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SEXUAL
EXPLOITATION

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April 3, 2024

Mr. Brian Grassadonia
CEO, Cash App
1955 Broadway, Suite 600
Oakland, CA 94612

Re: Cash App placed on 2024 Dirty Dozen List for facilitating sexual abuse and exploitation

Dear Mr. Grassadonia:

We are writing to advise that the National Center on Sexual Exploitation—a non-partisan nonprofit organization in Washington, DC, dedicated to addressing the full spectrum of sexual exploitation—is placing Cash App on the annual Dirty Dozen List. The List names 12 mainstream contributors to sexual exploitation and abuse and will be publicly released on Wednesday, April 10, 2024.

Cash App serves as a tool for exploitative and illegal financial transactions related to sexual extortion of minors (i.e., “sextortion”), buying and selling of child sexual abuse material (CSAM), and sex trafficking. Bad actors (e.g., sex traffickers, predatory adults) take advantage of Cash App's ease of use, prioritization of anonymity, and quick transfer capabilities to conduct illegal and harmful transactions. This is especially concerning since [Cash App is ranked as the most preferred peer-to-peer money transfer app among teens](#) (41% vs. 39% Venmo)¹ and [adults](#).²

In the first two months of 2024, [whistleblowers](#) outed Cash App's negligent moderation practices despite having extensive knowledge of harmful and illegal activity occurring on its platform.³ The 2023 Federal Human Trafficking Report published by the Human Trafficking Institute found that between 2019 and 2022, [Cash App was the most identified payment platform](#) used in commercial sex transactions, followed by PayPal and Venmo.⁴ And a November 2022 Forbes article, “[For Sex Traffickers, Jack Dorsey's Cash App is King](#),” highlighted the use of Cash App for sex trafficking and child sexual exploitation, reporting a high number of sex ads involving Cash App.⁵

Additional stories highlighting sexual exploitation on Cash App include:

- ⇒ A September 2023 report of [a man using Cash App to pay another individual to produce CSAM involving an 11-year-old girl](#) multiple times over a period of three months.⁶
- ⇒ A [2022 Forbes investigation](#) that revealed how minors on TikTok posted their \$Cashtags during livestreams in which they undressed themselves or offered sexually explicit imagery.⁷
- ⇒ A [February 2024 New York Times investigation](#) into parent-managed social media accounts of their gymnast and dancer daughters, revealing how moms posted their \$Cashtag in their daughters' profiles for fans to send money. Parents profited from the hyper-sexualization of their daughters, and male fans frequently demanded CSAM or asked parents to engage in abusive acts on their daughters in direct messages.⁸

Cash App is built to encourage teens, predatory adults, and sex traffickers to use the app over competitor platforms because of its lack of meaningful age and identity verification or content moderation. Cash App's very design and policies make it appealing for those wanting to commit crimes and for illegal transactions to occur.

Cash App is the perfect environment for facilitating the financial aspects of CSAM buying and selling, child and adult sex trafficking, sexual extortion, and commercial sexual exploitation of children.

The National Center on Sexual Exploitation calls on Cash App to:

1. Implement robust age and identity verification at account sign-up, and retroactively for all existing accounts.
2. Require adult sponsorship for minor-aged accounts at sign up. Peer-to-peer transactions should fall under parental controls and adult sponsorship.
3. Default minor-aged accounts to the highest safety setting. Minor-aged accounts should be private, their \$Cashtags not publicly searchable, and must be friends with individuals requesting to send or receive money from teen accounts.
4. Become an electronic service provider (ESP) that reports to the National Center for Missing and Exploited Children's (NCMEC) Cyber Tipline.
5. Implement proactive CSAM, grooming, and trafficking detection and moderation features, in addition to publishing an annual transparency report detailing accuracy of proactive detection and moderation, user reports, and removal rates.

Further details of the sexual exploitation and abuse on the platform are explained below.

