

OpenSea is trying to prevent scammers from flipping stolen NFTs

OpenSea has announced it will start freezing sales for NFTs that it suspects have been stolen in an attempt to stop scammers and hackers from flipping ill-gotten tokens. In a blog post on Wednesday, the company said it's "beginning to test a new system" that will mark NFTs caught up in suspicious transactions as "under review," blocking people from buying them using the platform.

Anne Fauvre-Willis, OpenSea's VP of operations, marketplace, and integrity, tells *Decrypt* that the system will look at "a number of industry data sources," as well as how the NFT was transferred out of the owner's wallet and what else the wallets involved had going on around the time of the transfer. If it flags a transaction as suspicious, it'll alert the NFT's previous owner via email, giving them an opportunity to report it as stolen and provide a police report using OpenSea's existing systems. If it doesn't hear back within seven days, it'll unlock the NFT.

[a: hover\]: text-black \[>a\]: shadow-underline-gray-63 \[>a: hover\]: shadow-underline-black text-gray-63">Image: OpenSea](#)

Until now, OpenSea relied on people reporting stolen NFTs, so it could manually freeze transactions for that item. But given how fast these scams can happen, the company says in many cases, a stolen NFT was resold before the victim had time to react. The automated system is launching in a "limited pilot phase" and will get more training over the next few months.

Of course, there's only so much OpenSea can do – it can't stop the NFT from being flipped on another market that doesn't have this sort of system. However, (despite a steep drop in sales volume and number of transactions over the past year) it's still the biggest NFT marketplace by quite a wide margin, according to data from DappRadar, so the move should at least make it more difficult to fence stolen apes. The company may also share some info about what it learns with other marketplaces in the future, according to *Decrypt*.

Freezing future sales also won't necessarily get you your NFT back. As this support document notes, once an NFT has been taken out of your wallet, the game is up; that transaction has been written to the blockchain, and there's almost no chance of getting it reversed without the thief's assistance. This system, then, is a bit like Apple's activation lock system, where it really doesn't do much to help you get your phone back but makes it a lot less tempting to steal in the first place.

In the vein of keeping things from being stolen in the first place, OpenSea is also trying to cut down on malicious links shared on its platform by automatically detecting them via a list of known bad sites, as well as through simulated interactions and transactions. That's definitely useful, but as the company points out in its own blog, most links to scams are shared off its platform – Discord is especially rife with them.

Still, it's a small step forward toward better security for a space that still struggles with scams. I am, however, not entirely convinced that trust and safety concerns are "some of the biggest barriers to broader NFT adoption today," as OpenSea's blog puts it. The NFT market has broadly stalled, with numbers of daily sales trending dangerously close to pre-boom levels, according to data from NonFungible.com's market tracker.

<https://www.theverge.com/2022/11/2/23436943/opensea-stolen-nft-scams-resale-block>