

# *The Crime of “Pig-butcher Scams” in the Securities Market and Legal Regulation*

Lien-Wei Yu<sup>1,2,\*</sup>

<sup>1</sup>*School of Law, Nankai University, Tianjin, China*

<sup>2</sup>*V.P., Department of Brokerage, SinoPac Securities (Asia) Limited, Hong Kong S.A.R., China  
achilles.yu@outlook.com*

*\*Corresponding author*

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**Abstract:** This article aims to discuss the crime of “pig-butcher scams” in the securities market and its legal regulation. First, the article introduces the definition of the crime of “pig-butcher scams” and its harmfulness. Secondly, the article analyses the current legal regulations on the crime of “pig-butcher scams” in China. It points out problems, such as bottlenecks in applying laws and difficulty collecting evidence. Finally, the article suggests improving laws and regulations, strengthening supervision and reducing investor information asymmetry to solve the crime of “pig-butcher scams” and legal regulation. This article is focused and clear and sorts out the problems and solutions so that readers can quickly understand the theme and purpose of this article.

## **1. Analysis of the development process of the crime of “pig-butcher scams” in the securities market**

### **1.1 The concept of “pig-butcher scams” in the securities market**

#### **1.1.1 Analysis of “Internet Fraud Crime.”**

First, define the crime of “pig-butcher scams” on the Internet. Determining the “pig-butcher scams” type of Internet fraud crime must be based on the relevant legal provisions of my country's existing “fraud crime” and “Internet fraud crime”. At this stage, China has regulated the “crime of fraud” in Article 266 of the “Criminal Law” and, at the same time, regulated the “crime of financial fraud” in Section 5 of Chapter 3. However, there needs to be precise regulation in the existing legal norms. The crime of “Internet fraud” is regulated by law, but the crime of “Internet fraud” is regarded as a specific fraud circumstance, so the crime of “Internet fraud” is not an independent type of crime[1]. At the same time, in the process of combining theory and practice, there is no unified concept of “crime of fraud” and “internet fraud”.

View the occurrence of events in the current situation, internet fraud crimes are divided into the following two viewpoints in academic circles: One view is that Internet fraud crimes mainly use the Internet to conceal information and use different words to obtain other people's property illegally[2], and then carry out fraudulent activities and defraud a relatively large amount of property without

contacting anyone. This view identifies Internet fraud crimes as a new form of fraud that relies on the Internet and defines it by focusing on the “Internet”. Another point of view is that the crime of Internet fraud is that scammers aim at illegal possession and defraud a wide range of people through the Internet through fiction and concealing the truth. A case will be filed, and the amount will be based on the cumulative amount obtained from the overall crime[3]. Such views focus on the amount of property the offender defrauded and the object of the crime.

### **1.1.2 Comparative Analysis of “Internet Fraud” and “Telecom Fraud.”**

In the existing “Internet fraud” cases, the methods and means of committing the crime are similar to “telecom fraud”, so many people also collectively refer to the above two as “telecommunication and Internet fraud” crimes. However, the author found through in-depth analysis that there are still differences between “Internet fraud” and “telecom fraud”. Specifically, there are differences in the actual behaviour and means. “Telecom fraud” mainly uses traditional communication methods such as telephone and text messages to defraud victims under the situation of pretending to be someone else; “Internet fraud” uses technologies such as modern Internet and mobile instant WeChat, Weibo, and various software with chat and private message functions defraud victims under the guidance of specific speech skills. Although there may be some fictitious facts, there may not necessarily be acts of pretending to be others [4].