Sexual Grooming, CSAM Buying and Selling, and Child Sexual Exploitation

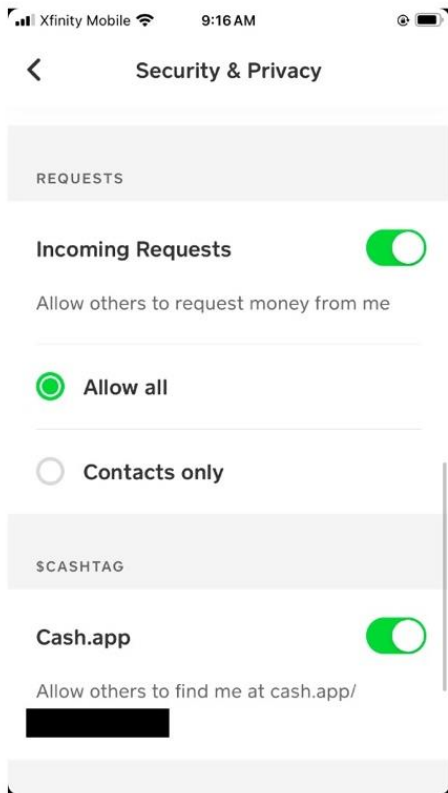
Cash App's lack of robust age and identify verification measures and refusal to moderate their platform makes it a breeding ground for child sexual abuse and exploitation. Most egregiously, Cash App facilitates sexual grooming, CSAM buying and selling, and commercial sexual exploitation of children. Several news articles have documented Cash App's facilitation of these crimes. A search for "Cash App" AND "child pornography" (the current legal term for the more aptly named crime of child sexual abuse material or CSAM) in Google News conducted February 27, 2024, returned 159 articles detailing

cases in which Cash App was used for buying/selling CSAM and sexual grooming of minors, compared to 36 results for competitor Venmo.

Despite Cash App’s own written policies requiring users to be at least 13-years-old, users 13-17 to have an adult sponsor, and stating that when users “attempt to cash out, send, or receive a payment using Cash App, [they] will be prompted to verify [their] account with [their] full name, date of birth, and address for security purposes,” these faux policies are not enforced. For example, at no point were NCOSE researchers asked to verify their account by providing a street address when sending, receiving, or cashing out money during peer-to-peer (P2P) transactions. Further, when researchers were asked to verify their age, Cash App did not require any identifying documents or Social Security Number to confirm the user’s age. NCOSE researchers also found that a debit card did not have to match the name on a user’s Cash App account.

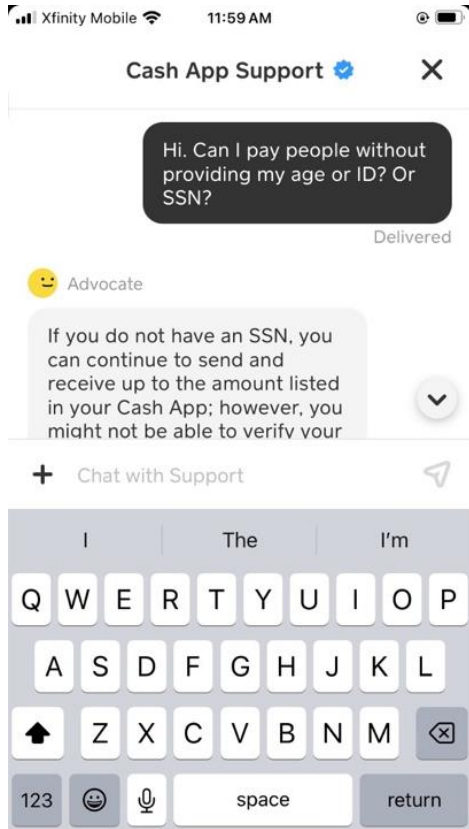
In September 2021, Cash App launched [Cash App Teens](#),⁹ opening the app to users between the ages of 13 and 17, as long as they received the approval of a parent or guardian. But the reality is **teens don’t even need to have an adult sponsor to use Cash App’s P2P transaction services**. In fact, **users don’t need to verify their age or ID when using P2P transaction services on the app**.

