

Company Resource

Red Flags of Fraud

What is Fraud?

Fraud is deception committed for financial and/or personal gain. This can involve customers, employees, or vendors and can result in brand mistrust.

What are some of the Red Flags of Fraud?

If a customer is at risk, they may be participating in one or many of these behaviors:

- Being on the phone while purchasing gift cards and possibly even mentioning the purchase over the phone.
- Being rushed, worried, or distracted while making their purchase.
- Mentioning something about the IRS, paying bills, a family member in danger, etc.
- Purchasing a large amount of gift cards.

If an employee is complicit in a fraud scheme, they might:

- Have an unusually close relationship with a customer or vendor.
- Take a short amount of time to process large transactions with that particular customer.
- Act unlike themselves.
- May act irritable or defensive when asked about it.
- Be unwilling to share duties.
- Be living beyond their means.
- Have financial difficulties.

You might be being recruited for fraudulent activity if:

- You are being pressured into it.
- The person downplays the impact of what is happening or would happen.
- They guilt trip you.
- They threaten you.

What should you do if you experience any of these Red Flags?

In the case where a customer is involved:

- Ask them if they are okay, ask them if the gift cards are for a special occasion, etc.
- Make sure they read the notice about potential gift card scams.
- If the customer still wants to go forward with the transaction, get a supervisor involved.
- If the customer completes the transaction, make sure that you report the incident to local authorities.
- Report the incident to the [Federal Trade Commission](#) (FTC) or [Internet Crime Compliant Center](#) (IC3).

In any other situation listed above:

- Get a supervisor involved.
- Report your concern to your employer.
- Depending on the level of concern, local authorities should be contacted.