

FRAUD TALK – EPISODE 107

An Introduction to Non-Fungible Tokens (NFTs) and Fraud

One of the most covered topics so far in 2021 has been non-fungible tokens, or NFTs. In this *Fraud Talk* podcast episode, ACFE Senior Research Specialist Mason Wilder, CFE, talks to OSINT researcher extraordinaire and artist Kirby Plessas, CFE, to cover what NFTs are and the fraud implications of their rapid emergence into the public consciousness.

Transcript

Mason Wilder: Hello and thank you for joining us. Welcome to another edition of the ACFE's *Fraud Talk* podcast. My name is Mason Wilder. I'm a senior research specialist in the research department at the ACFE, and I'm joined today by Kirby Plessas, who is the founder and CEO of the Plessas Experts Network. I'll let her explain a little bit more about her company.

Kirby Plessas: Thank you. My company, we basically provide training and investigative services to federal, state, government, law enforcement, intelligence, but also large corporations. We cover everything from fraud to drugs, laundering, and things like that. Anything that basically investigative wide, you might need to do research on the internet for. We specialize in OSINT.

Mason: That's open-source intelligence, for those of you who are not familiar with that. I've had the pleasure of working with Kirby in the past and tapping into some of her expertise on tracing cryptocurrencies, in general, open-source intelligence things, so she was my first choice to talk about the topic today, which is NFTs, or non-fungible tokens, which have just been absolutely taken the world by storm. You've probably seen a million headlines about them in the last couple weeks or so far this year in 2021. We wanted to talk about what they are and some of the potential fraud implications associated with this technology that's just kind of taken the world by storm recently.

Before we really get into it, I just wanted to run down some of the recent headlines that have caught my attention and made me think that it would be something worth talking about.

- [“Musician Grimes' debut NFT auction generates \\$5.8 million in 20 minutes.”](#)
- [“Electronic music pioneer Aphex Twin sells NFT for \\$127,000 in Ether.”](#)
- [“NFT auction celebrating NFL star Rob Gronkowski drives \\$1.8 million in sales.”](#)
- [“Crypto user offers \\$100k for Elon Musk's tweet on proposed NFT.”](#)
- [“Rock band Kings of Leon will release new album as an NFT, making it a digital collector's item.”](#)
- [“Beeple NFT auction closes at record-setting \\$69.3 million.”](#)
- [“Twitter CEO Jack Dorsey's first tweet NFT sells for \\$2.9 million.”](#)
- [“New York Times raises \\$500,000 for charity in NFT column sale.”](#)
- [“Sophia the robot created an NFT artwork and sold it for almost \\$700k.”](#)
- And last but not least, [“New York City man sells fart for \\$85, cashing in on NFT craze.”](#)

That's how crazy these things are going and why we're going to be talking about it.

Kirby: Absolutely. I think that one of the reasons that you did reach out to me for the NFTs is because I am also an artist. As an artist, basically, an NFT is a non-fungible token, meaning something unique that you can sell, but we're talking about specifically selling it via cryptocurrency. That'll be generally artwork, maybe original music or something that can be considered rare and individual but yet also digital or at least have a digital cross-section.

Mason: Yeah, so thanks for pointing that out. I forgot to mention that. This idea came from me remembering seeing Kirby tweet about going on Twitch to do some live streaming of creating art. I don't remember if it was painting. I think it was painting. Was that it? Was it painting?

Kirby: Only digital art. I've been using Procreate and Blender a lot lately.

Mason: Okay. This convergence of expertise and involvement with art just made her the perfect candidate, especially since I knew how great and knowledgeable she was about cryptocurrencies.

You already talked a little bit about it's non-fungible tokens and a unique thing. You gave me a really good analogy last time we talked about, like Russian dolls for digital currency versus virtual currency versus cryptocurrencies. Do you got a nice bumper sticker-style analogy for what is an NFT?

Kirby: You know, I don't think that I have quite thought through any kind of analogy just yet, but I definitely been working with a lot of the artists locally that I know about how they can understand these NFTs. A lot of them don't even come from a technology background. We have been working through different ways to explain what an NFT is.

Mason: Besides just the definitions and what they are, Kirby, why would somebody buy an NFT?

Kirby: I think the main driver for purchasing NFTs at the moment is to flip them. It's the gold rush mentality at the moment. If NFTs are hot, and you buy an NFT at a smaller rate, you can immediately flip it. Most of these NFT platforms let you immediately relist the NFT right at the moment that you purchased it, so flipping them is a big deal right now. The other thing would be sometimes for bragging rights or even just to support your favorite artist, but, of course, there's also fraud reasons.

