,000 tokens are transferred and then exchanged for 31,666,317 BUSD, which is then sent from BNB chain to public chains such as TRON.
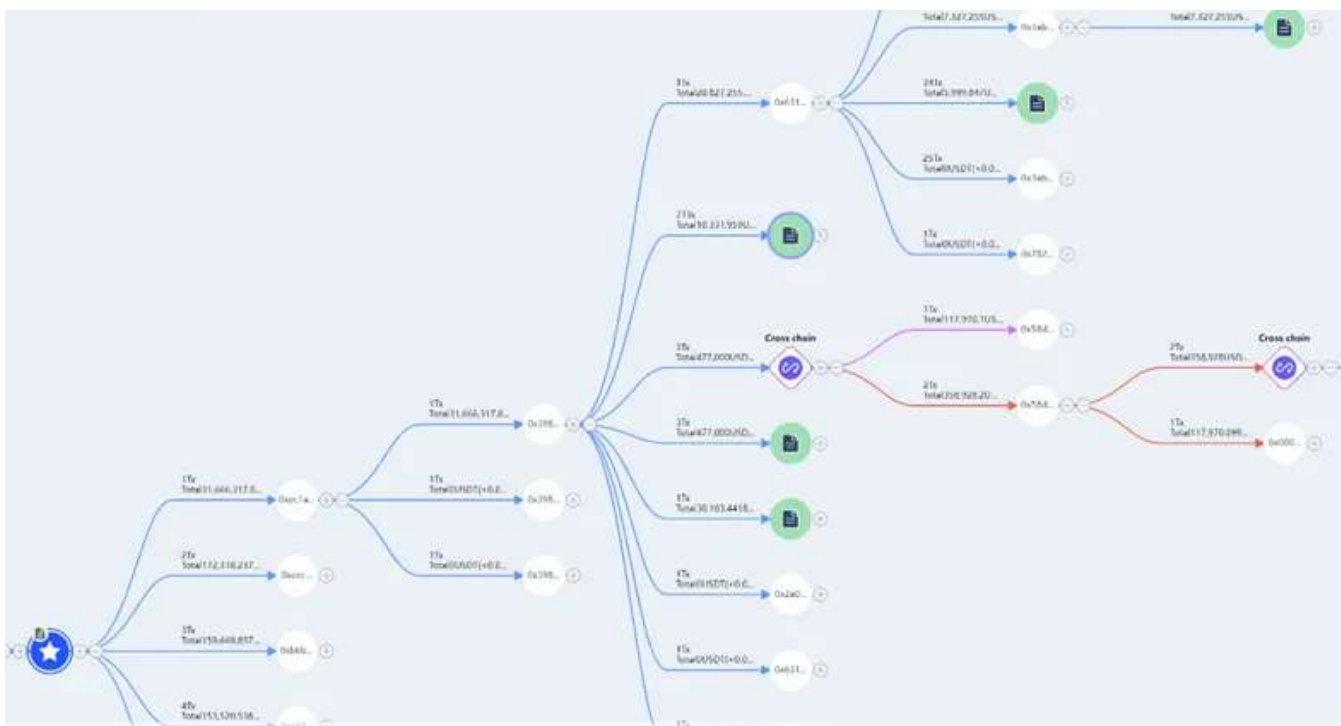
Partial funds flow on Beosin KYT Anti-Money Laundering Platform

Beosin KYT traces the source and destination of funds from a given account, enabling comprehensive, fast and accurate data analysis and real-time risk determination of cryptocurrency transactions through a risk analysis engine.

How can users prevent "Rug Pull" programs?

To prevent falling victim to a Rug Pull, users and investors should remain cautious when choosing a project. **It is necessary for users to thoroughly research background and development team of the project, assess the risks and potential benefits, and use trusted resources to evaluate the project's reliability and security.**

When looking for investment opportunities in the Web3, the following steps can be taken to avoid becoming a victim of a Rug Pull scam:

1. Research the project: Before investing, it is important to understand the background and the development team of the project. Look for information about the team's experience, qualifications and past involvement in the project.

2. Assess the project's risks and potential benefits: Evaluate the overall risk to benefit ratio of the project you are considering investing in, and are the potential benefits worth your investment?

3. Use credible resources: Use credible resources such as audit reports and community feedback to assess the reliability and safety of the project.

4. Diversify your investments: Don't put all your eggs in one basket. Consider spreading your investments across multiple projects to reduce overall risk. This can protect you when one of them proves to be a scam.

5. Be cautious of high returns: Be cautious of projects that promise very high returns or look too good to be true. High rewards often come with high risks, and projects that promise quick and easy profits are often scams.

6. Follow the latest news about the project: Stay informed and updates about the project you are investing in. Follow the project's social media channels, read the project's blog, and stay informed of any changes or developments that may affect your investment.

Keep in mind that scams are always evolving, so it's important to stay alert and up-to-date. If you are unsure about a project or investment opportunity, it is wise to remain cautious and stay out of it.

In the meantime, users, developers and regulators need to work together to create a safer and more secure environment for Web3 projects and prevent these scams.

Beosin is a leading global blockchain security company co-founded by several professors from world-renowned universities and there are 40+ PhDs in the team. It has offices in

Singapore, South Korea, Japan and other 10+ countries. With the mission of "Securing Blockchain Ecosystem", Beosin provides "All-in-one" blockchain security solution covering Smart Contract Audit, Risk Monitoring & Alert, KYT/AML, and Crypto Tracing. Beosin has already audited more than 3000 smart contracts including famous Web3 projects PancakeSwap, Uniswap, DAI, OKSwap and all of them are monitored by Beosin EagleEye. The KYT AML are serving 100+ institutions including Binance. You are welcome to contact us.