

Fraud Investigation Report - Case CB-2026-1203

CONFIDENTIAL - ABC Bank Fraud Investigation Unit

Case Reference: CB-2026-1203

Date: February 24, 2026

Analyst: AI Fraud Screening Engine v3.2

TRANSACTION DETAILS

Transaction ID: TXN-7734509

Amount: \$18,750.00

Date: January 15, 2026

Merchant: Prestige Luxe Boutique (MCC: 5944 - Jewelry)

Card: Visa ending 4829

Cardholder: James K. Thornton

3D SECURE AUTHENTICATION

Status: AUTHENTICATED (Verified by Visa)

Authentication Result: Y (Fully Authenticated)

ECI Indicator: 05

Liability Shift: Issuer (per Visa rules)

FRAUD INDICATORS ANALYSIS

Positive (Legitimate) Signals:

- 3D Secure fully authenticated
- AVS Result: Full Match (Street + ZIP)
- CVV/CVC: Match
- Device fingerprint matches 4 prior clean transactions (Aug 2025 - Jan 2026)
- IP Address: 72.134.88.201 (Consistent with cardholder city: Portland, OR)
- Shipping address matches billing address exactly

- No velocity anomalies detected

Negative (Fraud) Signals:

- Transaction amount significantly higher than cardholder average (\$340)
- First luxury goods purchase on this card
- Cardholder insists transaction was unauthorized

RISK SCORING

Friendly Fraud Probability: 62%

Unauthorized Fraud Probability: 38%

Overall Evidence Strength: WEAK (for filing chargeback)

RECOMMENDATION

Based on analysis, this case presents strong indicators of potential friendly fraud. The combination of successful 3D Secure authentication, device consistency, and address matching suggests the cardholder participated in the transaction. However, the cardholder's insistence and the unusual transaction amount create ambiguity.

RECOMMENDATION: ESCALATE TO HUMAN APPROVER

Do not auto-file chargeback. Requires human judgment.

Prepared by: Pace AI Agent

ABC Bank Dispute Resolution Center