Mason: How do people buy or acquire NFTs? You mentioned an NFT marketplace. Can you talk about the process for acquiring these or selling?

Kirby: Sure. Okay. I'll start on the selling side. If an artist wants to create an NFT, the first thing they do is they get some Ethereum, usually, from something like Coinbase. You load up your MetaMask wallet. You connect to one of the marketplaces. There's a bunch of marketplaces out there with a varying amount of whether or not they do any due diligence as to whether you really own what you're going to try and sell as an NFT. Some of the most popular ones will, of course, do a little bit more work on trying to identify who you are. That would be something like Nifty Gateway or MakersPlace, Rarible, OpenSea.io, or Mintable. Those are some of the more popular ones.

There's a lot of them out there right now, more any minute. Anyway, you get your MetaMask wallet, you connect it to one of these, and then as an artist, you get your digital product, you're going to upload it, and you're going to pay what's called the gas fee, which is basically your transfer fee to bind it to your Ethereum. Those gas fees, they vary in price as well. It may cost you \$160 to list your piece of artwork into one of these marketplaces. Once you have it listed and bound, you can actually sell it across multiple marketplaces at once, even though it exists only at one piece.

If for example, you've listed it on Rarible and on OpenSea at the same time, if it's sold on OpenSea, then you no longer are able to list it on Rarible as yourself. However, the person who bought it at OpenSea can then flip it and sell it across multiple marketplaces as well. One of the things that's built into this as well is when it does get flipped and resold, the originating artists will get a percentage back. That's another thing that makes artists really want to put stuff into digital NFTs.

On the purchasing side, if you're just looking to purchase NFTs, you're going to also again, get an Ethereum, generally, account on MetaMask. You're probably going to have to load it via Coinbase or something, but MetaMask is the go-to wallet right now. You then connect that to one of these marketplaces. Then you can start to bid on the different NFTs.

Mason: That's ultimately how the value of these NFTs is determined, is through the bidding process in auctioning, right?

Kirby: Mostly. There are different ways to sell them. Some of them are not auctions. Some of them are what they call open additions, where somebody might say, "I'm going to list 2,000 individual NFTs, and this is an open edition as soon as they sell out, they're all sold at this one price." Then people can flip from that point and it becomes an auction. There are a couple of ways that they go, but in general, I guess, normally, it ends up being an auction-style selling marketplace at the end.

Mason: I wanted to talk about some of the characteristics of the marketplace, not necessarily specific marketplaces like OpenSea or Rarible, but just the overall market for NFTs right now. Some of the characteristics that make it vulnerable to fraud, and maybe drawing some parallels from other markets or things like the cryptocurrency market in general or art markets and things like that. I would say, the main thing has to be that it's just so super speculative right now.

Kirby: Yes, it definitely parallels cryptocurrency in general, with the price for speculation is what drives up the price, it drives down the price. In general, it is tied to a type of crypto coin. I don't think that it'll ever drop down to something as worth zero because you're already tied to a bit of cryptocurrency, but \$69 million, that price for Beeple's work, even he admits now that this is a gold rush and it's somewhat ridiculous.

Mason: Is there the same kind of regulatory or lack of regulation issues that cryptocurrencies were dealing with maybe a couple years ago?

Kirby: Yes. I think it very much mirrors cryptocurrency. Definitely lack of regulation is definitely an issue. I think as far as regulations go, pretty much, you'd have to deal with exactly what the regulations are for the cryptocurrency right now. That's how the regulations are working. Is there going to be more on this? Because we're talking about art market, and the art markets just in general can be ridiculous without NFT.

Right? A banana on a wall can sell for \$150,000. How much regulation is going to be there in the future compared to that? I'm not sure. I don't know that there's going to be any more regulation than what the cryptocurrency gets regulated.

Mason: Yeah, and I think one of the biggest questions for NFTs is intellectual property rights or copyright, preservation of copyright, digital rights, and everything like that, which I think we're probably going to have to wait on some court cases to establish some precedents on that.

Kirby: I'd agree with you there. One of the things that, going along with this, is that those marketplaces are trying to deal with that already. One of the things they do is when you upload your art, they do say that you would retain your copyright even when you sold your digital piece of artwork. However, that's if the artist is the right person who actually uploaded the art in the first place. There have already been cases where people have uploaded other people's artwork on a platform, and whether or not they claimed to be the artist or also just claiming that it's theirs in the first place, maybe they modified it a little bit, who really owns the art?

