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Nivarka - June 23, 2014, 2:10 pm

Nivarka's Guide to Safe Currency Exchanges & PayPal Disputes

Background

I have witnessed lots of scams and issues within the Currency Exchange forum. Many of these mistakes are entirely avoidable, and so I have created this guide to help users who are new to the section minimise their chances of being scammed. Following this guide will not eliminate your chances of being scammed, but it should drastically reduce them.

Choosing Your Trading Partner

The number one mistake I see people make on a regular basis is choosing a trading partner. Everyone would much rather wait, or take a lower sum of money in an exchange, than rush into a deal and end up with nothing. Whilst some people need time-critical exchanges, the majority of legitimate individuals should not press you for an immediate deal. If you hear that you're trading with someone who needs to exchange right there, right now without delay, alarm bells should be sounding inside your head. This is a sign that the user may be attempting to engage in an exchange with you using a compromised payment account. Naturally, as soon as the legitimate owner of the account finds out what has happened, the payment may be reversed, and you left with nothing.

Consider checking the user's recent posts, are they posting in multiple different exchange threads, trying to make deals with multiple users at once? This is a sign that they are trying to harvest as many deals as possible before their time is up, and they lose control of the compromised account. If you see that a user has recently engaged in an exchange with someone and you're unsure whether you should trust them, wait it out. Just wait a day or so before dealing with that user. Scammers don't last long before they get caught out, so don't let them hurry you into falling for their trap. If they've engaged in multiple deals within a short period of time then waiting is suggested. A user may initiate a mass-chargeback on all sent payments. Don't let yours be one of them.

If a user approaches you and is adamant that you must go first in a deal, when really you see no reason why you should, simply refuse. It's tough to turn down a good deal, but if it sounds too good to be true, it probably is. If you're unsure as to whether the user is legitimate, ask them to send a small denomination of money to your account. This will then provide you with their account details. Do the details on their account match what you'd expect? Are you dealing with a gentleman, yet the payment is from a female? This could be legitimate, yet it could also be the result of a compromised account.

Scam reports can be a real blessing. If a user has multiple scam reports, forget about trading with them until they are resolved. It is simply not worth the risk. That being said, be sure to actually read the scam reports and make sure they're valid and relevant. The deal dispute database, found in the deal disputes section of the forum, is a brilliant tool for quickly searching for any open issues with a user.

As well as this, do not underestimate the power of purchasable awards. When someone sees an award next to your name, they associate the investment in your account with your likelihood to scam

them. After investing over \$700 in my HF account profile, am I likely to steal \$20 from someone? No. Of course not. By demonstrating your commitment to this site you can really make a name for yourself and get a massive head start in the currency exchange section.

Who Goes First?

Reputation isn't everything. In many cases, reputation is nothing. Do not agree to send funds to a user simply because they have a large green number beside their name. Take a closer look at their rep, do they have lots of it from exchanges within this section? If not, are they new to exchanging? If you participate in lots of exchanges regularly, and have 30 positive rep from these, consider yourself of a higher standing than someone with 100 rep who's never done an exchange before. Remember, only RELEVANT rep is worthwhile rep. If someone has given away 5000 OMC in the giveaways section of the forum and gained 300 rep for it, does that mean they're unlikely to scam you? Not at all. It adds NOTHING to their credibility. Unfortunately, this DOES make it difficult to gain a reputation amongst exchangers and forum traders.

There are a few exchangers within this section who have lengthy threads, and make multiple deals per day. They will always ask you to go first. You really are best off sticking with these users, even though you position yourself in an apparently more risky situation. Although you might end up paying more per deal, and you're sending the funds first you're MUCH less likely to get scammed with these users, which is both reassuring, and can save you money, as getting scammed is expensive. If you need assistance choosing an exchanger for a specific deal, perhaps with a niche currency, feel free to PM me and I will do my best to help you.

Remember, if neither of you want to make the deal first, use a middleman (click [here](#)). Failing this, it is wise to do large trades in smaller increments. This reduces the value of each trade, resulting in less of a financial impact to you if the trade turns sour. Generally, the person paying with a reversible currency should go first, for obvious reasons.