### **1.1.3 Analysis of the crime of “pig-butchering scams” in the securities market**

In recent years, with the rapid development of mobile Internet technology, a new form of illegality has evolved-“pig-butchering scams” crimes. This type of Internet fraud case has shown a trend of frequent occurrence. Its means are novel, mainly through gambling, investment, and illegally obtaining the victim's money through financial management and other forms[5]. Compared with other cyber crimes, this method does not have the characteristics of “short, fast, and flat” crimes and uses the concept of “playing long lines and catching big fish”. “Pig-butchering scams' internet fraud” is a common name for online dating to induce gambling and investment fraud, and it is the “industry jargon” of criminals. In the case of 'pig-butchering scams' crimes, fraudsters usually compare victims to “the pigs” to gain trust. In addition, all kinds of chat and private messaging software in the network environment are regarded as “pig troughs”, and the scripts and scripts that have been compiled are compared to “pig feed”. The process of luring the victim and gaining trust here is called “pig raising”. Finally, defrauding the victim of money is “butchering the pig”. The crime of “pig-butchering scams” takes longer than other Internet fraud crimes[6], making it difficult to identify and characterise the crimes of “pig-butchering scams” in the early stage.

Take the “pig-butchering scams” crime in the securities market as an example to analyse. Criminal gangs, through the current Internet environment, use chats, private messages, and social forms to recommend stocks to lure investors step by step illegally. They buy stocks with relatively high prices and trick people into selling related stocks in reverse to make a profit. More vicious scammers directly build virtual apps, build virtual accounts, and lure investors into completely false investments to defraud investors of all their funds, seriously disrupting the order of securities market transactions and infringing on the fundamental rights of investors[7]. This kind of amount is generally relatively large. Once investors are cheated, they often face the risk of bankruptcy, leading to the consequences of “wife separation” and seriously affecting social stability and harmony.

The typical routine of “pig-butchering scams” in the securities market is: the fraud team first takes advantage of the capital advantages in their hands and the advantages of stock holdings through continuous buying and selling of specific stocks, which in turn affects the transaction price

and trading volume of the stock, and then the corresponding speech tactics. The staff establishes social trends such as WeChat and QQ groups, and at the same time hires corresponding Internet “Influencer” to build momentum and attract traffic for them, attracting more retail investors into it, and guiding investors to invest their own money for “insider stocks willingly”. Arbitrage can only be realised by the fraud team selling all of them in the short term. The specific process is as follows:

#### **1.1.3.1 Be prepared for fraud.**

Before committing fraud, the perpetrator must first purchase the tools used in the crime, such as computers, mobile phones, and traffic cards; the second is to build a network environment, such as configuring routers and applying for network accounts; The fourth is to form a crime team and carry out the division of labour; it is to collect the victim's personal information in a targeted manner, which must be accurate and effective, such as obtaining the victim's accurate personal information through a dating platform, or illegally purchasing personal information[8].

#### **1.1.3.2 Find the target of fraud**

Utilise various APPs covered by mobile instant messaging technology through self-media platforms, live broadcast platforms, WeChat groups, QQ groups and other media, and use stock evaluation and recommendation as the primary way to teach stock knowledge and stock trading experience to attract investors in order to improve the professionalism of the scammers in the minds of investors, and deceive investors, to make investors pay attention to designated stocks[9].

#### **1.1.3.3 Improve the trust of shareholders**

After gaining the trust of stockholders, the fraudsters will pull relevant investors into the group. There will be designated “teachers” and “insider professionals” in the communication group, who will continuously publish widespread knowledge about the stock market and recommend recent prevalent ones. Only talk about stock market technology, but they avoid talking about the actual situation and development logic of the company behind the stock. After that, the “baby nurses” in the group will often further strengthen the “professionals” by posting delivery orders and earnings. “The ability to heighten the atmosphere. Subtly, investors' trust in the “professionals” in the group will gradually increase, which will eventually induce them to enter the next trap.

#### **1.1.3.4 Bewitching investors**

When investors trust, the time will gradually mature. WeChat groups and live broadcast rooms will start to ask investors to buy related stocks according to the instructions. Overwhelmed, investors gradually lost their minds and bought the whole position. Finally, the investors bought the corresponding stocks at a high position, and the fraud team successfully cashed out at the high point[10]. When investors want to communicate with “professionals”, there is no news, and they realise they have been deceived.

