

US Authorities Arrest Man Responsible for Fake SEC Bitcoin ETF Approval Tweet



The United States Federal Bureau of Investigation (FBI) has arrested an individual responsible for posting a fake tweet announcing the Securities and Exchange Commission's (SEC) approval of spot Bitcoin exchange-traded funds (ETFs) earlier this year.

According to a press release by the United States Attorney's Office for the District of Columbia, authorities have charged the 25-year-old Eric Council with conspiracy to commit aggravated identity theft and access device fraud.

FBI Arrests Man Behind Fake SEC Tweet

While the crypto community heavily anticipated the SEC's approval of the first U.S. spot Bitcoin ETFs on January 9, Council got hold of the agency's X account and posted a fake announcement that the products had been approved for trading.

The news caused bitcoin's (BTC) price to rally \$1,000 to \$47,800 within minutes. However, the asset quickly lost \$2,000 and fell to \$45,400 after the SEC debunked the tweet, revealing that hackers had compromised its X account and made the unauthorized post.

Upon investigation by several U.S. agencies, authorities found that Council and his co-conspirators gained control of the SEC's account via a Subscriber Identity Module (SIM) swap attack.

A SIM swap involves combining social engineering tactics to transfer a phone number from a SIM card belonging to a victim to another SIM card controlled by cybercriminals. This enables the hackers to exploit weaknesses in security procedures like two-factor authentication and gain access to victims' accounts and private information.

How Did Council Attack the SEC?

A complaint by the U.S. Attorney's Office accused Council of using the stolen identity of a person who had access to the SEC's X account to take over their phone number. Council, who also goes by the online pseudonyms Ronin, Easymunny, and AGiantSchnauzer, allegedly obtained the SEC employee's personal identifying information (PII) from his co-conspirators.

The defendant then used the PII to create a fake ID, which he

used to conduct the SIM swap at a cell phone provider store in Huntsville, Alabama. Council subsequently purchased a new iPhone and used the new SIM card and the mobile device to obtain access codes to the SEC's X account.

After posting the fake tweet, Council allegedly received BTC payment from his co-conspirators for a job well done and eventually returned the iPhone for cash.

Notably, Council became paranoid after the incident and conducted internet searches for how to know "if I am being investigated by the FBI." He is expected to appear in court in the Northern District of Alabama on Thursday.

SPECIAL OFFER (Sponsored)

Binance Free \$600 (CryptoPotato Exclusive): Use this link to register a new account and receive \$600 exclusive welcome offer on Binance (full details).

LIMITED OFFER 2024 at BYDFi Exchange: Up to \$2,888 welcome reward, use this link to register and open a 100 USDT-M position for free!

[Source link](#)