Which Payment Method?

There are a large variety of online payment methods available to those looking to exchange currency, each of which carrying their own merits and drawbacks. I will here summarise a few of these payment methods and explain how to take due precautions with each of them, both whilst buying and selling.

PayPal - One of the two most commonly exchanged currencies. PayPal is reversible. When selling PayPal, do not feel that the fact that PayPal is a reversible currency warrants a lack of care. Do not rely on PayPal's Resolution Centre to safeguard you against scammers. Take exactly the same precautions as you would for paying via Bitcoin. When buying PayPal, be cautious as to who you accept funds from. Try to establish an identity of the user, and make sure that that matches with the information on the account. A Verified PayPal account does not ensure your security. If in doubt, it is common practise to request identification or proof of address, to match these details with those stored by PayPal. However, if someone wishes to recover their funds from you, it is extremely easy to do so with PayPal.

Cryptocurrencies - The other most commonly traded currency. Cryptos are not reversible. When selling Crypto, first establish your confidence as previously described, in regards to who will be going first in the transaction. Once you have sent cryptocurrency, retain the blockchain link to the transaction, in case you are required to provide evidence of sending. When purchasing cryptocurrency, ensure that you provide the correct receiving address. It is very easily to accidentally have someone send funds to the wrong location.

Western Union - Western Union is a commonly exchanged currency. It is not reversible. When selling WU, be sure that you are dealing with someone reputable, as it is easy to collect WU and be gone without a trace. When buying WU, ensure that you have adequate safety measures in place, as usual.

International Bank Transfer (Wire) - Wire transfers are irreversible. Similarly to WU, Wire Transfers should only be used with trusted individuals, as cash-over-wire transfers are essentially anonymous. It is best to ensure the identity of the person you are dealing with before engaging in a wire transfer.

National Bank Transfer - National Bank Transfer is a very common currency to exchange, here on HackForums. Bank transfer is nearly-irreversible. By this, I mean that it IS reversible in the event of a proven scam / fraud, but banks take this activity very seriously. If you are scammed via Bank Transfer, you can report this to the police, and due to you having their bank information, they can easily be traced.

Skrill - Skrill is another common currency on HF. When receiving Skrill, ensure the authenticity and identity of the individual you are dealing with, as your funds will be removed and recovered through a collections agency if they were found to be from a fraudulent source. Skrill does not permit currency exchanging in their ToS.

Interac (And Similar) - When accepting funds through Interac, it is wise to make sure that the funds are not stolen. This can be done by requesting a govt. issue ID, as well as the name of the registered banking institution.

Avoiding Compromised Accounts

Sadly, you don't always know who you're dealing with. Sometimes, a trusted user will allow their account to become compromised, resulting in a thief attempting to launch as many exchanges with individuals in the shortest time possible. You can often spot key, important signs hinting towards this. View the user's most recent posts. Are they in the same sections they're normally in? If they normally only post in the Anime section, and suddenly they're very interested in RATs and cryptocurrencies, you may have spotted a compromised account. Refuse to deal with this user, and report the account to a member of staff.

Another sign would be urgency, as mentioned before. These people do not have long before the legitimate account owner realises and they get shut down. Simply asking to wait for another day will eliminate most of these compromised account scam attempts. If you're particularly familiar with the user, check that they're typing and formatting their posts the same way as usual. Do they normally sign their posts off? Do they use smilies? Do they use abbreviations, slang or contractions? Does all this behaviour match the behaviour they're exhibiting with you. If not, alarm bells should once again be ringing.

Whilst you may encounter some puzzled or cautious trading partners at first, once you have an established footing in the currency exchange section, don't be scared to ask users for ID in order to verify their ownership of reversible currency accounts. If they make their excuses and end communication with you, chances are you just saved yourself being scammed by a stolen or fake PayPal account. The likelihood of a member deciding to scam you if you have their name, address and photo is very slim. Additionally, you can report them to their local police department for fraud. Stealing currency of any kind is a crime and the law enforcement agencies will respond appropriately.