#### **1.1.3.5 Transfer property**

The perpetrator will defraud the victim's funds for the first time through modern payment methods and then withdraw them in various ways to evade the investigative agency's investigation. After the perpetrator succeeds, he will immediately transfer the victim's funds to multi-level bank cards through online banking and third-party payment platforms or transfer them abroad by illegally purchasing digital currency[11].

## 1.2 The characteristics of the crime of “pig-butcheringscams” in the securities market

Combing the development history of “pig-butcheringscams” in the securities market, it is not difficult to find that although the crime of “pig-butcheringscams” in the securities market has certain similarities with other “Internet frauds” [12], it also has its unique potential characteristics.

### 1.2.1 Criminal syndicate

Compared with traditional Internet fraud, “pig-butcheringscam” crimes in the securities market usually design multi-layered crimes to strengthen and manipulate people's hearts more steadily. Therefore, the criminal team is more professional and hierarchical and presents a corporate, collective feature [13]. Although it has not been long since the crime of “pig-butcheringscams” in the securities market, a mature industrial chain has been formed, the organisational members and operating procedures are rigorous, and the risk of crime has even been strictly avoided. Establish systems such as “check in at work” and “performance appraisal” for members of fraudulent gangs.

### 1.2.2 Long period

Traditional “Internet fraud” costs are meagre, and the implementation period is concise. Fraudsters only need to communicate with victims through computers, mobile phones, and telephones and carry out fraud through communication skills and strict procedures. Therefore, there are no time and distance restrictions; only a simple electronic device is needed to start fraud [14]. When the victim woke up and found out he had been scammed, the scammer had disappeared from the Internet without a trace. However, the period of the “pig-butcheringscams” crime in the securities market is very long. After the scammers find the corresponding victims, they need to induce the victims step by step, lead them into the trap, and defraud them of “professional trust”, and finally, they can “buy the whole position” at the highest point of the stock. Only personnel can deliver goods at the highest point. Generally speaking, it takes about six months for most of the “pig-butcheringscams” crimes in the securities market. During this period, fraudsters must shape their identities and professional capabilities to gain victims' trust.

### 1.2.3 Group specialisation

Victims of “pig-butcheringscams” in the securities market often have specific shared characteristics. That is, the victims are eager to “get rich overnight” and “obedience” to the words of professionals, and at the same time, they are eager to express themselves through a “victory” in the stock market [15]. Fraudsters grasp the characteristics of such people, break through their trusted line of defence step by step, and “pig-butcheringscams” when they are paralysed.

### 1.2.4 The internal division of labour

In the existing cracked criminal cases of “pig-butcheringscams” in the securities market, a team with a clear internal division of labour has been formed. Their members have the division of labour arrangements and designated salaries in their work and have a rigorous fraud process, which mainly includes the categories of “Materials”, “Technology”, “Speaking Skills”, and “Money Laundering” [16]. The material supply team supports the personnel in the early stage of information acquisition, the technical team provides technical support for information acquisition for the material supply, the script team is responsible for compiling the script, and the money laundering team invests the victim's money in a self-built gaming website to Realise cash withdrawal.

### **1.2.5 Cross-border crime**

In recent years, there have been frequent “pig-butcherings” in the securities market, which have severely impacted social security. The police department has conducted a vigorous crackdown on this, so most criminal gangs currently “pig-butcherings” in the securities market have moved overseas. At present, the criminal cases of “butcherings” in the securities market, such as “4.29” and “6.20” that have been fully cracked, are committed overseas.

### **1.2.6 The amount involved is large**

The amount involved in the crime of “pig-butcherings” in the securities market is the accumulation of all victims' funds. At the same time, due to the relationship between the trading volume and turnover of the stock market, the amount involved is more significant than other “Internet fraud” cases[17]. At the same time, because the fraudsters have fully obtained the victim's trust, the victim may put all his “net worth” into one basket. Some victims will buy and sell stocks through loans, even with little money. The number of criminal cases of “pig-butcherings” in the securities market often reaches millions or even tens of millions.

