

## \$225 Million in USDT Seized in Major Pig Butchering Scam by Coinbase and U.S. Secret Service

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— Categories: Crypto



Coinbase and the U.S. The Secret Service has successfully seized \$225 million in USDT (Tether) connected to a large-scale pig butchering cryptocurrency scam targeting retail investors.

Pig butchering scams involve fraudsters gaining victims' trust often through fake romantic relationships or false investment advice and convincing them to invest large amounts in

fake crypto platforms. The scammers then steal the funds, leaving victims with significant losses.

The investigation began when Coinbase noticed unusual activity on multiple new accounts. Using advanced blockchain analysis, Coinbase traced the flow of stolen USDT to several suspicious wallets. The company shared its findings with the Secret Service, which led to a coordinated international investigation.

Once the funds were identified, they were frozen and then destroyed by Tether to prevent further use. Tether then created an equivalent amount of USDT, which was transferred to wallets controlled by U.S. authorities.

The recovered funds are currently held in custody while authorities work to return money to victims. Officials estimate that thousands of investors were affected and are now part of the restitution process.

James Houser, Deputy Director of Cyber Operations at the Secret Service, said, “This case shows the power of collaboration between private companies and law enforcement in fighting crypto fraud and protecting victims.”

This case highlights the growing role of centralized crypto platforms like Coinbase in detecting and preventing fraud. It also shows how stablecoin issuers like Tether can assist law enforcement by freezing and returning tokens.

As pig butchering scams continue to evolve, experts warn crypto users to be cautious of unsolicited investment offers or emotional appeals.

Victims who believe they were affected can submit claims through the Secret Service’s online crypto restitution portal.