



Seele ICO Investors Stung in \$2 Million Telegram Group Scam

959 Views

February 4, 2018 by Paul de Havilland — 2 Comments

Potential investors in the upcoming Seele ICO claim they have been robbed of over \$2 million in ETH, by members of a trusted project group or those impersonating them. Two accounts listed as approved admins in the project's Telegram group, "SeeleSupport" and "nicsmith", allegedly solicited ETH for private sale from syndicate pools, then disappeared.

Also read: [Litecoin's Payment Processor Is Almost Ready to Launch](#)

What Is Seele?

According to its website, Seele is a blockchain project with potential applications for fintech, e-government, IoT, game assets and others. Its main selling point is a “neural consensus protocol”, and the main blurb on the [project’s homepage](#) reads as follows:

“ “Seele is powered by an up-scalable Neural Consensus protocol for high throughput concurrency among large scale heterogeneous nodes and is able to form a unique heterogeneous forest multi-chain ecosystem.”

The [official sale](#) of 1 billion ERC-20-based “SEELE” tokens was due to commence soon.

Investors See Funds Vanish

Earlier today, some members in the ICO pool began to report ETH funds missing, after they’d sent them to Telegram group admin accounts.

The startup has now warned potential investors to beware of impersonators and issued this apology to the Telegram group:

“We are deeply sorry for the problem caused by the “@seelesupport” and “@nicsmith” scammer and are taking full responsibility for it. We care about our community and are taking all necessary precautions to prevent something like this from happening again.”

“It appears as due to the intentional deceiving of the “@nicsmith” and “@seelesupport” scammer by impersonating one of our own team members, some people from our community have lost funds. We are hereby acknowledging the situation and confirm that we will find solution to make the situation right for all community members who have lost funds due to this problem.”

Forwarded from Seele Announcement

!! WARNING: Please be aware that as Seele continues to grow we are going to see an influx of people trying to scam and impersonate our admin team. We would like to make it clear that we will NEVER ask you for personal information regarding contributions through Direct Messages. Please be careful !!

✓ : Telegram names can be copied - please check for the real handles:

@Rebecca666

@Tiger0508

@kiko233

@Ivybai0508

@ostren

@justin_cc

@Danyeee

@justnow09

@Christopher_Zhao

@nicsmith

@SeeleSupport

6533 上午 2:15

However it's probably too late for those who've already lost funds. A victim pointed to [the following Ethereum address](#) as the recipient of the illicit transactions. It now holds around 2,162 ETH, or just over \$2 million USD in value.

Yet, contact was made with the alleged "Nick Smith" through private message about a private sale of tokens. That Nick Smith – which Seele says is an impersonation – suggested they contact @SeeleSupport.



Nicholas Smith

last seen recently



February 4

Hi ther 8:31 AM ✓✓

Do u offer private sale for seele?

