

### UNIT---3

1. Identify and explain the various security threats in cyberspace. (5 MARKS EASY EXPLANATION)

**ChatGPT said:**

#### **Security Threats in Cyberspace**

**1. Malware:**

- **Explanation:** Malware refers to any malicious software designed to damage or exploit computer systems. This includes viruses, worms, Trojans, ransomware, and spyware. Malware can corrupt data, steal sensitive information, and disrupt operations.

**2. Phishing:**

- **Explanation:** Phishing is a fraudulent attempt to obtain sensitive information like usernames, passwords, or credit card details by disguising as a trustworthy entity. It typically occurs through email, phone calls, or fake websites.

**3. Denial of Service (DoS) Attacks:**

- **Explanation:** In a DoS attack, a system is overwhelmed with traffic to the point where it becomes inaccessible to legitimate users. Distributed Denial of Service (DDoS) is a more advanced form, where multiple systems are used to carry out the attack.

**4. Data Breaches:**

- **Explanation:** A data breach occurs when unauthorized individuals gain access to sensitive information such as personal data, financial records, or login credentials. This can lead to identity theft, financial loss, or reputational damage.

**5. Man-in-the-Middle (MitM) Attacks:**

- **Explanation:** In a MitM attack, an attacker intercepts and possibly alters the communication between two parties without their knowledge. This can occur in unsecured Wi-Fi networks or during online transactions, leading to data theft or manipulation.

These are key threats that impact the security of systems and users in cyberspace, emphasizing the need for strong security practices to safeguard against them.

4o mini

**You said:**

2. Differentiate between client threats, communication channel threats, and server threats.(12 MARKS EASY EXPLANATION) IN CHART.

2/2

ChatGPT said:

Here's a simplified chart that differentiates between **Client Threats**, **Communication Channel Threats**, and **Server Threats**:

Type of Threat	Client Threats	Communication Channel Threats	Server Threats
Definition	Threats that target the end-user's device (client).	Threats that arise during the transmission of data between clients and servers.	Threats that affect the server or the services it provides.
Common Examples	- Malware (Viruses, Trojans) - Phishing - Spyware	- Man-in-the-Middle (MitM) - Eavesdropping - Data Interception	- SQL Injection - DDoS Attacks - Server Misconfiguration
Target	User's device or software (e.g., computers, smartphones)	Communication networks or the channels (e.g., Wi-Fi, internet) used to transfer data	Server-side applications, databases, and resources
Impact	- Loss of sensitive data - Identity theft - System corruption	- Data theft - Data manipulation - Unauthorized access during transmission	- Server downtime - Data breaches - Data corruption
Common Methods of Attack	- Malware downloads - Social Engineering - Phishing emails	- Intercepting unencrypted data - Spoofing communication channels	- Exploiting software vulnerabilities - Overloading server resources
Protection Methods	- Antivirus software - Strong password practices - Two-factor authentication	- Encryption (SSL/TLS) - VPN usage - Secure protocols (e.g., HTTPS)	- Firewalls - Regular patching - Intrusion detection systems

Summary:

- **Client threats** target the user's device and involve malware or phishing attacks.
- **Communication channel threats** occur during the transmission of data, such as man-in-the-middle attacks or data eavesdropping.
- **Server threats** impact the server itself, through methods like DDoS attacks or SQL injection, which compromise server integrity or availability.

4o mini

**You said:**

3. What is cryptography? Explain public and private key encryption..(5 MARKS EASY EXPLANATION)

**ChatGPT said:**

### **Cryptography**

Cryptography is the practice of securing communication and information through techniques like encoding and decoding, making data unreadable to unauthorized users. It ensures the confidentiality, integrity, and authenticity of data during transmission.

---

#### **Public Key Encryption (Asymmetric Encryption):**

- **Explanation:** In public key encryption, two different keys are used: one for encryption (public key) and another for decryption (private key).
- **How it works:**
  - The **public key** is shared with everyone and is used to encrypt the data.
  - The **private key** is kept secret and is used to decrypt the data.
- **Use:** It is commonly used in securing online transactions, email communications, and digital signatures.

