Hereâ??s how a crypto ponzi scheme looks like

Description

Breaking news:
This is probably the only time youâ??ll ever see Budget Babe feature and tell you to check out a Ponzi Scheme on her blog.
The horror!!!!!!!!

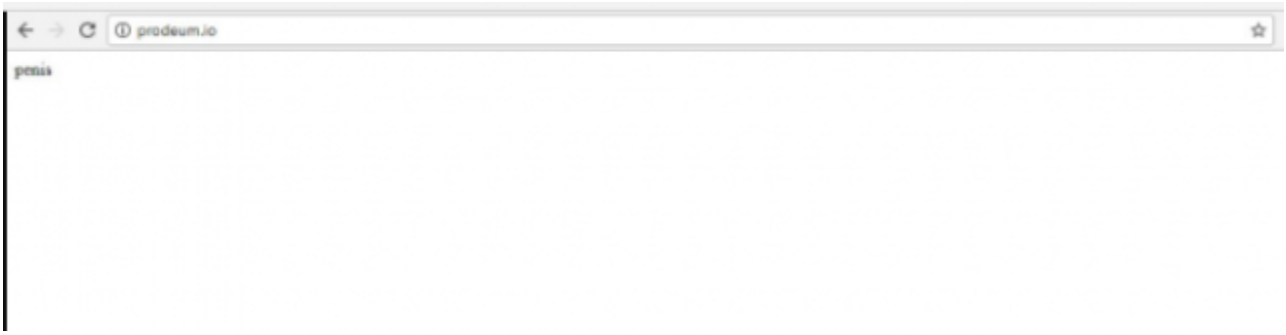
So I just came across one of the most impressive and smartest crypto projects Iâ??ve ever seen. In fact, the entire scheme is so full of genius â?? if people buy, you get dividends; if people sell, the price lowers until people buy again, which gives you MORE dividends. You literally can *almost* not lose as long as you have iron hands and not sell.

It is a joke of a crypto project and an outright, self-confessed Ponzi Scheme, but a really good social experiment, which was why I thought this was too golden a joke not to share.

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Thereâ??s no end to scams and ponzi schemes in the crypto world, with so many people being cheated of their money because theyâ??re just chasing crypto gains without having the slightest clue about stuff like how to prevent their coins from being stolen, how to spot and avoid shitcoins, and all the other essential stuff that it takes to navigate this crazy crypto universe.

The latest news is that another shitcoin ICO called Prodeum just exited the scene after scamming millions of investor dollars and left this message on their website:



Out of the coins I study, I would say about 10% of them end up to be scams / ponzis / shitcoins. And my personal investment mantra is, as long as I spot a major red flag which makes me feel uncomfortable about the project, Iâ??m out.

But Iâ??m not here to nag today. In fact,
Iâ??m here to tell you about a new coin which declares itself as an actual **ponzi scheme**.

Yes you read that right. But before you click the exit website button on the top left, let me explain why you should listen and continue reading.

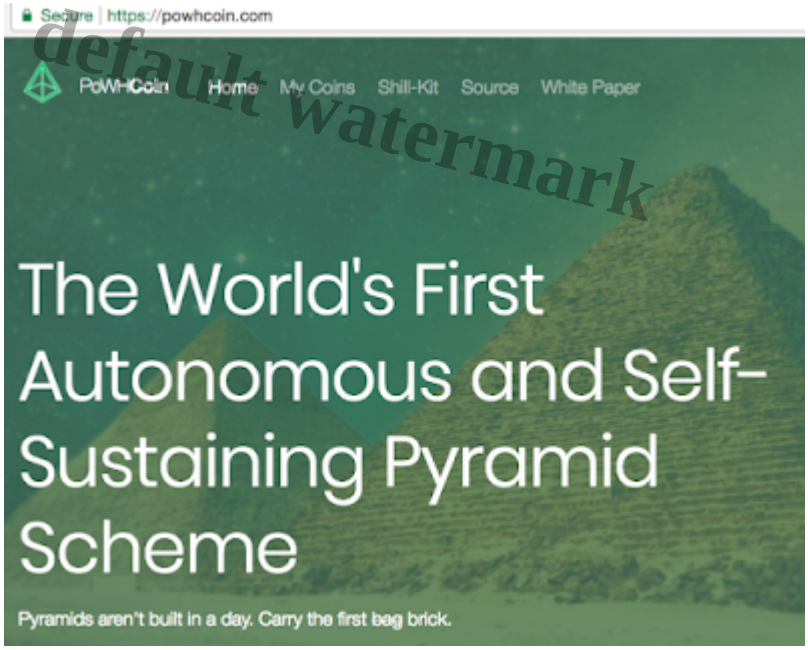
If you want to get educated on how a ponzi crypto scheme looks like, this is literally the best way to learn!

