

Forum: [Hack Forums](#)

Thread: [DC attorney general sues Athena Bitcoin over alleged hidden fees](#)

Stanley - September 10, 2025, 9:20 am

DC attorney general sues Athena Bitcoin over alleged hidden fees

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https://cointelegraph.com/news/athena-bitcoin-sued-undisclosed-fees-scam-safeguards?utm_source=rss_feed&utm_medium=rss&utm_campaign=rss_partner_inbound

account_ - October 3, 2025, 7:29 am

full article:

DC attorney general sues Athena Bitcoin over alleged hidden fees

The attorney general for the District of Columbia, Brian Schwalb, alleges that Athena Bitcoin charged undisclosed fees and had insufficient safeguards to stop fraud and scams.

The attorney general's office in Washington, DC, has sued crypto ATM operator Athena Bitcoin, claiming that it charged undisclosed fees on deposits the company knew were tied to scams and failed to put sufficient anti-fraud protections in place.

DC Attorney General Brian Schwalb alleged on Monday that 93% of deposits on Athena in its first five months were the "direct result of scams" and criticized the firm's no-refund policy, which he said is preventing victims from recovering allegedly undisclosed fees and scam losses.

It comes amid a broader crackdown on crypto ATMs, with the FBI reporting nearly 11,000 complaints of fraud came from the kiosks in 2024, totaling over \$246 million in losses. At least 13 states, including Arizona, Colorado and Michigan, have implemented transaction limits to reduce the potential impact of crypto ATM fraud.

Athena did not immediately respond to a request for comment.

Athena allegedly profits six figures from undisclosed fees

In the court filing, Schwalb's office alleged that Athena was charging consumer fees of up to 26% per transaction without "clearly disclosing them at any point in the process."

The office argued that Athena misled users by referring to a "Transaction Service Margin" in its Terms of Service, where "fee" was never mentioned.

Athena was charged with engaging in deceptive and unfair trade practices, as well as violating laws

aimed at protecting vulnerable adults and the elderly from abuse, neglect and financial exploitation.

According to the attorney general's office, Athena allegedly "pocketed hundreds of thousands of dollars in undisclosed fees" from scam victims, many of whom were vulnerable or elderly, in its first five months of operating in DC between May and September 2024.

The median age of victims was 71, while the median loss per transaction was \$8,000, according to the filing, which claimed one DC resident lost \$98,000 from a scam facilitated at an Athena kiosk.

Schwalb's office claimed Athena had "ineffective oversight," which it said created an "unchecked pipeline for illicit international fraud transactions."

Steps to avoid being scammed at crypto ATMs

To protect oneself from what Schwalb described as "predatory conduct," crypto ATM users shouldn't send funds to somebody they haven't met, especially if it is to someone they've randomly been contacted by.

Scammers typically present themselves as a crypto tech support specialist, claiming the victim's funds may be at risk, or a trader who promises to help them make outsized profits at little to no risk.

Those met with random requests should refrain from responding to them and contact the institution or person they claim to represent through official channels.

There are currently 26,850 crypto ATMs in the US, according to CoinATMRadar. Bitcoin Depot owns the largest share of machines at 27.6%, followed by CoinFlip and Athena at 13.6% and 13%, respectively.

Banking industry rife with undisclosed fee scandals

Failing to disclose fees, as the DC attorney general alleges, has historically been a prolific issue in the banking industry.

The Federal Deposit Insurance Corporation ordered Discover Bank to return around \$1.2 billion in fees it overcharged to customers in April, while Wells Fargo was ordered in December 2022 to pay \$3.7 billion worth of fines after it was found imposing illegal fees and interest charges on mortgages.

Bank of America was also ordered to pay over \$250 million for charging "junk fees" in 2023. [warn]

Fish - October 7, 2025, 1:53 am

(Sep 10, 2025 09:20 AM)Stanley Wrote: [\[CITE\]](#) DC attorney general sues Athena Bitcoin over alleged hidden fees

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That's the thing with crypto. There can be many undisclosed fees. Hopefully this will change

something for the better

DAL-SHA - *October 7, 2025, 8:20 am*

Classic “surprise, it’s not free” move—guess the only thing ATHena wasn’t good at was transparency. Let’s see if the courts swipe left on that scam. ???

Hackers - *October 8, 2025, 7:32 pm*

It'll be difficult to force a crypto company to offer full refunds. If a bank card is used fraudulently to buy crypto, it might need to fall on the bank / FDIC / others to resolve the problem. I don't know too much about Athena ATMs though...

On the fees side... It sounds like they're baking in a giant margin in the fingerprint / TOS & then probably presenting misleading valuations so the user doesn't think twice.

From the sounds of it, if you buy \$100K , you're only getting around 74% of that value.

That's an extremely unfair margin, and all things considered, it should cover normal risks, refunds, etc.

However the article says that the AG claims 93% of Athena deposits are related to scams. If that's true, it'll be hard to save them. It would be difficult to hit a 93% rate unless your system is so terrible, it's sought out and targeted.