



BITCOIN BASICS

What is Bitcoin?

Bitcoin is a convertible virtual currency. Virtual currency is a digital representation of value that functions as a medium of exchange, a unit of account, and/or a store of value.

Is Bitcoin a commodity?

Yes, virtual currencies, such as Bitcoin, have been determined to be commodities under the Commodity Exchange Act (CEA).

Does the CFTC oversee Bitcoin?

The U.S. Commodity Futures Trading Commission's (CFTC) jurisdiction is implicated when a virtual currency is used in a derivatives contract, or if there is fraud or manipulation involving a virtual currency traded in interstate commerce.



What risks come with virtual currencies?

While virtual currencies have potential benefits, the market overall is largely unregulated, so beware.

Virtual currencies:

- Are commonly targeted by hackers and fraudsters
- Have no assurance of recourse if stolen
- Involve e-wallets or storage that present cybersecurity risks
- Carry speculative risk plus fraud and manipulation risks

What do I do if I suspect fraud?

If you believe you may have been the victim of fraud, or to report suspicious activity, contact us at 866.366.2382, consumers@cftc.gov, or visit [SmartCheck.gov/submitatip](https://www.smartcheck.gov/submitatip).

How can I learn more?

Find the latest information and ways to protect yourself at: www.cftc.gov/bitcoin.

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