

CONFIDENTIAL. Merchant use only – do not distribute to customers

Fraud Prevention

Fraud is a serious crime that can occur at any time. An educated, well-informed sales team is essential in reducing the likelihood of identity theft and fraudulent practices. Awareness of the following behaviors can help you identify possible fraudulent credit card purchases.

Be aware:

- Observe the person's actions while they are filling out the application. Do they act nervous? Do they make eye contact with you?
 - Be cautious if the customer seems to make intentional distractions while you review the application or personal identification. Such distractions include small talk or excessive questions.
- If applicable, make sure the signature on the government issued photo ID matches any documentation you require a signature. Does the signature appear written over as if a mistake was made on the first try? Is the signature misspelled or are the first and last names reversed?
- Watch for other obvious errors. Do the phone number and area code coincide with the home address? Do the age, name, and address on the application match the government-issued photo identification?
- Is the customer strongly focused only on items that are in-stock and can be taken with them that day? (i.e. non- custom items such as watches, bracelets, loose diamonds, etc.)
- Does the customer appear completely unconcerned about the price/quality of the merchandise or appear to be randomly ordering expensive items?
- Watch for purchases made by a group of people, all of whom are selecting merchandise, but charging all items to your customer's credit card.
- Is the customer unable to provide billing information correctly without looking at identification?
- Be aware of immediate credit limit increase request prior to selecting merchandise.
- Does the customer request that the merchandise be shipped to an address other than his or her home address?

How Wells Fargo helps to prevent fraud:

- Wells Fargo offers third party fraud prevention tools to validate customer identity. **Contact your Wells Fargo representative to learn more.**

- We provide tips with each customer's credit card carrier on how to avoid identity theft and steps to take if a customer becomes a victim.
- Our fraud and credit teams utilize multiple tools to aid in the monitoring of transactions, payments, and insufficient funds on accounts to help identify fraudulent behavior.
- Change of address on all newly opened accounts are reviewed and verified.

Carefully review customer identification:

- Use caution when customers identification is from **out of state** or **outside your market area**.
- Customers should present two forms of current identification, one of which must be a government-issued photo identification. This is especially important in stores with more concerns for fraud.
- Only cardholders are permitted to utilize the account.
- Check the picture identification of the person completing the credit application or making a purchase on a credit account. Be certain the picture matches the applicant.
- Recognize the physical characteristics of the various forms of customer identification (the most common being the state-issued driver's license):
 - Know the official format of your state's driver's license.
 - Be aware of driver's licenses issued in the surrounding states.
 - Check to be sure that the driver's license has not been altered.
 - If any part of the identification is supposed to have raised lettering, feel the identification to confirm it is raised.
 - Check to see if the state seal or logo on the license matches the real license format.
 - Know how long a driver's license is valid in your state.
 - Verify that the identification is current and not expired. Do not accept any expired driver's license as proper identification.

Post in conspicuous internal sales area



Red flags:

- **Purchases of over \$6,000** that are able to be taken from the store immediately (i.e., noncustom items such as watches or bracelets).
- Customers from **out of state** or **outside your market area**.
- Making high dollar purchases in minutes without regard for price or size.
- Purchasing multiple items in a short time frame to use the majority of the credit limit.
- Cardholder is not present.
- Accounts opened at other locations.



Recommendations for how to proceed:

- Ask for 2 forms of ID. Sign up for fraud tools which allows you to validate that ID.
- **Create a 24-48 hour hold policy** on all purchases made by customers from out of state over \$6,000. This allows us to do some extra checking in the meantime.
- Call our **Fraud Department** at 1-800-257-7799, 8:00 a.m. - 6:00 p.m. Central Time. That team has additional tools to validate the customer. Let them know you have concerns about fraud.
- **If there is a fraud concern you are encouraged to hold merchandise until speaking with our fraud department.**

Contact us

Thank you for choosing Wells Fargo. If you observe fraudulent behavior, or if you have any questions about credit card fraud, please call our fraud department **and** reach out to your dedicated relationship manager.

Fraud Department

1-800-257-7799 | Monday - Friday
8:00 a.m. - 6:00 p.m. Central Time | Email: frauddept@wellsfargo.com

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We accommodate telecommunications relay service calls.