To make matters worse, by default, all Cash App accounts are public, meaning that anyone can search a user’s \$Cashtag. Additionally, all incoming friend and transaction requests **are set to “allow all”**.

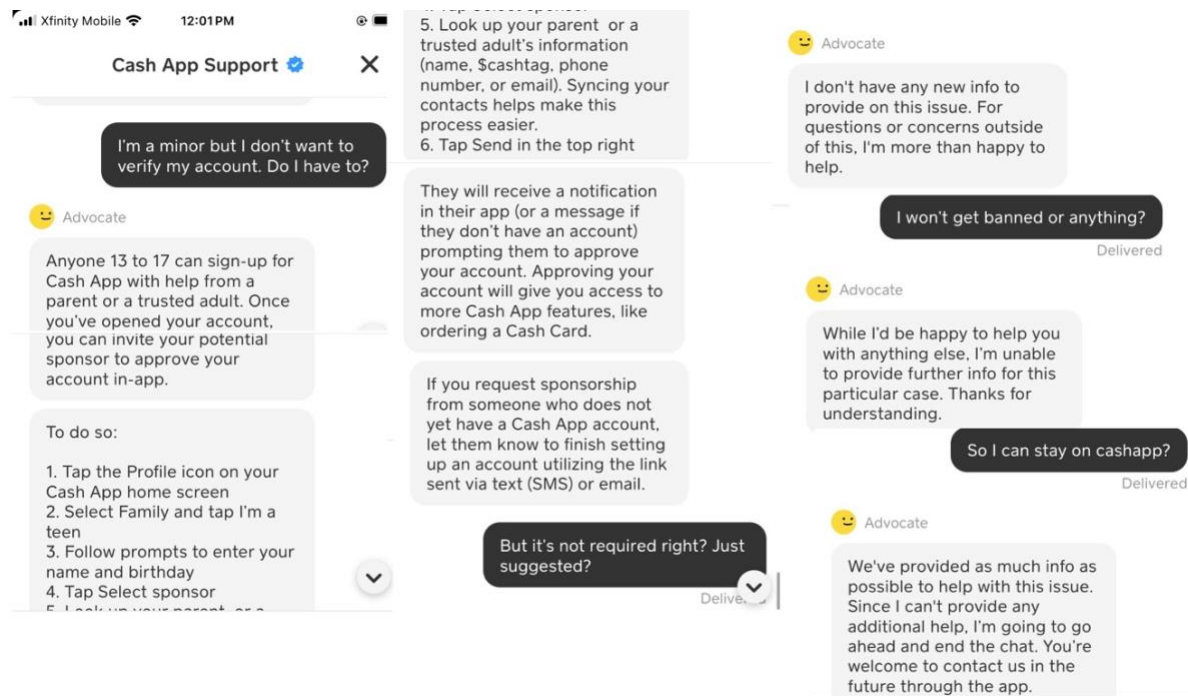


Cash App’s default settings

When NCOSE researchers asked the Cash App bot about these policies and settings for minors, the responses were telling.



Cash App bot response to question about using platform without verifying age or identity.



Cash App bot response to questions about whether minors need adult sponsor.

A [March 2023 report](#) found Cash App’s platform focused on reducing “friction” for sending and receiving payments, allowing for swift, less traceable (anonymous) transactions, which made it difficult for authorities to track and intervene in illegal exchanges, such as those between predatory adults and minors.¹⁰ Cash App’s “Wild West” approach to compliance provides a haven for predators to operate anonymously and with low risk. The report also revealed that former Block employees estimated that [40-75% of Cash App accounts they reviewed were fake](#),¹¹ involved in fraud, or were additional accounts tied to a single individual. Further, the report outlined how easy it is to create and recreate accounts **even if one of those accounts are banned**.