Generally, the copyright stays with the actual artists, whether they uploaded it as an NFT or not. Now, how do you find out if your art was uploaded as an NFT and sold via one of these marketplaces? The criminal is not going to alert you. There's a lot of issues with that as well.

Mason: Right. And as far as I can tell, it's not even necessarily clear whether it would be illegal to create a digital image of somebody else's artwork and sell it as an NFT without any intellectual property rights or copyrights as part of the smart contract. If I took a photo of the *Mona Lisa* in the Louvre, uploaded it as an NFT, that wouldn't necessarily be illegal or infringing upon the copyrights or digital image rights of Leonardo da Vinci. Not like he's going to take me to court.

Kirby: Right. The copyright only lasts so long, anyway. That would be an example where it's out of copyright, but imagine if you went to Art Basel in Miami and you started taking pictures and uploading those pictures into these artists who are still alive and still hold their copyrights and their trademarks. They would have a little bit of legal recourse. The question is, how do you get back that NFT? I think that each of the platforms is struggling with that a little bit.

If somebody sells an NFT... An NFT, like I said, doesn't have to stay on the same platform, it can then move to different platforms. Also, as is the case with cryptocurrency, when the cryptocurrency leaves one wallet and goes to another, you don't get to reach back and pull it back like a bank account. You have to follow it in the same way you do with cryptocurrency.

Mason: Can you talk about how, if you're noticing parallels or seeing the same kind of thing about how fast things are moving with the NFTs and how when there's a market like this or when there's a technology like this that's moving so fast, how that creates vulnerabilities for incorporating that into fraud scheme prompts or fraud schemes directly tied to the technology.

Kirby: Sure. NFTs really started years ago, a couple of years ago, 2017, 2018, but just this year have they really picked up speed. I would say the fall of 2020 is when the hype started, but it really came to this fever pitch in January, February, and now March. What happens when you see something create a fever pitch like that is a lot of people, especially when there's a lot of money involved, a lot of people want to jump in.

That's where the opportunity come for fraudsters to either create their own NFT companies and then maybe load up with Ethereum, get people to maybe preload into the marketplace that they create and then close it down as an exit scam, for example, or pretend to be the guide to help somebody create an NFT, for example, to create some... They can contact these artists and say, "Hey, I'll help you create these NFTs," and maybe at that point, they do create the NFTs but then they take a larger percentage than is warranted, or maybe they even hijack and take over the NFT account.

That could be something where even just password sharing of different things, when one website gets breached, somebody else can maybe get into your NFT account because you're sharing passwords, and just hijack accounts like that. There are so many different opportunities. When something becomes the hype, that's when the fraudsters are forced to jump on it. Definitely, NFT is the hype right now.

Mason: Yes. This is certainly just my opinion, but based on that some of the sampling of headlines that I've seen so far, I feel like some of the people throwing massive amounts of money into this arena just don't fully understand the technology because even after having done a somewhat significant amount of research, I'm still like I don't totally understand it. It feels like it's the hot thing. People with a bunch of money lying around are just like — fear missing out, "Let me just throw some money at this while hot." That generally, they're going to be lots of people willing to try and scam their way into some of that money.

Kirby: Absolutely. You find that not only people throwing their money in and buying these but a lot of people throwing their NFT art in, creating artwork. Again, you mentioned the headline where Jack Dorsey of Twitter sold the first tweet, right? Every person who wants to create something, they can load anything. The New Yorker who sold his fart. You can load anything as an NFT. Then what I think is going to happen, what I think is happening right now is you have these big-name celebrities who have a lot of PR behind them throwing stuff as NFTs, selling them for huge money, but you have to remember that they didn't just load it as an NFT and having to sell. There was a PR machine behind it to create this hype.

Now, a lot of people are loading stuff as NFTs and they don't have that PR machine. That's where I think a lot of people...

Will they lose out? Most of the artists are going to lose a little bit of time and a little bit of money on those gas fees, but it's when the scammers come in and figure out a way to be the middleman or to create their own NFT market, like we said, with an exit scam or that sort of thing, that's where the real losses are going to start to happen, I think.