Whether you want to put money in or not is up to you *(I wouldnâ??t recommend it though)*, but at least you can be almost certain that you probably wonâ??t be losing your money unlike what happened with folks who lost their life savings in Bitconnect just to learn this same lesson.

Allow me to introduce: **Proof of Weak Hands coin (PoWHCoin).**

Iâ??ve studied so many dubious coins, scams and ponzi schemes in the crypto space (*coughs* Bitconnect*cough*Legit Coin) that Iâ??m blown away by how the developers of POWHCoin have nicely tied almost every element into this single project.

This is the smartest, most hilarious, and most ingenious coin Iâ??ve ever seen. You should take a look here so you can get educated on how to recognise a crypto ponzi next time.

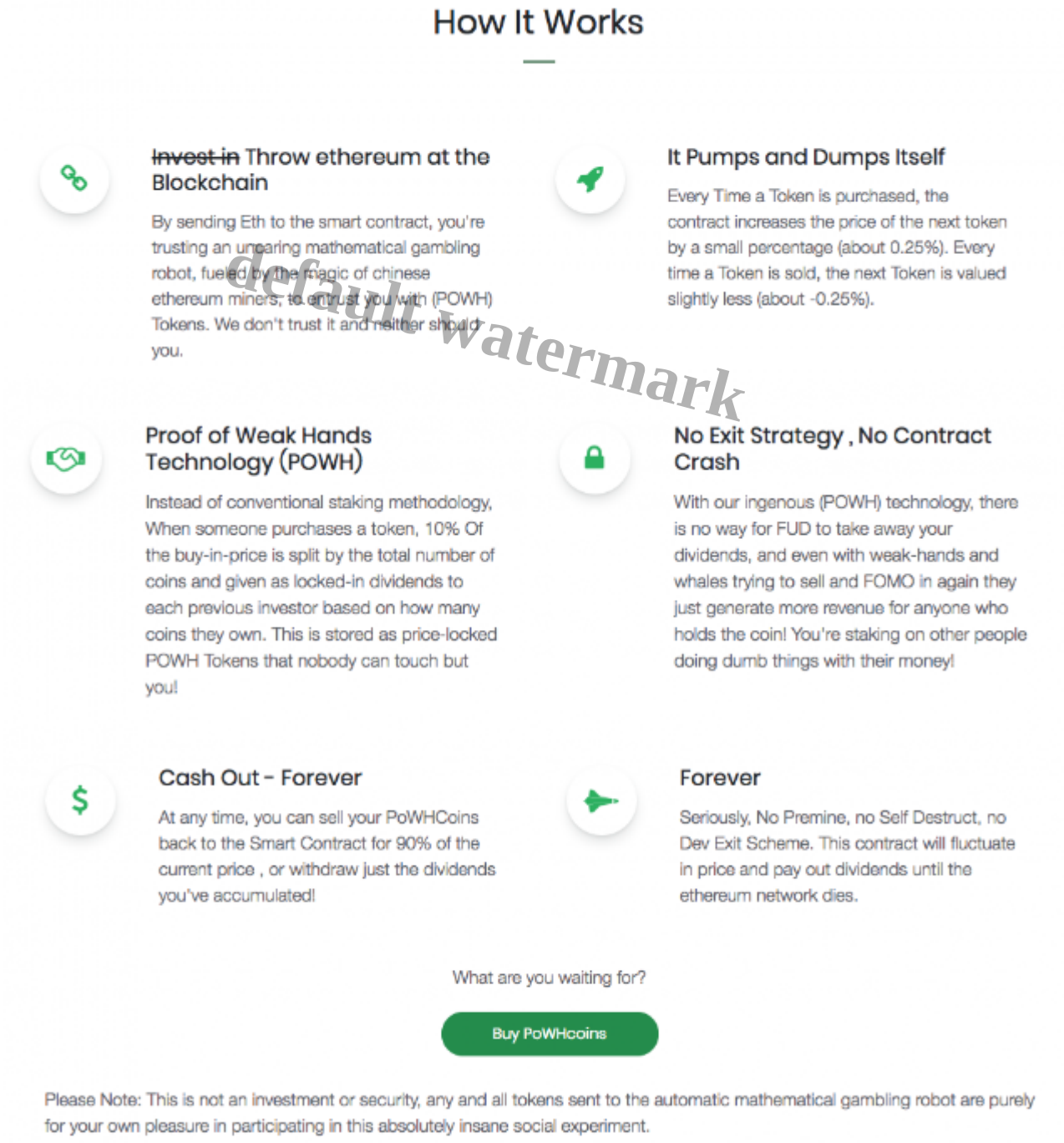


- Pyramid schemes? Check. They openly tell you theyâ??re one.
- Wanna invest? They tell you that youâ??re throwing, not investing, money into this, and even call you â??fools and madmenâ?• before you click through to buy.
- Pays dividends? Hell yeah.
- Anonymous or invisible team? Check.
- Get rich quick scheme? Check.
- Pump and dump scheme? Check.
- Shilling? Check.
- Advisory team? Nope, but thereâ??s an inspiration team alright! (imo, CryptoNick and CryptoChick ought to be on that list too!)
