

## Internet Fraud

He is looking over the recent order for printer accessories that just entered his email processor. The billing address and shipping addresses were the same, but the address verification system did not recognize the address and zip code as those belonging to the credit card holder. This mismatch is not unusual, because banks don't always keep their records updated for credit card processors.

So, as is his practice for validating credit card purchases, he calls the number listed on the order and hears a recording that the number has been disconnected. OK, this could be a fraudulent order which is easily released without incurring the expense of processing the charge and then returning the amount back to the credit card. That could cost up to 3.5% of the total funds transferred each way, from and then back to the credit card.

However, with planned foresight, he has selected the option of only authorizing credit card charges. And then, when the purchaser is verified and validated, the authorized charge, which is flagged as a debit within the card holder's account and set aside to satisfy the charge, can be captured and sent to the merchant's account. He prefers that procedure for all credit card transactions.

In this case, he is checking the purchaser's phone number, because in the past customers have typed in their phone number incorrectly. One of the Internet websites for looking up phone numbers, knowing name, city and state, provides him a significantly different phone number than appeared on the order form. Maybe that phone number is a cell phone number.

According to another website, there is no record at all of this phone number. He becomes more suspicious of this order but calls the recently found phone number. The purchaser's mother answers and tells him that her son has been receiving packages for his friend and will return in about an hour.

The Internet Provider (IP) address for all orders is recorded and provides documentation of where each customer logs onto the Internet. He enters the IP address in the search block at the American Registry for Internet Numbers (ARIN), is referred to Réseaux IP Européens (RIPE), which is the European equivalent Registry for Internet Numbers, and finds the IP address originating in Israel.

Now, the red flags come out. He wonders, almost out loud, why would anyone living in or around Israel purchase printer toners for three different printer/copier/fax machines with inkjets for two printers and have them shipped within the United States. This is a puzzle too intriguing for him to pass up looking for the answer.

About two hours after his first call, he tries the son's phone number again and speaks to him. With a lot of encouragement from this end of the conversation, the son provides insight into how he became involved in receiving packages for his friend. The son relates that he met a woman in a local chat room. She sent him several boxes of his favorite chocolates and another undisclosed gift.

So, the son consented to accept her purchases at his home. She arranged for UPS to supply him with large shipping boxes with labels addressed to her. The son has been filling the large boxes with her purchases, taping them closed, attaching her labels and notifying her that the boxes are ready to ship. She evidently arranges the pick ups that occur within a couple of days.

He explains to the son that he will not be fulfilling the current order for printer toners and inkjets, how forwarding the boxes probably is assisting in a crime and that the son might be visited by an FBI agent inquiring about international shipments of merchandise fraudulently purchased.

As the last task to try to close the loop on this activity, he calls his bank for the general VISA phone number, eventually obtaining the source within VISA for translating the first four digits of the credit card used in this transaction into identifying the bank issuing the credit card. Well, the bank is in Spain. He calls the bank, starts speaking in English and is relieved when he hears her reply in English.

Providing her with the last four digits of the credit card, the authorized amount and the transaction date should allow her to identify the account and stop future illegitimate charges. Oh yes, then he calls the local FBI office to report the attempted fraud and the son's implication in it.