

Signs of Fraudulent Applications

Protecting the payments ecosystem is core to Paysafe, and as part of our community we will periodically broadcast best practices to our Partners. According to a recent report by Cyber Risk Analytics, the first half of 2019 has seen the number of data breaches increase by 54%, and nearly 4.1 billion records have been exposed. It is therefore imperative to be on the lookout for fraud applications and/or irregular processing activity.

As a precaution, we would like to encourage our partners to review some red flags that often occur during the initial sales and onboarding stage. The red flags provided are not definitive, as fraudsters are always evolving, but some aspects of their operation tend to remain the same.

Red Flags:

- Urgency to go Live fast, but not interested in any training (back office, or portal).
- Does not sign into the back office or application after initiating contact.
- No website, or website is thin on content / functionality.
- Avoids speaking on the phone. Excuses will often include accidents, tragedy, hospitalization or some other reason they cannot get on a call.
- Registered business very recently, and business location and owner location may be in different regions.
- Asks to change banking details shortly after approval.
- Enquiries into maximum threshold limits and funding times, followed by requests to reduce any limits or improve funding delays.
- Spelling/Grammar mistakes, or sentence structures that do not conform to typical North American jargon.

In addition to the above, we would also suggest highlighting to us anything you find abnormal in your general onboarding. It may be odd questions, a merchant focusing on aspects of the integration that are not common, or other behavior that is not typical in your onboarding and sales cycle. These small signs can often point to a bad actor trying to circumvent our combined controls.

Should you encounter any of these signs, [please contact Paysafe](#) immediately.

Source: <https://pages.riskbasedsecurity.com/2019-midyear-data-breach-quickview-report> and <https://www.forbes.com/sites/daveywinder/2019/08/20/data-breaches-expose-41-billion-records-in-first-six-months-of-2019/#1b83244bbd54>