Mason: Yeah, and I think there's probably going to be some investment scams similar to the varieties of ICO scams, or initial coin offering scams, with cryptocurrencies to where, get in on the ground floor of this wonderful new service related to bundling NFTs and fractionalization of NFT ownership. Buy a share of our funds, invest in NFTs or whatever that turn out to be their pump-and-dump or just exit scams, but one thing that is one of the harder things for me to wrap my head around in this kind of conversation is... talk about, if you can, the tokenization of a physical object.

Kirby: In some cases, you kind of are buying the physical art object. Now, there's a sock company, and I don't remember the name of it, maybe later we can get that added to the show notes, but there's a sock company that sold limited socks as NFTs. What would happen is you'd buy this NFT and then you could flip the NFT if you want to or you could trade it in for the socks. The NFTs ended up going up above \$4,000 per pair of socks. Some of the people did switch flip it and actually get their socks. Now they have a \$4,000 pair of socks, which hopefully they don't wear or hopefully don't put in the dryer and lose some of those socks, right? There is a way you can do that.

You can also, and this is something that's a huge discussion amongst artists, is if you have a piece of art that's a physical piece of art, you could bind an NFT to it and make that the contract. When you sell the NFT, then the person who has NFT actually owns the art and that it actually protects the provenance of the art because having the provenance to your blockchain, should someone 200 years steal it and try to hide it, theoretically, in 200 years time, you'll have these smartphones or something better, maybe smart eyeballs, I don't know, where you can read who owns it just by looking at the piece of art.

That's something that people could look up even now, a QR code, or take a picture of some art and have image recognition and maybe tie that to the blockchain and say, "Okay, this is owned by this person, and here's its path through its history."

Mason: That scenario, let's say, you create a sculpture, you do a tokenized NFT for the provenance of that sculpture's ownership, but is there anything that would stop somebody from making multiple NFTs that are supposedly tied to that one single physical object?

Kirby: You can make multiple editions of things. I don't think that it would work to tie it to one single object. Maybe that would be the case where you had mentioned before where somebody does fractionalization like the scam back in the day where people would buy a one-foot by one-foot piece of plot of land in Scotland. I don't know that it's possible. Then again, I don't know that it won't happen.

Mason: I think that's going to be something critical for people trying to get into NFTs, is to resist the urge to just jump in and buy something quick just to be part of the game, so to speak. You want to really scrutinize exactly what you're getting with one of these digital tokens in terms of do you have copyright or any intellectual property rights. Is that what you're purchasing? Are you also purchasing a physical object?

Is the creator specifying that this is a limited-edition, one-of-a-kind thing or does it not say anything about it? Because I envision people not paying attention to that, buying an NFT thinking they've got the only version of this one NFT and paying a lot of money for it and then that creator selling a bunch more duplicate NFTs and that initial purchaser's value just tanking.

Kirby: Right. I have two other possible fraud cases for you when we talk about these NFTs. Of course, one of them would be the money laundering example. Imagine a semi-famous artist, he gets a chance where he sees these big headlines. If his name ends up in those big headlines, the rest of his art goes up in price as well. Maybe somebody approaches him and says, "We can make that happen for you. You list this as an NFT, we're going to give you that headline, but we want a cut back of that money," because they are actually going to have their buyer put the money in and then they basically are going to launder their money through that NFT. That's a possibility. Then the artist, of course, he just wants his name to be big. He's basically a money mule in a way.

Another example would be one of the problems with NFTs, and that's really coming to the forefront, is the energy usage of NFTs. Just like any cryptocurrency, the energy use is high. An average artist listing an NFT, that NFT when it sells, it's going to take about the energy of one person a house for a month.

You mentioned before Grimes she sold 303 versions of an NFT and the energy for that NFT transfer was about 32 years' worth of one person's life energy usage. There are places where you can buy these offsets. That's another option where people can be selling fake offsets where it's not going to energy programs to help bring down the energy of cryptocurrency creation or transactions, but instead going into somebody's pocket and they're just saying, "Hey, I'm selling you your energy production offsets."

Mason: That's something that a lot of artists by trade they just spend their time focusing on art and not necessarily learning contract law or dealing with the technological aspects of gas fees and what that really means. If someone comes along and says, "Look, if you're hesitant about the environmental impact of this technology, then you can buy these offset things," which just don't exist...

Kirby: Exactly. And they wouldn't necessarily know how to do the due diligence to chase that down.

Mason: While we're on this, I came up with a few different possible scenarios for fraud and NFTs, and I just want to get your thoughts on whether or not it's possible or how likely it might be. Illicit traffickers of drugs, or human traffickers, or any other contraband disguise a payment for illicit goods or services by buying an NFT from a specific individual at an inflated price.