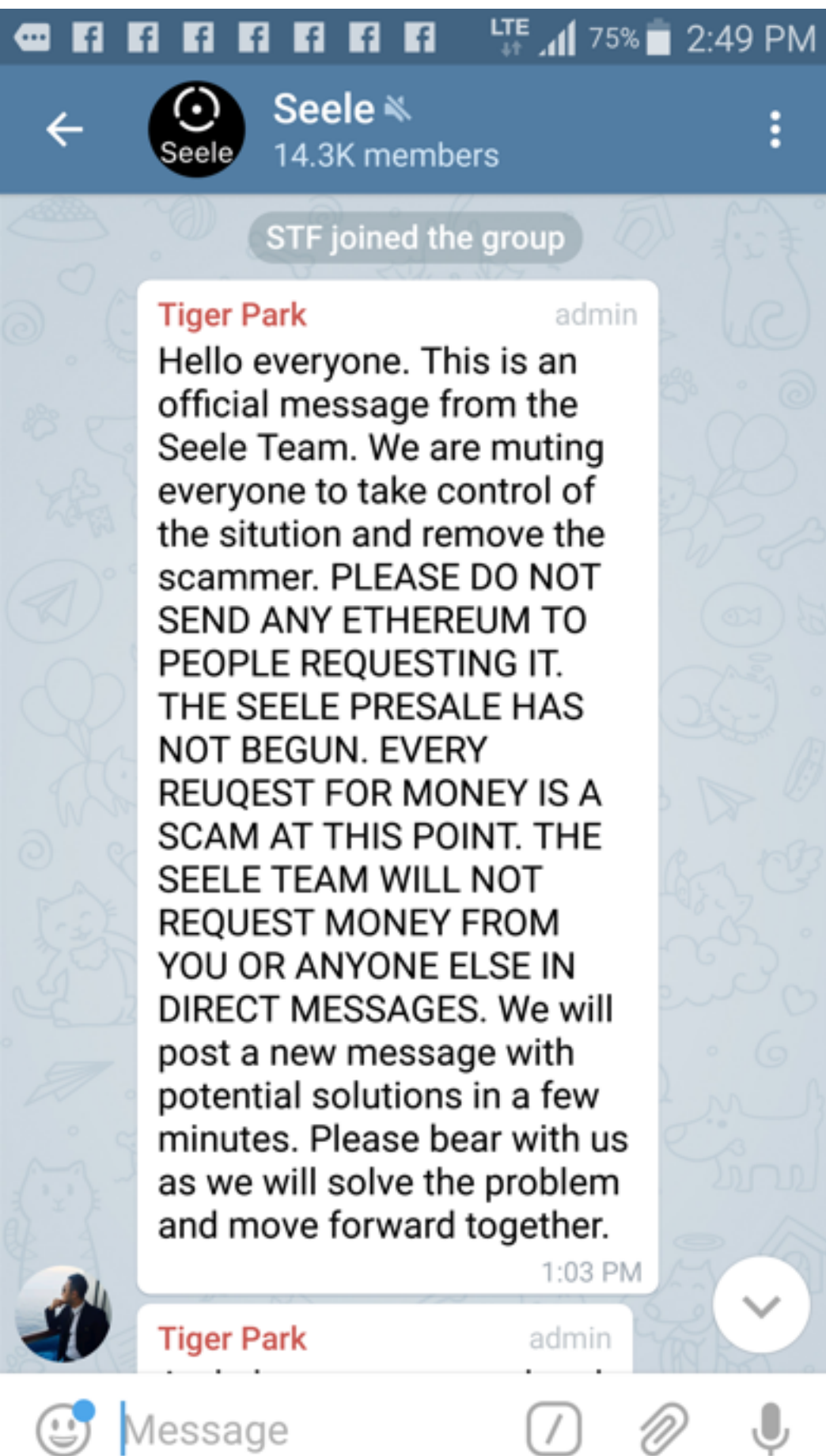
8:31 AM ✓✓

Hi regarding private sales pm
[@SeeleSupport](#)

