

# TIPS FOR IDENTIFYING POTENTIAL FRAUDULENT TRANSACTIONS



Awareness of potential fraud and how to respond could save your business from costly chargebacks and loss of product. The following are some common scenarios of fraud schemes that our customers should look out for, along with suggestions on how to respond.

Please note these are common tactics but not an exhaustive list of potential fraud schemes. We recommend using your best judgement when it comes to your customers.

If a situation occurs that feels suspicious or is outside of normal transaction activity, trust your instincts. Reach out to Wind River for additional guidance prior to proceeding.

Rules and regulations for card acceptance requirements vary by each card brand, so when implementing policies or procedures, please contact Wind River so we can confirm these policies are in line with regulations.

## EXAMPLE SCENARIO

## NEXT STEPS

### MERCHANDISE PICK-UPS:

A customer makes a purchase online or over the phone and wants to have another individual pick up the product.



Determine a company policy for pick up orders that requires customers to present ID at time of pick up for any orders (including card, cash, check etc.) and only the person placing the order is allowed to pick up the product. Confirm that ID matches payment method, and for phone orders it is suggested to require some form of EMV payment e.g., sales tax paid in person.

### SHIPPING ADDRESS DIFFERENT FROM CARDHOLDER ADDRESS:

A customer places an order and their billing address is different from the shipping address.



Always review further, research the shipping address to make sure it makes sense for the customer. Proceed with extreme caution in these cases or request additional information from the customer as to why these addresses do not match. If the ship to and bill to addresses do not match and a chargeback is issued, there is no recourse for the business.

### UNUSUAL TRANSACTION FROM NEW CUSTOMERS:

A new customer places a huge order online or over the phone that falls outside of the norm for your customer base. Examples include 3-4x your average tickets size, unusual quantities, or orders that are easily available.



Call Wind River's Risk Department at 608-441-5711 to review necessary items that you should collect if you plan to complete this payment. As a general rule, your business knows your customer base best, so if a situation seems suspicious, it is best to trust your judgement and investigate further.

### RED FLAGS:

I received a call from a new customer wanting to place an order. The product they were requesting and the information they provided me raised concern.



If at any time you think an order may be fraudulent, you are not required to complete the payment and are allowed to ask the customer to pay in a different form.

### REQUEST REFUND ON DIFFERENT CARD:

A customer contacted you to ask about in-stock inventory and order a product for pick up. Then a few days later, someone else will call to order the product that was inquired about. That same day or a day later, the customer will request a refund on a different card because theirs was destroyed/had fraud/closed/etc.



Always be vigilant when situations like this occur. We always recommend refunding the original card that the payment was made on. There are some cases where this isn't an option i.e., if the card was cancelled. However, Wind River can always look up the cards to see if the bank is the same. If the customer was re-issued a card, the issuing bank will remain the same.

### MULTIPLE FORMS OF PAYMENT:

1. A customer calls and wants to place an order using multiple different cards.
2. A customer calls and tries to place multiple orders on a card and receives declines so utilizes a different card.



Generally, when this is requested by a customer, we suggest extra precautions and a review of the situation prior to proceeding with payment. If multiple cards are declined in a card not-present transaction, proceed with extreme caution. The card brands may have rules and regulations on split transactions. If you have questions regarding whether a split transaction is within card brand guidelines, please call Wind River's chargeback team for guidance.

For more information regarding chargebacks, how they can affect your business, and different types of fraud, please visit:

[Protecting Your Business from Costly Chargebacks](#)

If you have any questions regarding chargebacks or fraud, please contact Wind River's Risk Department at (608) 441-5711 or [chargebackassistance@windriverpayments.com](mailto:chargebackassistance@windriverpayments.com).