- Shady whitepaper? Check.

Now for the legitimacy:

- Does it really pay dividends? Yes.
- Can you really cash out your dividends? Yes.
- Can you sell and cash out? Yes.
- Is the smart contract immutable (i.e. cannot be changed)? Seems like it.

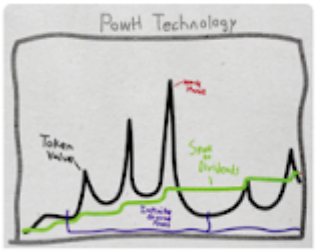
Donâ??t take my word for it though, check out the smart contract and code for yourself here. **The owner cannot destroy the contract**, if thatâ??s what youâ??re worried about it.



Just look at this ingenious whitepaper summary!

Guide to Get Rich Quick

Whitepaper Summary



Step 1: ~~Invest~~ Throw your ETH at our robot

This game will be running for as long as ethereum is around. Send ether to the Smart Contract through this website to buy your coins now before it takes off, or after the price has tanked the first time, or the second time. There's going to be a LOT of ground floors; Pretty sure we are in for a ride

Q: How do we know you guys won't do the same thing?

A: Different contract, You should read it; the math is pretty cool and is designed to initially spike, then crash, then spike and crash and continually make dividends for anyone with **IRON HANDS** and let short term / weak handed players trick themselves