#### **Example:**

- Alice wants to send Bob a secure message. She encrypts the message using Bob's public key. Only Bob, who has the corresponding private key, can decrypt and read the message.
- 

#### **Private Key Encryption (Symmetric Encryption):**

- **Explanation:** In private key encryption, the same key is used for both encryption and decryption.
- **How it works:**
  - Both the sender and receiver share the same **private key**.
  - The sender uses the key to encrypt the message, and the receiver uses the same key to decrypt it.
- **Use:** It is faster and commonly used for encrypting large amounts of data.

#### **Example:**

- Alice and Bob share a secret key. Alice uses this key to encrypt a message, and Bob uses the same key to decrypt it and read the message.
- 

#### **Summary:**

- **Public Key Encryption** uses two keys (public for encryption, private for decryption) and is often used for secure communication over the internet.
- **Private Key Encryption** uses a single shared key for both encryption and decryption, typically used for faster, large-scale data encryption.

4o mini

**You said:**

4. How do digital signatures and certificates enhance security in e-commerce?(5 MARKS EASY EXPLANATION)

**ChatGPT said:**

### **Digital Signatures and Certificates in E-commerce Security**

#### **1. Digital Signatures**

- **Explanation:** A **digital signature** is a cryptographic technique used to verify the authenticity and integrity of a message or document. It works by creating a unique code that is linked to the sender's private key.
- **How it enhances security:**
  - **Authenticity:** Ensures the sender's identity is verified, preventing fraud.
  - **Integrity:** Ensures that the message or document hasn't been tampered with during transmission.
  - **Non-repudiation:** The sender cannot deny sending the message, as only they could have generated the digital signature with their private key.

#### **2. Digital Certificates**

- **Explanation:** A **digital certificate** is an electronic document issued by a trusted Certificate Authority (CA) that confirms the identity of the certificate holder (such as a website or individual) and provides the public key for encryption.
- **How it enhances security:**
  - **Trust:** A certificate assures users that they are communicating with the legitimate business or website.
  - **Encryption:** The public key in the certificate enables secure data encryption, protecting sensitive information like credit card details.
  - **Validation:** It ensures that the website or service is verified by a trusted authority, reducing the risk of interacting with fake websites (phishing).

**Summary:**

- **Digital Signatures** ensure the authenticity, integrity, and non-repudiation of online transactions.
- **Digital Certificates** provide a trusted way to verify the identity of entities and enable secure encrypted communication, enhancing overall security in e-commerce.

40 mini

**You said:**

5. Discuss the role of firewalls, VPNs, and SSL in securing e-commerce platforms.(5 MARKS EASY EXPLANATION)

**ChatGPT said:**

### **Role of Firewalls, VPNs, and SSL in Securing E-commerce Platforms**

#### **1. Firewalls**

- **Explanation:** A **firewall** is a security system designed to monitor and control incoming and outgoing network traffic based on predetermined security rules.
- **Role in E-commerce:**
  - **Protection:** Firewalls block unauthorized access to e-commerce platforms, protecting sensitive customer data from hackers and malicious attacks.
  - **Filtering:** They filter out harmful traffic, such as malware or denial-of-service (DoS) attacks, ensuring the platform remains secure.

#### **2. Virtual Private Networks (VPNs)**

- **Explanation:** A **VPN** creates a secure, encrypted connection between the user's device and the internet, providing privacy and anonymity.
- **Role in E-commerce:**
  - **Data Encryption:** VPNs encrypt data transmitted between users and e-commerce platforms, preventing sensitive information like passwords and payment details from being intercepted.
  - **Secure Access:** They ensure that remote employees or users accessing the platform from different locations can do so securely without exposing the network to external threats.