Simple Tips to Save Yourself

If there's one thing that can be guaranteed to reduce your chances of getting scammed, it's not trading. Now obviously, this isn't practical, but it should still be remembered. If possible, find and get to know three or four other individuals who are likely to always be available and wanting to exchange with you. Not only will exchanging with long-term partners provide you with better rates, but you're trying out fewer new people, and reducing your chances of getting scammed. Obviously, you need to make sure the intentions of these people are sincere, as if you're accepting a high volume of PayPal payments and suddenly encounter a mass-reversal, you aren't going to be happy. Often, reliable trading partners will help you out when you're in a pinch too, making them extremely valuable trading assets.

Before dealing with a user, visit their profile and obtain their user id. Click search along the top navigation bar and type their user id in and search for it in thread titles. By doing this, you can quickly check if a user has changed their username whilst scamming, and see if they have any open scam reports. This is a vital step to take before dealing with someone new, do not miss it out!

Always deal on HackForums. Whilst Skype is much easier to deal with, if you're ever in the unfortunate scenario where you're in need of evidence, if you've got all of your communications on HackForums you're in a safer place. This will add validity to any scam reports you make, as private messages can be checked and verified if required. Also, it gives you more time to check things and everything is more to the point. When dealing through PM, you don't feel obliged to hurry the deal to a close within an instant, and can take your time to ensure you're processing the correct amount to the correct place.

Early on, a good name for yourself is much more important than your profits. Spend your time building a name for yourself at low profit margins. People will be willing to trade with you if you offer them good prices, and you can slowly yet surely build up a name for yourself within the currency exchange community. As you become a more trusted individual, you can increase your rates and charge more for your trusted, reliable, secure service. People will pay a premium in order to feel safe, play this to your advantage by ensuring you're a valued and trusted exchanger.

If you're looking to become an exchanger, consider purchasing a sticky in the section. This shows that you've made a small investment, and are unlikely to scam for less than \$20. To start off, expect to only make small deals with little profit, you're trading your profit for the greater risk you present to someone dealing with you. After that, simply put it in your signature that you're exchanging. There's no better advertising than a free 650 x 200 banner on every thread you post on!

How to Win PayPal Disputes

It's an unfortunate fact of currency exchanging that PayPal aren't the nicest people to work with. But that doesn't mean that you have to lose disputes. Once you trade a certain volume with PayPal, they will call you and enquire as to the nature of your income. From here on out, according to PayPal, you offer graphic design services. They look down upon cryptocurrency traders as if we're all out to scam and make a quick buck. Graphic designers, however, are PayPal's exact target market, they want to get it right for these people. If an item not received dispute is raised against you (which it can't be if you use gift payment), then simply remind PayPal that you sell virtual, graphical products which have been delivered to the buyers email inbox. That should be enough to grab you the case. However, if they open an unauthorised transaction dispute, things may get a little trickier. You should have followed my aforementioned tips to ensure that the account isn't actually stolen. The good news is that the following method includes a workaround to those who send payments on a VPN to claim unauthorised access. In the message to PayPal, simply state that you finished working with a client, and then they came back to you asking for further changes and modifications to their work. Obviously, this was outside of your initial agreement and you so say you requested an additional few dollars for this service. Report that your client got extremely angry, and informed you

that they used a VPN to make the payment so that they will be able to recover the funds. State that you hope there is something that PayPal can do against this type of fraudulent activity. Play it right and you'll win the disputes without fail.

Summation

Thank You all for taking the time to read this guide and becoming a safer user of the exchange section. I hope that you have gained something from reading this, as it will all be worth it even if only one scam is prevented through someone using this information. If this guide has helped you in any way, please make a post in the thread and keep it active so that other members of the community can benefit just as you have. If you've any questions, feel free to post here or PM me, I'll be more than happy to help out.

Special Thanks

[Viral Dragon](#)

[Lucifë?](#)

[Tusik](#)

[Maximum](#)

Best of luck with your currency exchanging. Until next time, it's Business As Usual!