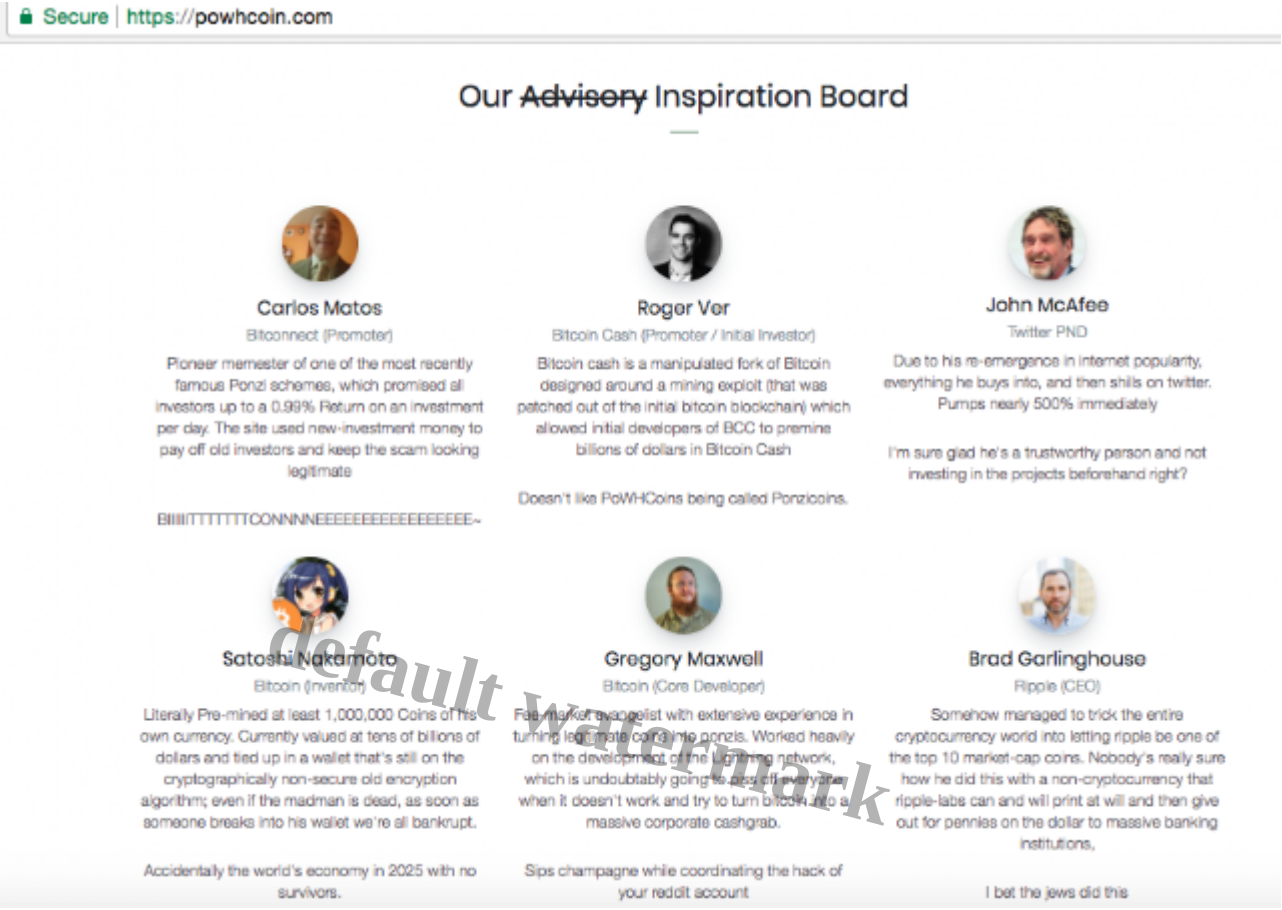
Q: This seems like a great investment opportunity! I need to get back all the money I lost in BitConnect, so can I put my entire pension fund/college fund/retirement savings/second home mortgage in?

A: No, this is a joke foremost and secondarily a toy that only has as much value as the fun you get out of it (and the fun you get out of other players).

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Q: Is this a scam?

A: Yes, More accurately this is a game where you put cryptocurrency into trying to trick, fake out, or scam everyone else out of their cryptocurrency. Any value you deposit into this smart contract should purely be placed because you enjoy the concept and social experiment and wish to participate. For better or worse.

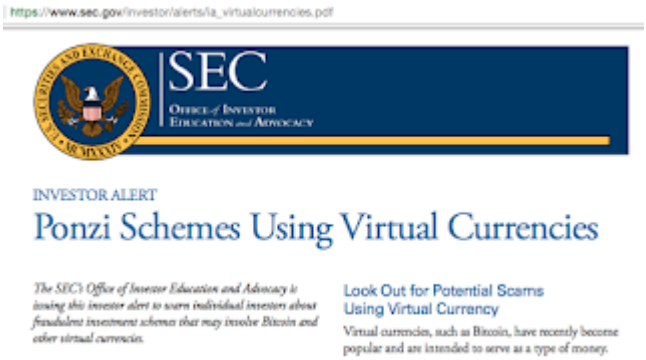


Wanna cash out? Worried you canâ??t cash out if the website goes down like the sites above?