Despite longstanding problems with CSAM buying and selling on the platform, [Block has never submitted any reports of CSAM](#) to the National Center for Missing and Exploited Children’s (NCMEC) Cyber Tipline since it began operating in 1998, while its competitor PayPal has.¹² Recent research has cited Cash App as one of the top digital payment platforms in cases of sextortion. For example, a 2022 study by the Canadian Centre for Child protection (C3P) found Cash App to be the [second most reported digital payment app](#) identified by victim-survivors as being involved in their experiences.¹³ A 2023 presentation by Fox Valley Technical College on behalf of the FBI also cited Cash App as one of the most frequently used digital payment apps in sextortion cases. This has been cited in [FBI press releases](#) as well.¹⁴

A June 2023 report by the Stanford Internet Observatory on “[Cross-Platform Dynamics of Self-Generated CSAM](#)” reported on evidence of underage users posting their \$Cashtags in social media bios or profiles for predatory adults to pay for sexually explicit imagery.¹⁵ Many reports touched on predatory adults or minors asking for “small funds” because Cash App’s [limit](#) for **non-verified accounts** is \$250/daily and \$1,000/monthly.¹⁶ This suggests a strong correlation between predatory adults and CSAM buying and selling occurring between **unverified user accounts** as they are attempting to stay within the financial restrictions set by Cash App.

Additional examples of cross-platform sexual exploitation involving the use of Cash App include:

- In December 2023, a man was arrested after convincing two boys to send him self-generated CSAM through Snapchat, Discord, Xbox, and Fortnite, [paid for with Cash App](#).¹⁷
- In November 2023, a former FBI contractor pleaded guilty to production and receipt of CSAM through Discord, in some cases [coerced through Cash App payments](#).¹⁸
- In October 2023, a man pleaded guilty to receipt of child pornography (i.e., CSAM) after he [paid a minor girl via Cash App to send him CSAM through Snapchat](#).¹⁹
- In September 2023, a man was charged with child exploitation and possession of child pornography (i.e., CSAM) after he [posted and sold CSAM on Twitter, with at least one payment via Cash App](#).²⁰

Prostitution and Sex Trafficking

In addition to facilitating child sexual exploitation, Cash App is used to facilitate prostitution and sex trafficking among adults. The 2023 Federal Human Trafficking Report found that between 2019 and 2022, [Cash App was the most identified payment platform](#) used in commercial sex transactions, followed by PayPal and Venmo.²¹ Cash App has also been involved in notable [sex trafficking cases](#) like the Matt Gaetz case.²²

Cash App has failed to moderate and ensure safety on its platform with the urgency the situation requires, falling drastically behind its competitors. The 2022 Forbes investigation mentioned above outlined law enforcement's concern with the [uptick in sex trafficking cases involving Cash App](#).²³ Forbes reported, "Searching a police database of sex ads for 'Cash App' in Waco returned 2,200 ads, compared to 1,150 for PayPal and 725 for Venmo... Similar data put together by the Arizona attorney general shows that between 2016 and 2021, there were 480,000 online sex ads where Cash App was listed as a form of payment, nearly double that of nearest rival Venmo at 260,000." The Forbes investigation also reported nearly 900,000 results when Cash App was searched on Skipthegames.com, compared to 470,000 for PayPal and a similar number for Venmo.

NCOSE researchers replicated that search on Skipthegames.com on February 27, 2024, and found similar results for sex trafficking and prostitution ads over the last year. Searching "Cash App" and "CashApp" collectively returned 203,500 results, compared to 64,000 for Venmo and 131,000 for PayPal. NCOSE researchers also viewed ads from within the last hour and again found Cash App mentioned the highest number of times (Cash App=23, Paypal=17, Venmo=15), as well as the highest number of times without options of competitor platforms (13 results Cash App only, 10 Cash App + another service).

Recent news articles detailing the use of Cash App for sex trafficking include:

- ["Charlottesville man charged with running prostitution ring along East Coast,"](#) *WSLS* (January 25, 2024)²⁴
- ["Municipal Court,"](#) *Salem News* (January 12, 2024)²⁵
- ["Brooklyn man indicted in federal court for multiple kidnappings, rapes, and robberies,"](#) *Brooklyn Paper* (August 24, 2023)²⁶
- ["Murders, manhunt and a prostitution ring: Okla. woman tied to statewide fugitive in deadly shooting saga,"](#) *WPDE* (October 15, 2023)²⁷

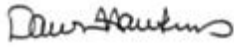
Addressing the vulnerabilities within Cash App's platform is paramount to combatting the sexual exploitation and sex trafficking currently facilitated by the platform. The recommendations proposed—implementing stringent age and ID verification, requiring adult sponsorship at sign up for minor-aged accounts and covering all financial services (P2P transactions), enhancing privacy and safety settings for minors, and partnering with NCMEC—represent comprehensive essential steps toward creating a safer environment for all users.