## **2. Analysis of the phenomenon of “pig-butcherings” in the securities market**

### **2.1 Weak awareness of personal prevention and greedy psychology**

With the continuous popularisation of the Internet and instant messaging technology, China's internet penetration rate has reached the highest in history. According to the latest “National Internet Survey Report”, the number of Internet users in various terminals in my country has exceeded 900 million people. The Internet connects people, and while the distance between people is shortened, it also brings opportunities for criminals. Currently, stock market transactions can be operated with one button on a mobile phone. At the same time, due to the popularity of the stock market in recent years, people, whether young or old, need more understanding of it. Their initial goal is to want to make some money through the stock market, but we need to learn how to make a profit correctly and quickly. Fraudsters have seized their mentality, and through “free” technical guidance and stock recommendations, the victims can get a certain amount of income in the early stage of the fraud to reduce the victims' awareness of prevention and reduce their mentality.

Moreover, use their gradually expanding greedy psychology to lure them to invest more money step by step[18]. When the scammers think the time is right, they will make the last “specified purchase” to maximise the victim's greedy psychology, which is also preciseness. At this point, the scammers will start “butcherings the pig” and pocketing all the money the victim has previously accumulated.

### **2.2 Information leakage on third-party vendor platforms**

The “pig-butcherings” crime in the securities market differs from traditional fraud crimes. From beginning to end, such cases have collected and obtained victim information through Internet live broadcast platforms and social software platforms to find suitable criminal objects. After that, the scammers will communicate with the victims as professionals through special customised packaging and pull them into designated WeChat, QQ and other communication groups to further commit fraud. Therefore, how scammers obtain corresponding personal information through the Internet and, based on such information, pretend to be the identity trusted by the victim and have a very close relationship with the third-party platform. The crime of “pig-butcherings” in the securities market reflects a severe problem with the current Internet information leakage in the era

of big data[19]. In PRC's current legal regulations, most websites and platforms require users to register before using them, and registration requires personal information. The original intention of this type of registration is to prevent criminals. However, with the continuous upgrading of information technology, criminals use such regulations to obtain the personal information of registered users and formulate special coping “scripts” by understanding personal hobbies and personalities. When personal information on third-party platforms continues to leak, it is the general trend to strengthen the supervision of relevant departments. The Ministry of Public Security has clarified that relevant departments will impose sanctions on third-party platforms that leak information and individuals who use illegal means to obtain information. Mobile apps and websites have become a part of people's daily lives. Although the relevant departments attach great importance to it, this problem seems simple in the era of big data, but the actual solution process is arduous.

### **2.3 Lack of proper prevention and early warning mechanism**

The perpetrators of the “Pig-butcherer scams” can publish a variety of false information only through the platform “Tik Tok”, which shows that the police have not conducted in-depth exchanges and communication with various software and platforms and have not required the platform to conduct information reviews through compulsory measures; The opening and closing of investment apps can be completed only through mobile phones, and even after the platform is closed[20], there is a problem that there is no license at all, which also makes it difficult for the police to verify better when dealing with related cases, exposing the lack of judicial intervention in app review The problem. In addition, when the victim transfers large amounts of money to such unruly investment apps, he will not receive corresponding risk warnings. The risk warnings are also the main problem exposed by the public security organs in our country in the “pig-butcherer scams” control of the securities market.

### **2.4 Insufficient government regulatory capacity**

In the “pig-butcherer scams” crime in the securities market, after gaining the victim's trust, the fraudulent criminals commit fraud by guiding the victim to buy designated stocks at a specific time or by building a virtual trading platform to commit fraud. While implementing this process, fraudsters usually place illegal software and website servers abroad. After the incident, the fraudsters will directly abandon their websites and software. The loss caused by such abandonment is “a drop in the bucket” for the fraudulent income because the cost of this software and servers is meagre. They are technically commonalities, so fraudsters can deploy the same website and software quickly, reuse the original content, and continue to carry out the next batch of fraud.