#### **3. Secure Sockets Layer (SSL)**

- **Explanation:** **SSL** is a cryptographic protocol that establishes an encrypted link between a web server and a browser, ensuring secure data transmission.
- **Role in E-commerce:**
  - **Data Protection:** SSL encrypts sensitive data (e.g., credit card information, personal details) exchanged between customers and e-commerce sites, making it unreadable to hackers.
  - **Trust:** SSL certificates verify that the e-commerce site is legitimate and trusted, displaying a padlock symbol in the browser, which increases customer confidence in the platform's security.

**Summary:**

- **Firewalls** protect e-commerce platforms from unauthorized access and cyber-attacks.

- **VPNs** ensure secure, encrypted communication between users and platforms.
- **SSL** ensures secure transactions by encrypting data exchanged between customers and e-commerce websites, boosting trust and confidentiality.

4o mini

**You said:**

6. Compare different electronic payment systems like e-cash, e-wallet, and smart cards..(15 MARKS EASY EXPLANATION) IN CHART.

**ChatGPT said:**

Here's a comparison of different electronic payment systems like **E-Cash**, **E-Wallet**, and **Smart Cards** in a simple chart:

Payment System	E-Cash	E-Wallet	Smart Cards
<b>Definition</b>	Digital form of currency that mimics real cash and is used for online transactions.	A software application that stores digital money and allows for online transactions.	A physical card embedded with a chip that stores and processes payment information.
<b>Medium</b>	Completely digital, no physical form.	Stored on electronic devices like smartphones or computers.	Physical card with embedded chip for secure transactions.
<b>Storage</b>	Stored in digital form, usually in a prepaid account with a set value.	Stores money digitally, can be linked to a bank account or preloaded with funds.	Stores data on the card itself, can be linked to a bank account or have a prepaid value.
<b>Security</b>	Relies on encryption and secure online transactions.	Protected by passwords, PINs, or biometric authentication.	Protected by PINs, passwords, or physical chip encryption.
<b>Usage</b>	Used primarily for anonymous online transactions.	Used for online shopping, paying bills, and transferring funds.	Used for both online and offline payments in physical stores and ATMs.
<b>Examples</b>	- Bitcoin (cryptocurrency) - DigiCash	- PayPal - Google Pay - Apple Pay	- Visa/MasterCard chip cards - Contactless cards
<b>Advantages</b>	- Anonymity - Quick transactions	- Convenience - Quick payments	- Wide acceptance - Secure transactions - Offline use possible

Payment System	E-Cash	E-Wallet	Smart Cards
	- No need for a bank account	- Integration with multiple services	
<b>Disadvantages</b>	- Limited acceptance - Security risks if lost or stolen	- Can be vulnerable to hacking - Requires internet access	- Can be lost or stolen - May require fees for use or activation

#### Summary:

- **E-Cash:** Primarily used for anonymous, quick online transactions, but limited in scope and security.
- **E-Wallet:** A more versatile option for online payments, integrating various services and offering security features like PINs and biometrics.
- **Smart Cards:** Widely accepted in physical stores and online, offering secure payments and offline capabilities but requiring careful protection from loss or theft.

4o mini

#### You said:

7. What is the SET protocol, and how does it secure credit card transactions?(5 MARKS EASY EXPLANATION)

#### ChatGPT said:

#### SET Protocol (Secure Electronic Transaction)

##### Definition:

The **SET protocol** is a security standard designed to secure credit card transactions over the internet. Developed by major companies like MasterCard and Visa, it ensures that online transactions involving credit cards are both secure and private.

#### How it Secures Credit Card Transactions:

##### 1. Encryption:

- SET uses **encryption** to protect sensitive information (such as credit card numbers, personal data) during transmission. This ensures that even if data is intercepted, it remains unreadable.

##### 2. Authentication:

- The protocol authenticates both the **cardholder** and the **merchant**, ensuring that both parties are legitimate. The cardholder's identity is verified using digital certificates.