By adopting these measures, Cash App can significantly diminish its role in facilitating illegal activities and reinforce its commitment to user safety and security. This proactive approach not only aligns with ethical business practices, but sets a precedent for other electronic service providers in the fight against sexual exploitation.

Until Cash App improves, NCOSE will bring your business practices to the attention of the public and to other stakeholders.

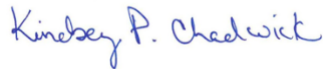
Should you wish to reach out to us for further discussion, you may contact us at public@ncose.com.

Thank you for your attention,



Dawn Hawkins

CEO



Kindsey P. Chadwick

Interim President

Cc:

Jack Dorsey, Chairman and Co-founder, Block, Inc. (formerly Square, Inc.)

Jim McKelvey, Co-founder and Director, Block, Inc.

Chrysty Esperanza, Chief Legal Officer, Block, Inc.

¹ Piper Sandler, “Taking Stock With Teens: Fall 2023 Survey,” October 10, 2023, <https://www.pipersandler.com/teens>.

² Amanda Claypool, “53% Of Americans Use Digital Wallets More Than Traditional Payment Methods: Poll,” *Forbes*, August 25, 2023, <https://www.nbcnews.com/business/personal-finance/whistleblowers-cash-app-leaves-door-open-money-laundering-terror-rcna138958>.

³ Gretchen Morgenson, “Federal Regulators are Probing Whether Cash App Leaves Door Open to Money Launderers, Terrorists,” *NBC News*, February 16, 2024, <https://www.nbcnews.com/business/personal-finance/whistleblowers-cash-app-leaves-door-open-money-laundering-terror-rcna138958>.

⁴ Lindsey Lane et al., *2022 Federal Human Trafficking Report* (Human Trafficking Institute, 2023), https://traffickinginstitute.org/wp-content/uploads/2023/06/2022-Federal-Human-Trafficking-Report-WEB-Spreads_compressed.pdf.

⁵ Thomas Brewster, “For Sex Traffickers, Jack Dorsey’s Cash App Is ‘King,’” *Forbes*, November 3, 2022, <https://www.forbes.com/sites/thomasbrewster/2022/11/03/cash-app-block-sex-trafficking-jack-dorsey>.

⁶ U.S. Attorney’s Office Southern District of Indiana, “Westfield Child Predator Sentenced to 38 Years in Federal Prison for Seeking Sex with a 14-Year-Old and Trafficking in Child Sex Abuse Materials,” news release, September 27, 2023, <https://www.justice.gov/usao-sdin/pr/westfield-child-predator-sentenced-38-years-federal-prison-seeking-sex-14-year-old-and>.

⁷ Alexandra S. Levine, “These TikTok Accounts Are Hiding Child Sexual Abuse Material In Plain Sight,” *Forbes*, November 14, 2023, <https://www.forbes.com/sites/alexandralevine/2022/11/11/tiktok-private-csam-child-sexual-abuse-material/?sh=7e5a544d3ad9>.

⁸ Jennifer Valentino-DeVries and Michael H. Keller, “A Marketplace of Girl Influencers Managed by Moms and Stalked by Men,” *New York Times*, February 25, 2024, <https://www.nytimes.com/2024/02/22/us/instagram-child-influencers.html>.

⁹ “Cash App: Built With Families in Mind,” Cash App, accessed March 7, 2024, <https://cash.app/families>.

¹⁰ Hindenburg Research, “Block: How Inflated User Metrics and ‘Frictionless’ Fraud Facilitation Enabled Insiders To Cash Out Over \$1 Billion,” *Hindenburg Research*, March 23, 2023, <https://hindenburgresearch.com/block>.

