



Gift Card Fraud

April 2016

Copyright © City of London Police 2016

NFIB Disclaimer: While every effort is made to ensure the accuracy of the information or material contained in this alert, it is provided in good faith on the basis that the Commissioner, the City of London Police and its police officers and staff accept no responsibility for the veracity or accuracy of the information or material provided and accept no liability for any loss, damage, cost or expense of whatever kind arising directly or indirectly from or in connection with the use by any person, whomsoever, of any information or material herein. The quality of the information and material contained in this document is only as good as the information and materials supplied to the City of London Police. Should you or your police force hold information, which corroborates, enhances or matches or contradicts or casts doubt upon any content published in this Alert, please contact the City of London Police NFIB by return.

Any use of the information or other material contained in this document by you signifies agreement by you to these conditions.

GIFT CARD FRAUD

The information contained within this alert is based on intelligence received by the National Fraud Intelligence Bureau (NFIB). The purpose of this alert is to provide knowledge and prevention advice to help organisations protect themselves from fraud.

ALERT CONTENT

Gift Card Fraud

The National Fraud Intelligence Bureau (NFIB) has seen an increase in the volume of Gift Card Fraud reports in recent months. This has resulted in financial losses for several businesses that have fallen victim to this type of fraud.

Method

The fraudster will scratch off the PIN on the back of a gift card, noting both it and the card number. The fraudster will then replace the tamperproof scratch panel, and in some cases reattach the gift card to the backing card to make it appear new and unused.

At the start of a lengthy and protracted transaction, the fraudster will request that money, often between £100 - £250, is loaded onto the gift card. Once this money appears on the gift card balance it is immediately spent online by an accomplice.

Once this occurs the fraudster will make an excuse such as going to get another item and subsequently leave the shop. However by the time the initial transaction is cancelled the order has already been processed.

PROTECTION / PREVENTION ADVICE

- Ensure all staff are aware of how the tamperproof scratch panel should look on each gift card type sold and that it they are checked on each transaction.
- Ensure staff do not load money onto a gift card where the scratch panel appears to have been tampered with.
- Ensure staff do not feel afraid to question when a transaction involving loading money onto a gift card feels protracted.

FEEDBACK

The NFIB needs feedback from our readers to evaluate the quality of our products and to inform our priorities. Please would you complete the following NFIB feedback survey through: <https://www.surveymonkey.com/r/FeedbackSDU>. This should take you no more than 2 minutes to complete. If you have other feedback or additional information that you would prefer to provide by email please send to NFIBfeedback@cityoflondon.pnn.police.uk.

Handling Instructions

This report may be circulated in accordance with the protective security marking shown below and caveats included within the report. The information contained in this report is supplied by the City of London Police in confidence and may not be shared other than with the agreed readership/handling code without prior reference to the City of London Police. Onward disclosure without prior authority may be unlawful, for example, under the Data Protection Act 1998.

The cover sheets must not be detached from the report to which they refer.

Protective Marking:	NOT PROTECTIVELY MARKED
FOIA Exemption:	NO
Suitable for Publication Scheme:	Yes
Version:	V1.0
Storage File Location:	NFIB
Purpose:	Fraud Alert
Owner:	NFIB Management
Author:	Analyst 990534T
Review By:	Senior Crime Reviewer 100182R