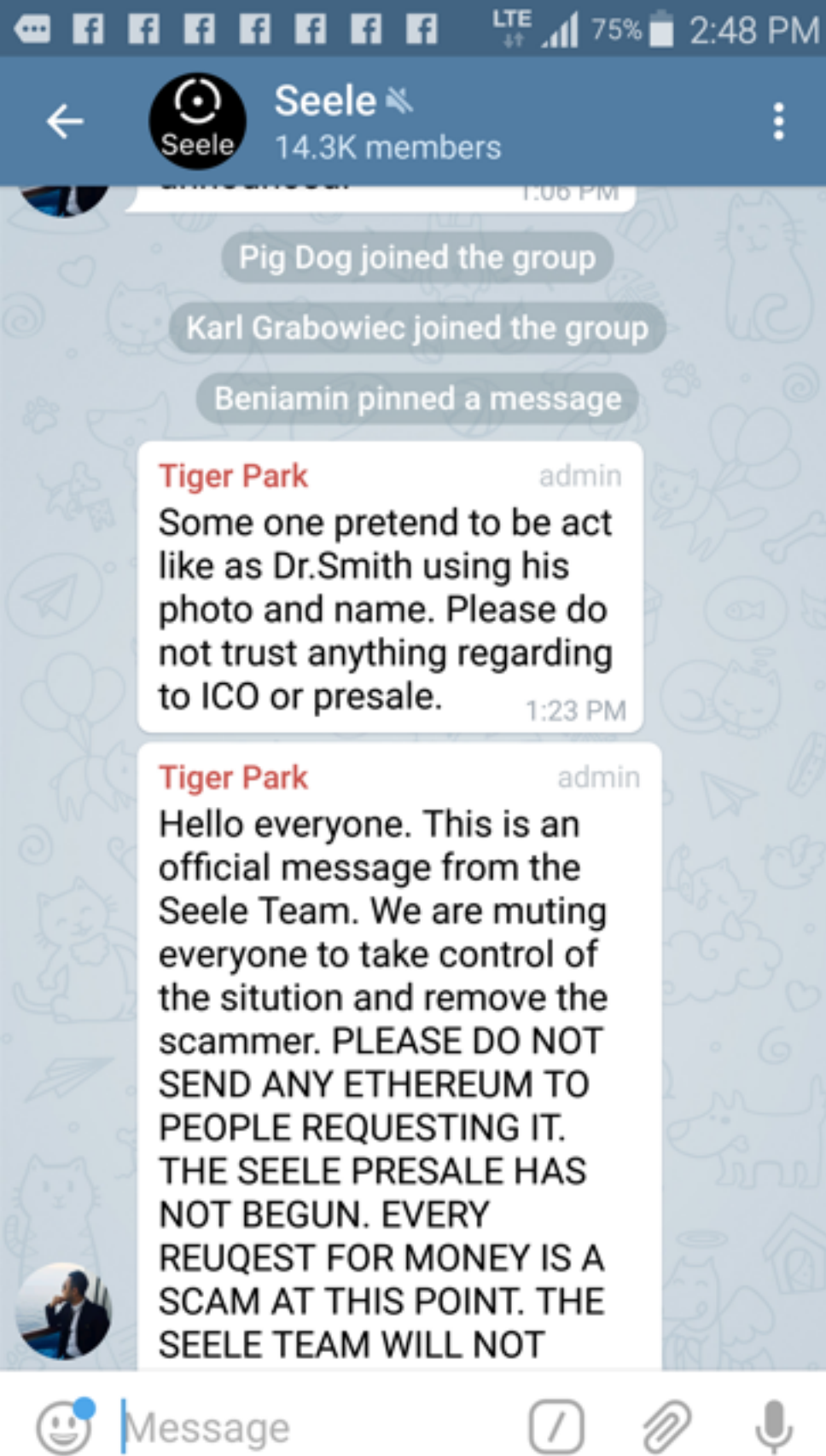
8:45 AM

Hi ok 8:46 AM ✓✓

Around 02:00 AM GMT today, a pinned message and multiple messages in the official Seele Telegram group started to alert members to a potential scam claiming to be associated with the project's token sale.



According to one [Seele](#) Telegram admin “Tiger Park”, a person impersonating [Dr. Nick Smith](#), Seele’s data analyst, has requested Ethereum deposits through direct messages from other group members.



The @SeeleSupport and @nicsmith accounts were removed from the list of approved admins.

It appears that Nick Smith's account was indeed compromised. An identity claiming to be Nick Smith messaged another member named "Rebecca", presumably @Rebecca666, offering to help out on the Telegram chat group.



Nicholas Smith

last seen 23 minutes ago



Report Spam



02 February



Nicholas Smith

Fri

Hi rebecca. I'm nicholas.

Chief data analyst for Seele. Was told by boss to help moderate the english group.

Fri

and answer questions related to tech.

Fri

Who Was Controlling the Telegram Accounts?

It remains unclear who is controlling the @SeeleSupport account, and whether they were ever part of the official Seele team, although they are listed as such.

Another admin known as “Dan” was also directing investors to direct message @SeeleSupport with questions.

What is clearer, however, is that people were duped into sending money to an ETH address through private messages.

Receipt Sent from @SeeleSupport to @big_nobody (Peter): February 3, 2018

PE	Peter	5:18:24 PM
	OK, I am transferring now. Will need your receipt here	
Seele	Seele	5:24:06 PM
	Hi have you transferred? what's your txid?	
PE	Peter	5:24:36 PM
	https://etherscan.io/tx/0x2eec412d7b558366ceb6117a15d47a4d2e4ed77808cee51d7f2d94fa49852bd etherscan.io Ethereum Transaction 0x2eec412d7b558366ceb6117a15d47a4d2e4ed77808cee51d7f2d94fa49852bd The Ethereum BlockChain Explorer, API and Analytics Platform	
	Internal transactions tab	5:24:45 PM
	Please confirm receipt	5:24:58 PM
Seele	Seele	5:25:12 PM
	ive received 1462ETH.	
PE	Peter	5:25:21 PM
	Yes	
	This is after the 2.5% fee	5:25:30 PM
	So, when the tokens will be delivered after the main ICO is over, right?	5:26:01 PM
	15% discount confirmed, right?	5:26:19 PM
Seele	Seele	5:26:48 PM
	That's right Peter.	
PE	Peter	5:27:00 PM
	Pleasure to do business with!	
	👍	5:27:02 PM
Seele	Seele	5:27:03 PM
	:)	
PE	Peter	5:27:17 PM
	Thank you!	