### 3. Data Integrity:

- SET ensures that the data has not been tampered with during transmission. Any alteration of data (such as credit card details) would be detected.

### 4. Payment Authorization:

- SET allows for the secure exchange of payment information between the cardholder, merchant, and payment gateway. The cardholder's bank authorizes the payment, and the merchant's bank receives the payment confirmation.

### 5. Privacy:

- SET ensures that the credit card details are **never directly shared with the merchant**. Instead, the payment processor handles the sensitive data, preventing the merchant from accessing the cardholder's personal information.

---

#### Summary:

The **SET protocol** secures credit card transactions by encrypting sensitive data, authenticating both the cardholder and merchant, ensuring data integrity, and maintaining the privacy of the cardholder's information during online transactions.

4o mini

#### You said:

8. Explain the ACID and ICES tests in the context of payment systems. credit card transactions?

#### ChatGPT said:

#### ACID and ICES Tests in Payment Systems and Credit Card Transactions

##### ACID Test in Payment Systems

The **ACID** test refers to a set of properties used to ensure that transactions in a payment system (or any database system) are processed reliably and securely. It stands for:

#### 1. Atomicity:

- **Explanation:** Atomicity ensures that a transaction is either fully completed or fully aborted. In the context of credit card transactions, this means that the entire payment process (authorization, charge, settlement) happens in a single unit. If any part of the process fails, the entire transaction is rolled back to prevent partial payments.
- **Example:** If a credit card payment fails after authorization but before charging the amount, the transaction is rolled back, and no money is deducted from the card.

#### 2. Consistency:

- **Explanation:** The transaction must leave the system in a consistent state. If a payment system processes a transaction, it must ensure the integrity of data, like making sure that account balances or transaction logs are updated correctly.



- **Example:** If a card payment is successful, both the cardholder's account and the merchant's account must reflect the transaction amount.

### 3. Isolation:

- **Explanation:** Transactions are executed independently of each other. Even if multiple transactions are processed simultaneously, they should not interfere with each other, ensuring no conflicts or errors.
- **Example:** If two payments are made at the same time on the same card, the system ensures that one transaction is processed before the other, preventing double charges.

### 4. Durability:

- **Explanation:** Once a transaction is confirmed, its changes are permanent and cannot be undone, even in the case of system crashes.
- **Example:** After a successful credit card payment, the transaction is recorded permanently in the system, ensuring that the merchant receives the funds even if the system crashes afterward.

---

## ICES Test in Payment Systems

The **ICES** test is a set of criteria used to assess the **security** and **efficiency** of credit card transactions, particularly in online payment systems. It stands for:

### 1. Integrity:

- **Explanation:** Integrity ensures that the data (such as credit card details, payment amounts, etc.) has not been altered or tampered with during the transaction process.
- **Example:** Using encryption protocols like SSL/TLS to protect credit card details while transmitting them over the internet ensures the data remains intact.

### 2. Confidentiality:

- **Explanation:** Confidentiality ensures that sensitive information, like the cardholder's personal details and credit card number, remains private and is only accessible to authorized parties.
- **Example:** Payment systems encrypt credit card numbers and use secure protocols to prevent unauthorized access to customer information.

### 3. Efficiency:

- **Explanation:** Efficiency refers to the ability of the payment system to process transactions quickly and accurately, minimizing delays and errors.
- **Example:** A payment gateway that handles credit card transactions within seconds, ensuring a smooth and efficient user experience for both the merchant and the customer.

#### 4. Security:

- **Explanation:** Security ensures that the payment system is protected against fraud, hacking, and other cyber threats. It involves mechanisms like encryption, secure authentication, and fraud detection.
- **Example:** Implementing two-factor authentication (2FA) for credit card transactions to ensure that the person making the transaction is authorized to use the card.

---

#### Summary:

- The **ACID** test in credit card transactions ensures that payments are handled reliably, with features like atomicity, consistency, isolation, and durability.
- The **ICES** test focuses on the **security** aspects of transactions, ensuring data integrity, confidentiality, efficiency, and overall security of the payment process.

