

Fraud Attempts at Every Turn: Key Learnings on How to Be Prepared When Fraudsters Come Knocking on your Door!

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Housekeeping / Objectives

- My opinion & perspective – 36 years in credit; 27 years in the lumber industry
- Discussion Points – Fraud is multi-faceted, new fraud schemes are being introduced all the time; this is not 'all inclusive', primarily just what I've experienced
- 'Interactive' Session – PLEASE share your thoughts, ideas, and experiences. We ALL benefit from the exchange of information

Most Common Types of Fraud

- Credit Card Fraud
 - Check Fraud
 - Wire / ACH Fraud
 - Phishing Schemes
- Credit Application Fraud
 - Unsolicited 'Purchase' confirmation via e-mail / text
- Your Account has been 'locked' – Urgent Action Required
 - Phone Calls that 'appear' to be legitimate

Poll the Audience...

- Have you or your company been the victim of Fraud?
- If yes, PLEASE consider sharing your experience when we get to the appropriate category that has impacted you.
- If no, Congratulations... time to buy a lottery ticket or plan a trip to Vegas!!

Let's Dive In... Credit Cards

- Credit Card Fraud
 - Card Readers
 - Card Lock
- Card "Not Present"

Checks

- Check Fraud
 - Often 'intercepted' or stolen in transit
 - Washed & Rewritten
- USPS receptacles; distribution/sorting centers
 - ATM Deposits – not presented in person
 - Closed Lockbox Address

Wire / ACH

- Wire / ACH Fraud
 - Accessing email addresses
- Email request to change bank routing info
 - ALWAYS call to confirm...

Phishing Schemes

- Phishing Schemes – typically e-mail; not exclusively
- Scammers often use business 'domain' (Google search)
 - Company website – 'Meet the Team'
 - Or info@_____.com
- Please refer to attached Purchase Order

Fraudulent Credit Applications

- Fictitious OR Legitimate Business Name
- 'Contact' often purchasing manager & fraudster
 - Phone number often cell or mobile
- Email address close to actual domain; often newly created
- Phone numbers or e-mail addresses for trade references invalid
 - Credit applications often sent through info@.com

Fraudulent Credit Applications - continued

- Orders often 'pending' for Quick Ship
 - In our experience, delivery address usually in New Jersey
- If fraudster feels orders are likely to move forward, urgency increases
- Conveniently, trucks near mill/reload – customer can 'will call' product
- Being forced to make quick decisions lessens amount of time spent on due diligence & thorough credit investigation

Fraudulent Credit Applications - continued

- Tips, Tools, Tricks, Techniques to thwart fraudsters...
 - Google Search business name
 - Google Map Business & Ship To location
- Is your purchasing manager/contact listed under 'Meet the Team'?
 - Business phone number – Call it to verify
- Email domain – if domain is different on C/A, can you determine when the domain was created?
 - ****Modified Our Corporate Credit Policy****

Fraudulent Credit Applications - tidbits

- Example 1: E & I Sales Co
- Erin Sharma: info@paypershow.net & ssharma@simonagency.com
 - Email
- Example 2: Trawick Construction Co LLC
 - Email addresses & trades
 - W9 Tabatchnick Fine Foods Inc
- Example 3: MEI Rigging & Crating
- C/A listed Trawick as ref; domain created 10 days earlier

Unsolicited Purchase confirmed via email & text

- PayPal (to 300 recipients) purchase confirmation iPhone 16 \$1,199.99
 - Geek Squad \$420 'applied to my account' 36 mo service contract
- BOFA-Alert / services restricted. Verify your details now by clicking on this link...
- USPS Delivery Notice – missing or incorrect information preventing delivery. Click to confirm your info...
 - Toll Charges

Account has been locked!!

- Urgent Action Required Immediately...
 - Amazon
 - Xfinity
 - Bank cards – various

Phone Calls – Appear Legitimate

- Bank of America – we suspect fraudulent charges on your credit card
 - Came in from 800 number identified correctly as B of A
- Be careful how you answer your phone AND respond to questions
 - Conscientious not to say 'Yes'
- Always state you'll call bank or company yourself with the number on the back of your card

Conclusion

- Mentor who says ABL – Always be Learning;
- In today's prevalent world of fraud, ABS – Always be Suspicious!!
 - Due Diligence is Necessary
 - Question everything to confirm validity

Q & A

- Thank you for your attendance & participation!!
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