Kirby: Possible. I think the limiting thing here is would that purchase of that NFT hit the news in that the price was so high. \$100,000 NFTs are still hitting news in certain places. They would want to keep it fairly low.

Mason: That's a good point. I hadn't thought about that, but you could...

Kirby: Unless they are working with the artist who wants to get in the news, right?

Mason: Yes.

Kirby: You mentioned

Mason: How about an NFT marketplace, or publisher, or creator hypes up their company or some other entity to attract investment in a nonexistent or bogus product that either crashes in value or unexpectedly disappears, like an exit scheme?

Kirby: I think that is very likely.

Mason: Okay. How about someone uses social engineering or other tactics to get access to someone's NFTs and takes possession of them like SIM swapping?

Kirby: I would consider this the same as getting access to somebody's crypto wallet. I think that would absolutely be something that's probably happening already.

Mason: Okay. Somebody offers NFTs for sale pretending to be a famous artist or celebrity to scam people out of the purchase price.

Kirby: Yes. I think that that is already happening in some other ways for art. Of course, it will.

Mason: Okay. Somebody produces counterfeit copies of known artists' NFTs and offers those for sale.

Kirby: Yes. I think that will.

Mason: Are there any other obvious scams you think might get adapted to an NFT context?

Kirby: I think we've already talked about most of the ones that I can think of right away, but criminals are some of the most inventive people out there. We'll definitely see new stuff. Again, like you said before, by the time this podcast comes out, there may be some brand-new types of schemes already.

Mason: Yes. When we mentioned how fast this stuff is moving, by the time this actually gets edited and published, there will probably be several dozen more headlines, all of which could have the potential to change the context of this conversation. That's just how it goes with the fast-moving technology. Are you aware of any actual specific cases of fraud involving NFTs that have already occurred or been alleged?

Kirby: The only things that I'm aware of are ones that where it does seem like it's accidental fraud at the moment, but I'm expecting that major news within the next month or so there'll be at least some major fraud news headline dealing with NFTs.

Mason: I haven't seen a whole lot of chatter about the money laundering implications, but it just seems like, with something whose value is so speculative, it's so in a fast-moving field, where even just tracing cryptocurrencies can be complicated enough. Do you think it will be easier to trace NFTs since they are unique goods, they can't be subdivided or broken up into smaller portions like a cryptocurrency could?

Kirby: Yes, I think the NFTs will be easy to trace, but then the money that's spent on them, again, may not be, because the NFT, when we talk about paying for it with an inflated amount of money to launder the money, then that user can just flip it at that point and then resell it, hopefully. Hopefully, for the same amount. Maybe they're not selling it for the same amount, whichever, but we'd be able to trace that NFT through its space.

It's the cash that ends up going into Ethereum and then through the NFT out to somebody else's bank, that's the hard part.

Mason: Looking a little bit forward, just because right now it's still pretty fresh and people are really still trying to wrap their heads around it and there's lots of free-market forces at play here that are going to determine what ends up happening with these, but from fraud examination standpoints, can you talk through some of the challenges? You talked a little bit about tracing the NFTs might not be hard but the funds associated with them.

What about, let's say, a fraud examiner is trying to establish whether or not somebody is living beyond their means and trying to do an indirect asset method of tracing assets and everything, or net worth, establishing what somebody's net worth might or might not be to see if there's any kind of reason to suspect foul play.

The other part of that being how might NFTs play into that, trying to identify whether somebody owns an NFT or whether it's valued appropriately or inappropriately?

Kirby: That's a good question because, again, the valuation of the NFTs is so fluid at this point. You can definitely identify how much they bought their NFT. If you have somebody who's owned an NFT, you can track back and see what they bought it for and then see, if they're selling it, what they're flipping it for.

That may explain quite a bit the money, or maybe it doesn't, but I'm not sure, beyond that, how to answer that question.

Mason: It seems like it might be kind of a red flag of overvaluation if like, let's say, you could go see when somebody purchased an NFT at an auction, and see if all of a sudden, in the last minute, the price went up from \$50,000 to \$5 million in one bid. All of a sudden...

Kirby: Oh, yes, definitely. You can see the bidding history in most of them as well.

Mason: I would think that would be one kind of red flag, but I just envision people overinflating their assets or net worths on loan applications, like financial institution fraud, but if I'm underwriting a loan and I look and this person says that part of their net worth is \$5 million worth of NFTs, how in the world am I going to determine whether that's legitimate or not? Maybe they thought it was worth \$5 million when they bought them, but now they're not worth anything. It seems like it's going to cause some complications.

