



Fraud Prevention QUICK GUIDE

You can gain the advantage.

American Express offers solutions that can help reduce your fraud related expenses, increase your revenues and reduce back office costs associated with fraudulent transactions.

Some solutions are as simple as calling when you suspect a problem. Others can be incorporated into your Point of Sale systems. You can choose the solutions that best fit your business.

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Card Acceptance for Card Present Transactions



A suspicious situation may arise even when a Card is present, causing you to question the authenticity of the Card, or the legitimacy of the person presenting it.

Reduce your risks

Certain behaviors can indicate that a transaction has a higher risk of being fraudulent. Trust your instincts. While the following situations may also occur during a valid transaction, be suspicious if the customer is:

- Ordering many of the same items
- Ordering using anonymous/free email domains
- Trying to process in larger-than normal transaction dollar amounts
- Sending to postal codes or countries where you show a history of fraudulent claims
- Ordering a "hot product" (i.e., highly desirable goods for resale)
- A first-time shopper
- Purchasing large quantities of high-priced goods without regard to colour, size, product feature, or price
- Comes in just before closing time and purchases a large quantity of goods
- Wanting to rush or overnight the order
- Has a previous history of Disputed Charges
- Rude or abusive toward you; wanting to rush or distract you
- Visiting your business to make small purchases with cash, then returns to make additional purchases of expensive items with a Card

Card Acceptance for Card Present Transactions



Our Card security features are designed to help you and your employees assess whether a Card is authentic or has been altered. When the Card is present, watch out for these signs.

Detecting a fraudulent card

Altered Magnetic Stripe

- The magnetic stripe has been altered or destroyed
- The Card number on the front of the Card does not match the Card number printed on the back (when present), or the last four digits printed on the Charge Record (or both)

Altered Front of the Card

- The Card number or Cardmember name on the front of the Card appears out of line, crooked, or unevenly spaced
- The black or silver ink on the raised Card number or Cardmember name is smudged or messy
- The Card number or Cardmember name is not printed in the same typeface as the American Express typeface

Additional Card Feature

- A Chip may be present on the front of the Card - most Chip Cards use a unique personal identification number or PIN in place of a signature

Altered Back of the Card

- The Card number printed on the back of the Card (when present) is different from the Card number on the front
- The Card number on the back of the Card (when present) has been chipped off or covered up
- The signature panel has been painted-out, erased, or written over

Altered Appearance of the Card

- There are "halos" of previous embossing or printing underneath the current Card number and Cardmember name
- A portion of the surface looks dull compared with the rest of the Card (valid American Express Cards have a high-gloss finish)
- The Card has a bumpy surface or is bent around the edges
- You suspect any Card security features have been compromised
- The Card appears physically altered in any way

If you suspect Card misuse, follow your store policies and if directed to do so, contact Authorization at **1-800-268-9824** (24/7). Never put yourself or your employees in unsafe situations, nor physically detain or harm the Cardmember.

Card Acceptance for Card Not Present Transactions



Mail, phone and internet transactions carry a higher fraud risk because the Card is not presented. Following these guidelines for Card acceptance and authorizations can help.

Best practices for phone and internet transactions

- Always ask for the right information
- Ask for the Cardmember name exactly as it appears on the Card
- Request the Card account number and expiration date (do not accept an expired card)
- Request Cardmember home or business phone number and billing address
- Verify Cardmember information via one of our verification systems
- Acquire shipping address and name (if different from billing address)

Other things you can do

- Require the Cardmember's signature upon delivery
- Require the Card to be presented if phone/mail/Internet orders are to be picked up at retail locations
- Validate the order by contacting the Cardmember. Check the telephone directory if possible to verify telephone number
- Identify each business model: Internet sales, telephone sales or catalog sales by authorizing each model through a separate Merchant Number
- Select carriers that do not allow shipment re-routes

What to do if you ship merchandise

- If you fulfill an order more than 7 days after the original authorization, call again for a new approval code before mailing the merchandise
- Charges cannot be submitted for payment until the merchandise is shipped



Did you know

When providing support for fraud disputes, ensure that your Proof of Delivery includes a courier receipt with the following information at minimum:

- date merchandise was delivered
- full name of recipient
- full shipping address, including full street (and, if applicable, suite or apartment number), city, province, and postal code. Include country, if different from Canada.

Take Action Now

To help prevent fraud in Card Not Present transactions at your business.



Important contact information:

- Merchant Services **1-800-268-9877**
- Fraud & Card Authorizations **1-800-268-9824**

For more information on Card Acceptance procedures, visit americanexpress.ca/merchantpolicy.

For additional questions, get in touch with the global fraud risk management team at Amex.Fraud.Solutions@aexp.com.