

INTELLIGENCE NOTE

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Prepared by the Internet Fraud Complaint Center

The number of reported Internet auction frauds is increasing and hundreds of new complaints are received daily. Many of these frauds originate in Eastern Europe in former communist countries. Consumers are strongly cautioned against entering into Internet transactions with subjects exhibiting the following behavior:

- Buyers should beware of sellers who post the auction under one name, and ask for the funds to be transferred to another individual for any reason, especially when the seller reports to be in the U.S., but requests funds be sent to another country.
- The subject requests funds to be wired directly to him/her via Western Union, MoneyGram, or bank to bank wire transfer. The IFCC has verified that funds sent via Western Union can be picked up anywhere in the world without the need to provide the money transfer control number (MTCN) or the answer to any secret question, as many subjects have purported to the victims. Money sent via wire transfer leaves little recourse for the victim.
- If the product or deal seems too good to be true, it probably is. Many Eastern European countries claim to sell factory direct products; however, Eastern Europe is not a reliable producer of high end Sony, Bose, or other products.
- Buyers who ask for the purchase to be shipped using a certain method to avoid customs or taxes inside another country should be avoided.
- Be suspect of any credit card purchases where the address of the card holder does not match the shipping address. Always receive the card holder's authorization before shipping any products. Beware of customers using multiple credit cards to make a single or large purchase, as these may be fraudulent transactions.
- Victims are also reporting to the IFCC that they have participated in, or been victimized by, a scheme involving work-from-home jobs on web sites. The seller asks the U.S. citizen to act as a third party receiver of funds from victims who have purchased products from the subject via the Internet. The U.S. citizen, receiving the funds from the victims, then wires the money to the subject in either Bucharest, Romania, or Riga, Latvia. The buyers never receive their merchandise.

Anyone who thinks they might have fallen victim to this or any other type of Internet scam can notify the IFCC through its web site at www.ifccfbi.gov.