In specific securities market “pig-butcherer scams” crimes, fraudsters usually set up servers in Southeast Asian countries such as Laos, Vietnam, Cambodia, and the Philippines near my country. The characteristic of these areas is that the supervision of network servers is relatively strict. At the same time, some gambling transactions that cannot be realised in China can be carried out on the Internet. Therefore, government supervision must be further strengthened. However, more is needed for our country to strengthen government supervision in this field. If we want to eradicate and prevent such cases completely, we must cooperate with countries such as Southeast Asia to implement cross-border government supervision and achieve cooperation among countries. Teams that carry out fraud abroad carry joint strikes and can follow the vines to search for higher-level fraud team members abroad. In addition, our country also needs to reach relevant cooperation agreements with other countries [21]. For countries that have reached cooperation agreements, if Chinese citizens violate laws and disciplines, the country will allow our country to control and

crack down on fraudsters jointly.

### **3. The status quo of the legal regulation of the crime of “pig-butcheringscams” in the securities market**

#### **3.1 Judicial interpretation of the crime of “pig-butcheringscams.”**

In 2011, the Supreme People's Procuratorate and the Supreme People's Court of PRC jointly issued the article “Explanations on Several Issues Concerning the Specific Application of Law in Handling Criminal Fraud Cases”. However, some clauses of the policy only define fraud in principle. With the continuous breakthrough of technology, the forms of Internet fraud are more diverse, the process of fraud is gradually becoming professional, the tools of fraud are increasing, and the methods of fraud are increasing. More and more hidden, the policy system has been unable to define the latest case. Therefore, specific difficulties in collecting electronic evidence, the industrialisation positioning of fraud links, the identification of crucial fraud facts, and the anti-reconnaissance capabilities of fraudsters are becoming stronger and stronger.

In 2016, the Supreme People's Procuratorate, the Supreme People's Court and the Ministry of Public Security issued the “Notice on Preventing and Combating Telecom Network Fraud Crimes” based on the above policies. At the same time, it is stipulated that ATM transfers to accounts with different names and the funds must be delayed for 24 hours. In addition, to prevent the leakage of personal information to a certain extent, the circular strictly addresses the illegal acquisition and sale of citizens' personal information. It resolutely cracks down on the leakage, sale and sale of citizens' personal information.

In addition, in order to crack down on the “pig-butcheringscams” online fraud in the securities market, the Supreme People's Court, the Supreme People's Procuratorate, and the Ministry of Public Security issued “Opinions on Several Issues Concerning the Use of Laws in Criminal Cases such as Handling Telecommunications and Internet War Films” in 2021. The analysis of fraud cases has expanded the scope of the identification of Internet fraud crimes, clarified the degree of conviction and sentencing of related crimes, formulated relevant criminal policies, resolutely implemented the crackdown on the entire fraud crime industry chain, and insisted on pursuing the victims with the greatest strength. Return property and strive to achieve the consistency of legal effectiveness and social goals.

#### **3.2 “Criminal Law Amendment” and its supplementary provisions**

In November 2015, PRC's “Criminal Law Amendment (IX)” was implemented. At the same time, the Supreme People's Procuratorate and the Supreme People's Court also entered into “Supplementary Provisions on the Implementation of the “Criminal Law of the People's Republic of China” to Determine Crimes (VI)” and “Criminal Law” The Amendment (IX) also stipulates and integrates the legal regulations and crimes of Internet fraud.

The “Criminal Law Amendment (IX)” is improved in Article 287 of the “Criminal Law”.

##### **3.2.1 Paragraph 1 of Article 287**

“Whoever uses the information network to commit any of the following acts, if the circumstances are serious, shall be sentenced to fixed-term imprisonment of not more than three years or criminal detention, and shall also be fined or only fined: Websites and communication groups that create or sell prohibited items, controlled items, and other illegal and criminal activities; publish information about the production or sale of drugs, guns, obscene items, and other prohibited

items, controlled items, or other illegal and criminal information; Publication of information on criminal activities. Suppose a unit commits the crime mentioned in the preceding paragraph. In that case, the unit shall be fined, and the provisions of the first paragraph shall punish the directly responsible person in charge and other directly responsible persons. The acts in the preceding two paragraphs constitute other crimes at the same time. If it is found, it shall be convicted and punished according to the provisions of the heavier punishment.”