4o mini

#### You said:

9. Discuss common online frauds and scams in e-commerce.(5 MARKS EASY EXPLANATION)

#### ChatGPT said:

#### Common Online Frauds and Scams in E-commerce

##### 1. Phishing

- **Explanation:** Phishing involves fraudulent attempts to steal sensitive information (like credit card details or login credentials) by pretending to be a trustworthy entity, often through fake emails or websites.
- **How it works:** Scammers send fake emails that look like legitimate e-commerce sites, asking users to click links and enter their personal information.

##### 2. Credit Card Fraud

- **Explanation:** This occurs when criminals use stolen or fake credit card information to make unauthorized purchases on e-commerce websites.
- **How it works:** Fraudsters may steal credit card numbers through hacking, phishing, or physical card theft, then use them to buy goods or services.

##### 3. Fake Online Stores (Scam Websites)

- **Explanation:** Scammers create fake online stores that look like legitimate e-commerce platforms but only exist to steal money from customers.
- **How it works:** Customers may pay for goods that never arrive, and the fake site may disappear after collecting payment information.

##### 4. Non-Delivery Scams

- **Explanation:** Scammers advertise products at a low price but never deliver the items after receiving payment.

- **How it works:** Customers make purchases, but the product is never shipped, and the scammer often disappears without a trace.

#### 5. Fake Reviews and Product Listings

- **Explanation:** Fraudsters create fake product listings or reviews to mislead customers into purchasing low-quality or non-existent products.
- **How it works:** Fake reviews and misleading product descriptions are used to create a false sense of trust, luring customers to buy items that don't meet their expectations.

---

#### Summary:

Common online frauds in e-commerce include **phishing, credit card fraud, fake online stores, non-delivery scams, and fake reviews/product listings**. These scams aim to deceive customers, steal sensitive information, or trick them into paying for non-existent products.

4o mini

#### You said:

10.How do organizations ensure cybersecurity in e-commerce?(5 MARKS EASY EXPLANATION)

#### ChatGPT said:

#### How Organizations Ensure Cybersecurity in E-commerce

##### 1. Encryption

- **Explanation:** Encryption is used to protect sensitive data (like credit card details and personal information) during transmission over the internet. This ensures that even if data is intercepted, it remains unreadable.
- **How it helps:** E-commerce websites use SSL/TLS protocols to encrypt data, ensuring secure communication between customers and the platform.

##### 2. Firewalls

- **Explanation:** Firewalls are security systems that monitor and control incoming and outgoing network traffic. They block unauthorized access to the system while allowing legitimate traffic.
- **How it helps:** Firewalls prevent hackers from accessing the e-commerce platform's backend and protect sensitive customer data from being exposed.

##### 3. Secure Payment Gateways

- **Explanation:** Payment gateways are secure systems used for processing transactions. They ensure that customer payments are processed safely and securely.
- **How it helps:** Secure gateways use encryption and tokenization techniques to protect payment details from fraud and unauthorized access during transactions.

##### 4. Multi-factor Authentication (MFA)

- **Explanation:** Multi-factor authentication requires users to provide two or more forms of identification (like a password and a one-time code) before accessing their accounts or completing a transaction.
- **How it helps:** MFA adds an extra layer of security, making it harder for unauthorized users to access customer accounts or perform fraudulent activities.

#### 5. Regular Security Audits and Updates

- **Explanation:** Organizations conduct regular security audits and update their systems to identify vulnerabilities and patch any weaknesses.
- **How it helps:** By constantly monitoring and updating security protocols, e-commerce platforms can defend against new threats and ensure ongoing protection for customers.

---

#### Summary:

Organizations ensure cybersecurity in e-commerce by using **encryption, firewalls, secure payment gateways, multi-factor authentication**, and **regular security audits and updates** to protect sensitive data and maintain secure online transactions.

4o mini