Will Seele Take Care of Robbed Investors?

Not surprisingly, some investors have accused Seele itself of stealing investors' money. Some insist that as only an admin can make someone an admin, that it must be, to an extent, an "inside job".

Seele insists that impersonators are responsible for requesting money, and were not a part of the official Seele line-up. The Seele ICO had yet to commence its ICO pre-sale, with the white list scheduled for next week.

Bitsonline reached out to "Tiger", the admin who has assumed control of the chat group, and asked if investors would be reimbursed for any losses. His reply said simply "We will take measures on this issue." We followed up to clarify if that meant actual reimbursements, but the response was unclear.

The latest group Telegram message from Tiger insists both the @nicksmith and @SeeleSupport accounts

were compromised and assures those who were defrauded that Seele “are taking full responsibility for it”.

Theft Serves as Further Warning to ICO Investors

Other aspects of the Seele ICO have raised questions too. The contact email for technical/billing/admin behind their URL is YuMing@YinSiBaoHu.AliYun.com. A quick Google search of that email address produces a number of results indicating its association with scams, dating back to at least 2014.

At the time of writing, confusion abounded and many details remained unclear. As always, the events over the past 24 hours in relation to the Seele ICO provide yet another reminder to investors to never send money to people you do not know through unofficial channels.

It also serves as a caution to ICOs themselves to double-check their admin policies and ensure they are as organized as possible. IPO-standard rigors may not apply to ICOs, but any start-up seeking funding from investors needs to show a commitment to being organized, transparent, and in control.

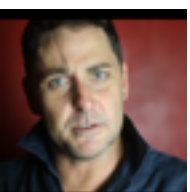
What do you think happened in the Steele Telegram channel? Let’s hear your thoughts in the comments.

Images via Seele.pro, Telegram



Filed Under: Cryptocurrency, Ethereum, Featured, In Case You Missed It, Latest, News

Tagged With: Cryptocurrency Crime, Cryptocurrency Theft, ether, ICO, Scam, seele



About Paul de Havilland

Based in Seoul, Bangkok and Phnom Penh, Paul de Havilland, a fan of disruptive technologies, is an experienced stock trader and a provider of consultancy services for investors in both traditional and new asset classes. Follow him on Twitter @pauldehav



Join the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS ?



Name

Jon • 14 hours ago

It boggles my mind that people are prepared to put money they can't afford to lose into ICOs without doing even basic due diligence -- but even that's not as bad as sending millions of bucks to some pseudonym on Telegram. People really need to get wise about protecting their own money, but I see very few signs of it happening.

1 ^ | v • Reply • Share ›

eagle • 14 hours ago

did you seriously put yuzz story in there? you do realize that is a post on reddit during the bitconnect scam

^ | v • Reply • Share ›



Categories

Bitcoin

Bitcoin & Crypto Mining

Bitcoin News

BitcoinCash

Blockchain

Business

Cartoons

Charts

Cryptocurrency

Cryptocurrency Mining

Dash

Education

Ethereum

Featured

Fintech

Guides

In Case You Missed It

Latest

Linux

Litecoin

News

Open Source

Opinion

Podcast

Press Releases

Recommended

Regulation

Ripple

Scam

Security

Smart Contracts

Smart Contracts

Technology

Trending

Uncategorized

Videos

Wall Street

TNABC Miami 2018 Video Report: Arwen Smit CMO of DOVU on Gamifying Mobility and Transportation.

TNABC Miami 2018: Talking Blockchain-Backed Loans With SALT Co-Founder Caleb Slade

Economist Paul Krugman Calls Bitcoin Fans “Nasty as Well as Crazy”

TNABC Miami 2018 Video Report: Crypto App Security is ‘Terrifying’ Says Stephen Bono

TNABC Miami 2018: Ron Russo of GLX on Using Blockchain to Democratize Financial Market Data

Bitcoin

Bitcoin & Crypto
Mining
Education
Smart Contracts
Guides
Charts

Blockchain

Smart Contracts

Technology

Linux
Open Source

Fintech

Business

Regulation

Opinion

Education

Information

About Us
Terms of Use
Privacy Policy

