



Identifying and Managing Virtual Asset Money Laundering Risk

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What blockchain, which token?



TECHNICAL SKILL LEVEL

OPERATIONAL SECURITY

PRICE STABILITY = ?

CONVERSION



Blockchain vs Token



Blockchain – **Transmission Network**

Token – **Currency**

Native Token or Coins – **Bitcoin**, **Ethereum**, **TRX**, XMR

On Chain Tokens

{E/T/B} RC-20

{E/T/B} RC-1155

{E/T/B} RC-721

Examples: USDT, DAI, NFTs

Conversion



How easy is it to convert the funds I have to something I want?

Some currencies are more convertible than others!

Decentralised Services and Instant Swap Exchanges may take less useful / convertible tokens

Security



Can my funds be confiscated?

Code Read Contract Write Contract

Connect to Web3 [Expand all] [Reset]

1. deprecate (0x0753c30c)
2. approve (0x095ea7b3)
3. addBlackList (0x0ecb93c0)
4. transferFrom (0x23b872dd)
5. unpause (0x3f4ba83a)
6. pause (0x8456cb59)
7. transfer (0xa9059cbb)
8. setParams (0xc0324c77)
9. issue (0xcc872b66)
10. redeem (0xdb006a75)
11. removeBlackList (0xe4997dc5)
12. transferOwnership (0xf2fde38b)
13. destroyBlackFunds (0xf3bdc228)

Centrally issued stablecoins, like USDT and USDC can be **revoked by contract** – even when in self custody.

Technical Skill



Some Blockchains have limited user friendly options available for interface and transacting

An appraisal of the threat against the group/individual may also be part of the large decision

Use of some mixing services, and cross chain bridges may be limited by the individuals technical skill

Price Stability

Volatility is a risk!



Some small market capacity tokens are very volatile

XMR is *typically* volatile, but DOGE is worse...

Stablecoins are 'Stable'



FACTOR	DEDUCTIONS		
	BITCOIN/ETHEREUM (NATIVE TOKEN)	MONERO/PRIVACY COIN TYPES	STABLECOINS (ERC20/TRC20/..)
Conversion	<p>Many options to convert</p> <p>Large market capacity and generally easy to find provider with liquidity or big orders</p>	<p>Fewer options to convert</p> <p>Finding swap services with large amounts of liquidity can be hard</p> <p>Premium Swap Cost</p>	<p>Many options to convert</p>
Stability	Volatile	<i>Generally More Volatile</i>	Stable Value
Operational Security	<p>Easily traced</p> <p>Can be made more private by using external services, though this can be observed on-chain, may be defeated if done poorly</p> <p>Cannot be blocked</p>	<p>Hard to trace</p> <p>Cannot be blocked</p>	<p>Easily traced</p> <p>Can be made more private by using external services, though this can be observed</p> <p>May be blocked by contract if centrally issued</p>
Technical Skill Level	Low	Higher	Higher



**THIS IS A REAL FRAUD WEBSITE –
DO NOT VISIT IT**

**If you can help report it and take it
down, please do!**

FUNDS
CANNOT BE
TRACED
THROUGH AN
EXCHANGE

UNLESS THE EXCHANGE GIVES YOU INFORMATION ABOUT THE ACCOUNT

Thank You!

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