¹¹ *Ibid.*

¹² Brewster, *ibid.*

¹³ Canadian Centre for Child Protection (C3P), *An Analysis of Financial Sextortion Victim Posts Published on R/Sextortion* (Canadian Centre for Child Protection, November 2022), https://content.c3p.ca/pdfs/C3P_AnalysisOfFinanSextortionPostsReddit_en.pdf.

¹⁴ Adam Murphy, “FBI: Georgia Teens Targeted by ‘Sextortion’ Online,” *Atlanta News First*, January 23, 2024, <https://www.atlantaneWSfirst.com/2024/01/24/fbi-georgia-teens-targeted-by-sex-tortion-online>.

¹⁵ David Thiel, Renée DiResta, and Alex Stamos, *Cross-Platform Dynamics of Self-Generated CSAM* (Stanford Internet Observatory, June 2023) <https://stacks.stanford.edu/file/druid:jd797tp7663/20230606-sio-sg-csam-report.pdf>.

¹⁶ Cash App Support, “Account Limits,” Cash App, accessed March 7, 2024, <https://cash.app/help/us/en-us/6543-account-limits>.

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- ¹⁷ Borys Krawczeniuk, “Police: Man Used Xbox, Snapchat, Discord to Sexually Abuse Teenage Boys,” *The Times Tribune*, December 28, 2023, https://www.thetimes-tribune.com/news/crime-emergencies/police-man-used-xbox-snapchat-discord-to-sexually-abuse-teenage-boys/article_fee04d2f-d045-53e7-9a36-951ea9991895.html.
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- ¹⁹ U.S. Attorney’s Office Southern District of West Virginia, “Missouri Man Pleads Guilty to Child Pornography Crime,” news release, October 18, 2023, <https://www.justice.gov/usao-sdvw/pr/missouri-man-pleads-guilty-child-pornography-crime>.
- ²⁰ Tyrone Frazier III, “Docs: \$20 Cash App Payments and Twitter DMs Lead to ‘Child Exploitation’ Charges for Anderson Man,” *Fox 59*, September 1, 2023, <https://fox59.com/news/indycrime/docs-20-cash-app-payments-and-twitter-dms-lead-to-child-exploitation-charges-for-anderson-man>.
- ²¹ Lane et al., *ibid*.
- ²² Michael S. Schmidt, Katie Benner, and Nicolas Fandos, “Matt Gaetz Is Said to Face Justice Dept. Inquiry Over Sex With an Underage Girl,” *The New York Times*, Updated May 17, 2021, <https://www.nytimes.com/2021/03/30/us/politics/matt-gaetz-sex-trafficking-investigation.html>.
- ²³ Brewster, *ibid*.
- ²⁴ Lindsey Kennett, “Charlottesville Man Charged with Running Prostitution Ring along East Coast,” *WLSL 10*, January 25, 2024, <https://www.wsls.com/news/local/2024/01/25/charlottesville-man-charged-with-running-prostitution-ring-along-east-coast>.
- ²⁵ Police and Court Reports, “Municipal Court,” *Salem News*, January 12, 2024, <https://www.salemnews.net/news/police-and-court-reports/2024/01/municipal-court-1366>.
- ²⁶ Isabel Song Beer, “Brooklyn Man Indicted in Federal Court for Multiple Kidnappings, Rapes, and Robberies,” *Brooklyn Paper*, August 24, 2023, <https://www.brooklynpaper.com/brooklyn-man-indicted-federal-kidnapping>.
- ²⁷ Coleen Wilson, “Murders, Manhunt and a Prostitution Ring: Okla. Woman Tied to Statewide Fugitive in Deadly Shooting Saga,” *WPDE*, October 15, 2023, <https://wpde.com/news/nation-world/murders-manhunt-and-a-prostitution-ring-okla-woman-tied-to-statewide-fugitive-in-deadly-shooting-saga-ashle-gilbert-court-documents-cleveland-county>.