The contract address is: 0xA7CA36F7273D4d38fc2aEC5A454C497F86728a7A

Click on their Whitepaper link (top of toolbar) and watch how it redirects you to the SEC investor alert document on crypto LOL.



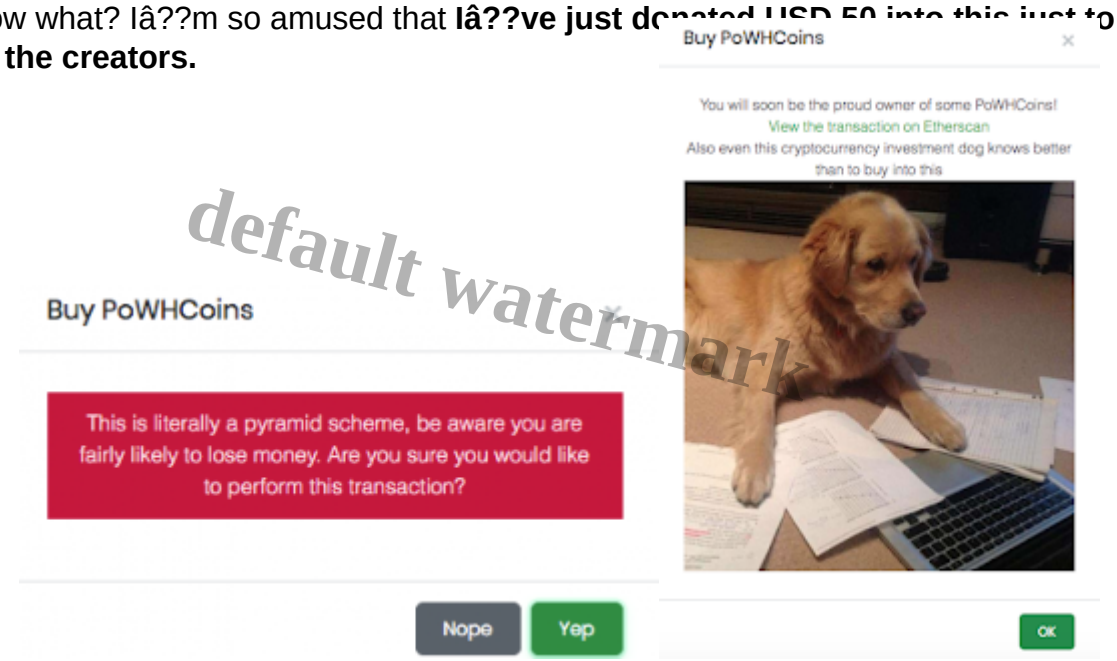
If you appreciate humour OR wish to get into a Ponzi Scheme OR wish to get educated on how a Ponzi Scheme looks like, you can play around with the website features here:

https://powhcoin.com/

This coin literally cannot crash! Check out the smart contract and youâ??ll see why â?? the instructions are built into it!

I played around on this website for an entire hour and have no regrets. This is the funniest thing Iâ??ve seen in crypto. Btw, did you spot all the little subtleties in the website? Each time you refresh the coin price page, it even gives you a good old quote like â??Bag-holders like you are why we can have nice thingsâ?• or â??Buy high, panic, sell low, repeat.â?•

Whoever built this deserves an award for their level of wit, sarcasm and humour all combined into one. And you know what? Iâ??m so amused that **Iâ??ve just donated USD 50 into this just to show my support for the creators.**