Dankrupt - June 23, 2014, 2:18 pm

Great guide Nivarka! This will definitely help some of the newer members trade safely.

Lucifë? - June 23, 2014, 2:23 pm

Nice tut bro keep it up...

with a dream of safer HF without any scammer....?

Nivarka - June 23, 2014, 2:35 pm

Thanks for the feedback guys. I'm sure we can make this section a safer place to deal in.

- Niv

SWS - June 23, 2014, 2:44 pm

Very nice thread Nivarka.

There are way too many scams in this section and I myself have been scammed more times than I can even remember but luckily most of the scams happened back when I first started exchanging and weren't as cautious as I am now.

Nivarka - June 23, 2014, 2:54 pm

Thanks. The thread will constantly be updated with tips and advice posted and sent to me.

- Niv

Nivarka - June 23, 2014, 3:04 pm

(Jun 23, 2014 02:59 PM)xadamxk Wrote: [CITE](#) ? I can't help but to think this has something to do

with... xD

You're the whole damn reason... ?

- Niv

Sam Winchester - June 23, 2014, 3:36 pm

A very nice and versatile thread Nivarka! Well done. ?

Tusik - June 23, 2014, 4:28 pm

I follow by a lot of points in this thread. Definitely where you say don't go by the green number. Actually look through the negatives as users can inflate their positive rep while having a couple negatives that are huge scams that people don't notice.

You could add proving verification of an account with an ID. 99% of fraud users shy away when they are asked this.

+1 to sticky this ?

Rubentastic - June 23, 2014, 10:49 pm

This might help some people not to get scammed. Nice thread, keep it up ?

Nivarka - June 23, 2014, 11:59 pm

Thanks for the feedback. I'll constantly update this tutorial as and when it needs it.

- Niv

Xobe - June 24, 2014, 12:02 am

Nice thread, thanks for the tips. I appreciate it!

BITW - June 24, 2014, 4:23 am

Great tut buddy. that is really helpful for many new users+OLD users

Nivarka - June 24, 2014, 7:08 am

Want to keep this thread active so that people read it. Thanks for all the feedback :-) PM me if anything else should be included.

- Niv

Viral Dragon - June 24, 2014, 9:05 am

You know what? I can get behind this. I fully think this guide should be utilized more.

@OP: I didn't see anything about middleman/men though. Maybe add that in, they're quite helpful. (Or maybe I passed over it?)

-Viral.

Nivarka - June 25, 2014, 11:23 pm

Thanks for the continued support guys. Please post to keep this thread alive, and either post or PM your suggestions to me!

- Niv

Rubin - June 25, 2014, 11:38 pm

High quality tutorial. Thanks for the contribution!

Fumes - June 25, 2014, 11:41 pm

Wait wait wait, didn't you just get scammed, lol?

Nivarka - June 25, 2014, 11:48 pm

(Jun 25, 2014 11:41 PM)Fumes Wrote: [\[CITE\]](#) Wait wait wait, didn't you just get scammed, lol? Unfortunately with exchanging, you can only minimize, not eliminate your chances of being scammed.

- Niv

Nivarka - June 28, 2014, 3:08 pm

Made some updates to the thread, gave a special thanks to those who've helped out.

- Niv

Nivarka - July 25, 2014, 6:14 am

I've seen some new people in the currency exchange section. Maybe they should take a look at this.

- Niv

Rathz - July 25, 2014, 1:36 pm

Great guy Nivarka, have you forwarded this to Omni to possibly get sticked?

Nivarka - July 25, 2014, 1:51 pm

I've requested to purchase a sticky as I feel that it's quite important.

- Niv

Nivarka - August 6, 2014, 5:08 am

Please don't let this thread die, guys. I've had awesome feedback on Skype.

Booba92i - August 6, 2014, 5:12 am

(Aug 6, 2014 05:08 AM)Nivarka Wrote: [\[CITE\]](#) Please don't let this thread die, guys. I've had awesome feedback on Skype.

It's such a shame that you have to pay to keep an HQ thread that may save lots of people. Why is this thread not a permanent sticky, Omni?