### 3.2.2 Paragraph 2 of Article 287

“Knowingly knowing that others use the information network to commit crimes, providing Internet access, server hosting, network storage, communication transmission and other technical support for their crimes, or providing advertising promotion, payment settlement. If the circumstances are serious, they shall be sentenced to fixed-term imprisonment of not more than three years or criminal detention and shall also be sentenced to a fine. Suppose a unit commits the crime mentioned in the preceding paragraph. In that case, the unit shall be fined, and the directly responsible person in charge and other directly responsible personnel shall be punished by Article 1. Those who commit acts in the preceding two paragraphs and constitute other crimes simultaneously shall be convicted and punished according to the provisions of the heavier punishment.”

### 3.3 Relevant provisions of the “Criminal Procedure Law.”

In the relevant judicial procedures, the most prominent issues in the Internet fraud crime of “pig-butcheringscams” in the securities market are the jurisdiction of the crime and the extraction of criminal evidence, so the regulations in this regard are essential.

Regarding the case's jurisdiction, the jurisdiction of the “Pig-butcheringscams” Internet fraud crime in the securities market is relatively chaotic, and the jurisdiction area is often unclear. In PRC's “Criminal Procedure Law”, the jurisdiction area is stipulated, that is, “the people's court uniformly manages criminal cases in the crime area, and the crime area includes the area where the criminal act occurred and the area where the criminal result occurred.” However, there are many criminal links and levels in the “Pig-butcheringscams” Internet fraud in the securities market, and the liquidity between each link is strong. Usually, the perpetrators of crimes at different stages will be in different regions of the country or even across countries. There is no relatively apparent and accurate trend of criminal behaviour and the area where criminal results occur. In the real online fraud case of “pig-butcheringscams” in the securities market, when the victim finds out he has been deceived, he reports the case to the local public security organ. In addition, fraudsters commit crimes through the Internet, which leads to the distribution of victims of the same case in different regions. Therefore, in coordinating the handling of the same case, public security in various places cannot achieve overall coordination, and the distribution of handling in different regions is also tricky. It will waste police resources at the same time.

In the process of extracting the evidence of the case, the online fraud of “pig-butcheringscams” in the securities market involved information materials from the platforms of third parties, such as chat records on different social platforms, telephone communication lists, stock market delivery orders, bank transaction information. Evidence coordination between departments and related platforms and institutions needs to be improved. At the same time, the authenticity and reliability of the obtained evidence cannot be guaranteed in the process. In addition, cross-regional evidence extraction will waste a lot of time and cost, increasing the time for solving cases, which is very influential—work efficiency.

### 3.4 Relevant provisions of other normative documents

In the “Several Provisions on the Return of Frozen Funds in New-type Illegal and Criminal Cases of Telecommunications Networks” jointly issued by the China Banking Regulatory Commission and the Ministry of Public Security, it is clarified that after citizens suffer from various types of new-type Internet fraud crimes and cause personal economic and property losses, they can quickly call the police. - The lost money will be frozen and returned through the coordination of public security forces and banks. The victim's loss is minimised through the quick and convenient freezing and return of the victim's funds.

As explained above, “Internet fraud” is not an independent crime in “Criminal Law”. From a practical point of view, most cases involving Internet fraud are punished as fraud crimes. In recent years, the “Pig-butcherer scams” internet fraud” in the securities market has gradually emerged. Although it has characteristics common to “Internet fraud” crimes, it also has its characteristics. Such cases continue to be convicted and punished by the crime of fraud. There is nothing wrong with it, but there is no clear identification in the current judicial regulations for the unique points of the “Internet fraud” crime in the securities market. We are searching on the website of Chinese judgment documents with “Pig-butcherer scams” as the keyword can only retrieve 1/10 of the search volume of the keyword “Internet fraud”. For “Internet fraud” involving “pig-butcherer scams”, the conviction and punishment are usually not uniform, manifested as insufficient identification of evidence, the preliminary determination of the primary and secondary criminals, and different determinations of related crimes.