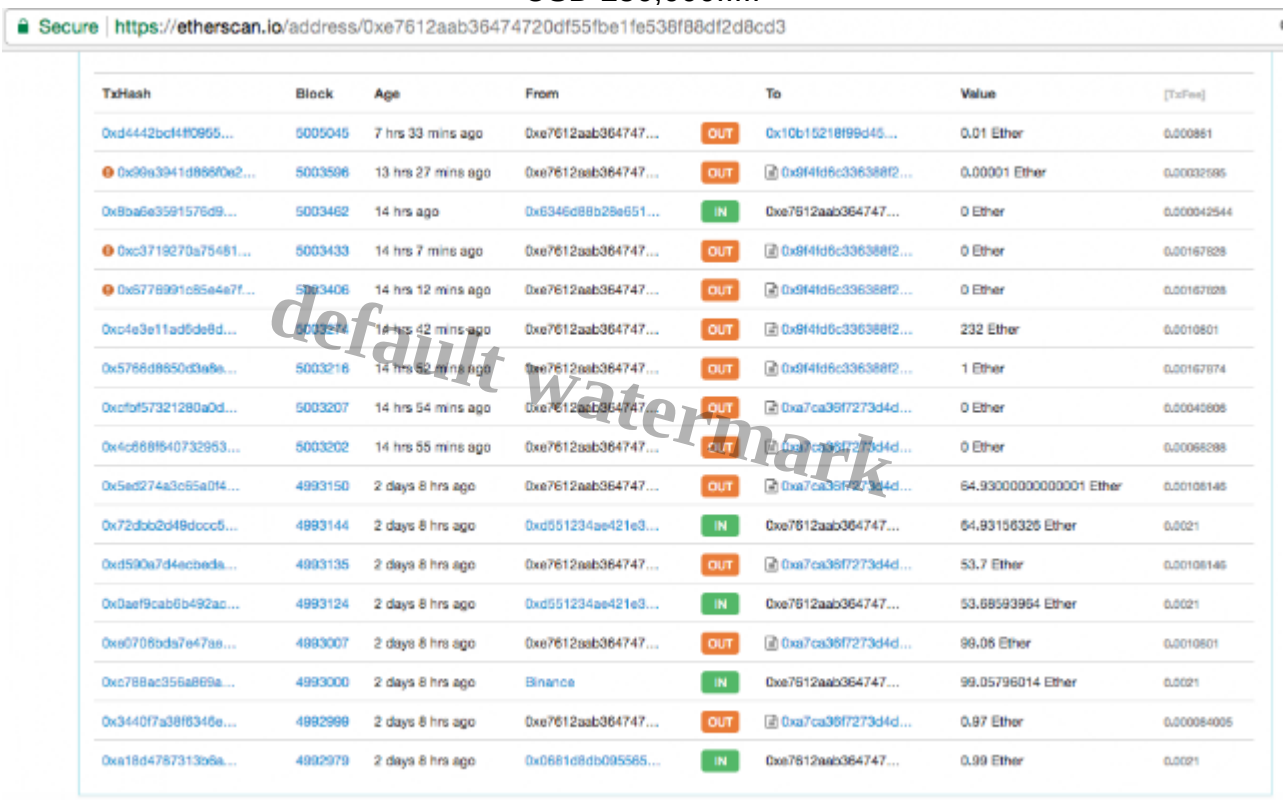


Update: Unfortunately, PoWH has just been hacked and most of the ethers locked in the smart contract have now been stolen. Iâ??m more bummed over the fact that the developers didnâ??t take the money

and run, because Iâ??d rather my money be given to them (I contributed it as a tip as I mentioned) instead of the hackers. [Read the problematic smart contract for POWHShadow here](), and the [one for POWHcoin here]().



Someone actually ~~invested~~ threw 232 ethers into POWHShadow and his money is now locked up forever in the smart contract, with no way for him to withdraw. At time of writing, this is worth close to USD 250,000!!!!!



I went to stalk whoever that poor dude was, and it looks like he certainly ~~invested~~ threw his entire holdings into the problematic ponzi scheme (NOT POWHCOIN, BUT POWHSHADOW. GET THE DIFFERENCE RIGHT) even though he was warned by the creators before purchase.

I pity those who threw in their life savings â?? you were literally warned by the creator that this was a ponzi right from the start.

P.S. Can someone else recreate this as a social experiment? Iâ??d really love to see it run till the end of time just to find out how sustainable this could be!

Category

1. Crypto
2. Investing