Kirby: Absolutely. I don't know that's not something that if you try to list that as an asset on your loans... If you have \$5 million NFTs, you're going to want to list that as an asset, but I don't know how anybody's going to treat it as far as that goes yet. If you have \$5 million in cryptocurrency, there's a little bit more history behind that, specifically, but each NFT is its own, so the history behind it itself is always going to be short.

Mason: Yes. It also seems to me when we're talking about claiming ownership of NFTs as part of your net worth or as an asset, as far as I can tell, the way that they're going to be taxed for buyers is going to be similar to if you were to buy some really high-end art, and that's going to be like capital gains. If you shift some revenue that you got somewhere else into NFT ownership, it's a way to avoid paying taxes on it.

I have no idea. I know some people, to even further avoid taxes, will register their ownership of pieces of art in tax-free jurisdictions or secrecy havens and so is, are you going to be able to establish your ownership of an NFT in a different jurisdiction where there's different tax implications? Could that become a vehicle for just moving money around to avoid taxes? How are you going to tell whether that's all legitimate or whether is it tax avoidance or tax evasion? It seems like a lot of muddy water out there.

Kirby: Absolutely. That might even be what's going on now as to why these valuations are so high in some cases.

Mason: Just a lot of people out there have a whole lot of money, and a lot of those people generally don't like paying taxes on that stuff. There could be advisors out there that may have previously run some Panama Papers, kind of like asset management things for their clients, that are now saying, "Hey, before people really get clued in on this NFT thing, you can move some money around and really avoid some tax hits."

Kirby: Absolutely. That could definitely be part of what's happening right now, because again, it's such a gold rush and such huge numbers that people are seeing pass through there.

Mason: One thing I wonder about is the parallels with cryptocurrencies. Cryptocurrencies have been around for more or less a decade. I think the initial Bitcoin paper was in 2009, the white paper, I think, and then they launched later that year.

It's just recently in the last year or two have regulations caught up to cryptocurrencies in terms of requiring cryptocurrency exchanges to follow "know your customer" protocols or due diligence things and keep records of their clients' personal information, which makes it even possible to investigate some of the stuff, but I would anticipate a similar developmental curve or similar curve on the regulation for these things, that it's probably going to stay kind of a wild wild west for a little while.

Kirby: I agree. I think that the fact that it's tied to cryptocurrency gives them a little bit of a head start, at least with the regulations on it, but I think that it is going to be wild west for a while.

Mason: We've probably already gone longer than I should have, but to wrap this up a little bit, let's continue looking forward and think, "What's the deal with NFTs?"

Is this just a fad? Is it a flash in the pan? Are people even going to be talking about NFTs in a year?

Kirby: I don't think it's just a fad. I do not think it's going to go away. I think this is a new technology that's going to stay, if only for the provenance of art. Now, is it going to stay this big and this much money going through? No. I don't think that that's sustainable.

I think that right now, as the fad's happening, you're going to get these huge numbers, but even now, we're still pretty early in, but I think that things are going to stabilize soon, and then there may be some sort of a crash where only certain entities are selling and that sort of thing.

I think that as a whole, this technology is going to continue and build, and it is going to be something that's going to survive anything that happens right now.

Mason: I tend to agree. I think that this will be a phenomenon that sticks around, but I think there are going to be a whole lot of people that lose a whole lot of money along the way.

Kirby: Yes. I think there's going to be a lot of fraud along the way. First of all, we had all the headlines of how amazing this is, how much money's going through, then we'll go through the series of all the people getting defrauded out of things. That's the next series of headlines I think we're going to see.

Mason: Is there anything else worth talking about or that I should have asked?

Kirby: I think the only thing extra that I would add for the case of fraud investigators is that when you start looking at devices now, if you get a chance to seize a device or something like that, start looking for those crypto wallets, because you're already looking for crypto wallets, but specifically the NFT ones like MetaMask.

Mason: Thank you again, Kirby Plessas, for joining us on ACFE's *Fraud Talk*. I can't wait for the next time I get a chance to ask you some questions.

Kirby: Thanks for having me. I can't wait to see what happens with NFTs.

Mason: You can find more episodes of *Fraud Talk* on iTunes, Spotify, or wherever else you get your podcasts. This is Mason Wilder, signing off, and thanks again for joining us.