The reason for the above problems is that the “Internet fraud” crime in the securities market continues the traditional “Internet fraud” theory, making the “Internet fraud” crime in the securities market a brand-new crime. There is a problem with the identification of charges. Although the latest policies and regulations can point out the characteristics of this new type of “Internet fraud” crime, there are still various trial problems in practice, and the resolution of these problems requires clear legal regulations.

## 4. Proposals on Judicial Regulation of the Crime of “Pig-butcherer scams” in the Securities Market

Based on the analysis of the development process and the phenomenon of the crime of “pig-butcherer scams” in the securities market and the status quo of legal regulation of the crime of “pig-butcherer scams” in the securities market, given the above problems, two aspects of precise positioning of related crimes and strengthening the regulation of the number of crimes Specific recommendations are made on:

### 4.1 Accurate characterisation of related crimes

First, clarify the subjective cognitive ability of the perpetrator.

Among the “Pig-butcherer scams” crimes in the securities market, fraud and concealment crimes account for a relatively large proportion. In the judicial determination of related cases, the defendant provided certain assistance to the actual fraud and knew it subjectively, so it needs to be determined based on various factors. Regarding the level of a judicial determination that constitutes a crime of concealment, other people's notifications cannot be used as a measurement standard, and ordinary people's cognitive level needs to be used as a judgment standard. The formulation of the above provisions is to regulate the perpetrator's unlawful purpose, which is conducive to identifying fraudulent behaviour.

In addition, in identifying fraud accomplices, the subjective cognitive state of the perpetrator

should be examined. If the actor sells many stocks within the specified range (coinciding with the buying time range communicated with other people), it is a relatively abnormal behaviour in the securities market [22]. It becomes extremely convincing evidence because the perpetrator has an evident and definite awareness of the illegality of his actions. Therefore, if the perpetrator knows that his behaviour is a crime and actively participates in it to provide corresponding assistance, it means that the perpetrator is an accomplice to fraud and constitutes a common crime with other criminals who are “pigs butchering” in the securities market and bear corresponding responsibilities. In recent years, “pig-butcherings” crimes in the securities market have frequently occurred. If the subjective cognition of the perpetrator in the criminal process can be clarified, his attitude can be clarified, and then related crimes can be accurately characterised.

Second, enhance the responsibility for helping behaviours.

In the crime of “pig-butcherings” in the securities market, if the punitive nature of the criminal law is involved, and the helping behaviour is more harmful to society, the responsibility for implementing the helping behaviour can be strengthened. In the crime of “pig-butcherings” in the securities market, the helping behaviour can be criminalised. However, it is necessary to clarify the role of explaining behaviour in the case process. If it is possible to know through the third-party vendor platform whether specific actions have been taken during the “pig-butcherings” crime in the securities market, there is no need to be convicted. If the third-party platform is informed, relevant departments must intervene and punish them. Therefore, the crime of “pig-butcherings” in the securities market can define the neutral helping behaviour as an extraordinary crime, strengthen the responsibility and punishment for the helping behaviour, increase the punishment, further strengthen the supervision of the Internet platform, and reduce the securities market from the source. The further expansion of the crime of “butcherings”.

## 4.2 Strengthening regulation on the number of crimes

First, the standard for the number of crimes should be reasonably regulated.

We learned from the Supreme Court that the drafting process mainly considered two factors. First, it needs to be based on the current level of social and economic development and the dynamic development of fraud crimes to clarify the number of crimes; According to the characteristics of fraud crimes, the policy to ensure criminal justice is relatively fair. Neither too strict nor too loose. As a property crime, the crime of “pig-butcherings” in the securities market needs to be dynamically adjusted at different times and under different social and economic development backgrounds. In the crime of “pig-butcherings” in the securities market, fraudsters often sell the corresponding shares at a high point or use a virtual account to obtain the victim's property by building a virtual platform. In this regard, it is possible to build a model for the purchase amount of relevant personnel in social platforms such as WeChat groups and QQ groups and to provide early warning standards for the number of crimes for the corresponding securities market 'pig-butcherings' crimes in the future. At the same time, determining the amount of fraud should be comprehensively considered in the judicial process. In particular, it is necessary to take into account the specific time of committing the crime, the time when the money is entered into the account, the relationship between the behaviour of the fraudster, the joint criminal role of the fraudster, and the proportion of income during the crime, and finally determine the amount of the crime based on the factual basis and relevant trial rules' Judicial standards.