Flaxpicker - August 6, 2014, 5:32 am

(Aug 6, 2014 05:12 AM)Booba92i Wrote: [\[CITE\]](#) It's such a shame that you have to pay to keep an HQ thread that may save lots of people. Why is this thread not a permanent sticky, Omni?

Probably because there's lots of guides similar to this

The GRim - August 6, 2014, 5:49 am

(Aug 6, 2014 05:32 AM)?rrow Wrote: [\[CITE\]](#) Probably because there's lots of guides similar to this That's true, these kinda threads die in no time.

Nivarka - August 8, 2014, 4:04 am

What can I add to this to improve it's importance within the section?

Nivarka - August 27, 2014, 7:34 pm

Updated this thread to include a load more information!

Maximum - August 28, 2014, 6:35 pm

(Aug 8, 2014 04:04 AM)Nivarka Wrote: [\[CITE\]](#) What can I add to this to improve it's importance within the section?

Unique payment methods that users use to exchange with, what is and isn't irreversible, what kind of fraud you need to look for when accepting payments and how to stop it for example a user wants to pay with Interac and to make sure it's not stolen ask for government issue ID and the name on the bank so you can verify it's his.

Stealth V2 - August 28, 2014, 6:37 pm

Great thread, should help out many of people that are currency exchanging, and hopefully should clear up some stuff.

Nivarka - August 29, 2014, 5:12 am

I've updated this massively based on the suggestions of Maximum. Anyone else with any other ideas, please put them forwards.

Businesses - August 29, 2014, 8:09 am

This guide should get more comments, and stickied :)

Nivarka - August 29, 2014, 8:16 am

I'm not the one who decides if it gets stickied or not, but feel free to suggest it to those in power.

Teachme123 - August 30, 2014, 8:50 pm

Wow good info thank bro for taking time to do this!!!

Self-Made - August 30, 2014, 8:53 pm

Very nicely compiled thread. I will finish reading this soon. Thanks for contributing.

-Self-Made

?nxy - September 16, 2014, 9:20 am

This is a great guide, very nice contribution.

brian188246 - September 16, 2014, 10:40 am

I've never read this until now, and I actually think this is one of the most helpful guides I have read on HF. Pretty much everything you've said was on point. This was one of the best things in the article (imo)

"If a user approaches you and is adamant that you must go first in a deal, when really you see no reason why you should, simply refuse. It's tough to turn down a good deal, but if it sounds too good to be true, it probably is."

I come across this situation all the time, then somebody ignores the warning I give them, and get scammed.

Amazing guide OP.

BLURRYF?CE - November 12, 2014, 11:36 pm

OP, you have written down some of my trade secrets to not getting scammed, you should seriously consider adding me to the spechiul thanks list. Thanks in advance.

PoisonKnife - November 12, 2014, 11:40 pm

Good guide. Thanks for sharing your tips :)

zSerity - November 12, 2014, 11:48 pm

Awesome guide bro, I can tell you put a lot of time into this.

Nivarka - November 13, 2014, 8:13 am

Thread has been updated with yet more information. It now includes a guide to win PayPal disputes, as well as additional information on requesting ID.

Imran Khan - November 13, 2014, 8:47 am

Very nice and understandable thread, I recommend this to be put in the paid stickies. This is a nice thread.

Nivarka - November 15, 2014, 2:26 am

It was a paid sticky before, I don't really feel like paying again, massively.

typhoid - December 16, 2014, 10:35 pm

I love this guide. i find myself coming back to it time after time and refer others to it. it should be permanently stickied as it is literally the currency exchangers bible

Nivarka - February 16, 2015, 4:30 am

Whilst I will no longer be running or hosting an exchange service, I remain dedicated to ensuring that no member of this site comes to a loss through using this section of the forum.

I will endeavour to keep this thread updated.

Astek - February 16, 2015, 4:31 am

Really nice thread man, thanks alot.

James Burnham - August 19, 2016, 5:44 am

This guide is still relevant. I gravedig gold.