Second, fully integrate the actual case.

In the judicial determination of the “pig-butcherings” crime in the securities market, the property obtained by the criminal should not be used as the only criterion for judging. However, the amount of the victim's property loss should be used as the standard for the criminal amount of the

defrauder. Therefore, it is necessary to combine it with the actual case thoroughly. In the crime of “pig-butcheringscams” in the securities market, it is necessary to realise careful considerations, confirm the status and identity of the fraudsters, and it is necessary to consider the role played by the fraudsters in the actual process to punish the perpetrators identified. According to the law of our country, the crime of fraud belongs to the crime of amount. From this, it can be concluded that the amount of the crime of fraud directly determines whether it constitutes a crime and plays a crucial role in the specific sentencing.

### 4.3 Strict criminal circumstances standards

Regarding the standard of criminal circumstances, it is necessary to clarify the standards of “guilty” and “innocence” in the crime of “pig-butcheringscams” in the securities market. The crime of “pig-butcheringscams” in the securities market is a unique form of “Internet fraud”. It is stipulated in Article 6 of the “Opinions on Several Issues Concerning the Use of Law in Handling Criminal Cases such as Telecommunications and Internet War Films” that the current judicial practice will “Control theory” is used as the standard for the identification of completed crimes, but the determination of “guilty” and “innocence” is not only determined by the amount of fraud. In many attempted fraud cases, it is often not dealt with if the amount defrauded is only in a relatively large range. In the “pig-butcheringscams” crime in the securities market, fraudsters use various means to obtain the victim's money, cover up and eliminate the fraud process after the fraud is booming, and destroy all kinds of materials so that the fraudsters disappear. Therefore, in the actual case review process, the actual amount of the fraudulent person's fraud may be less than the judicially determined amount. In addition, the Supreme Law also made relevant provisions in the “Opinions” based on the means of fraud, the degree of harm caused, and the number of people communicating on social platforms to determine the criminal circumstances of fraudsters. In this mode, it is necessary to count all the fraud information in the fraud process and stipulate the corresponding crime amount standard, the amount + crime circumstance standard as the standard of incrimination, to treat the criminal behaviour of fraudsters strictly.

## 5. Summary

In the era of big data, the Internet is fully integrated with daily life. While enjoying the convenience of the Internet, people will inevitably be affected by some adverse effects. As one of the new types of Internet fraud crimes, “Pig-butcheringscams” of Internet fraud crimes have shown a more apparent trend of group-oriented, professional, and information-based crimes. Criminal methods and criminal routines are also constantly being renovated. “Pig dish” crime is a new form gradually developed from cybercrime. With the gradual development of China's economic market, securities” trading has been known to more and more people, and people will inevitably encounter Internet crimes. “Professionals” want to realise the dream of “getting rich overnight” through their guidance. However, they are most likely to be deceived. Therefore, there is a long way to go in the judicial regulation of the crime of “pig-butcheringscams” in the securities market, which is a significant challenge to the judicial department of our country. This paper analyses the development process, phenomenon and existing legal regulations of the crime of “pig-butcheringscams” in the securities market and clarifies the characteristics and actual characteristics of the crime of “pig-butcheringscams” in the securities market in the current society. The regulations put forward suggestions such as “precisely qualitative related crimes”, “strengthening the regulation on the number of crimes”, and “strict standards for the circumstances of crimes” to provide specific judicial references in related similar securities market “pig-butcheringscams” crimes and reduce securities market The crime rate of “pig-butcheringscams”.

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