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ALERT NEW SCAM REPORTED!

A new Credit Card scam has been reported by a CAWA member and we want you, as a member, to be aware!

This is how it works:

The customer presents a Credit/Debit Card. The card is swiped, and then declined by the card processor.

Customer says "no way", and offers to call his bank, doing so on his cell phone. The banker tells customer everything is ok, just a deposit hasn't posted. The banker then talks to our cashier (on the customer's cell phone), explaining the same thing, and gives the cashier the authorization number (after asking for the merchant ID number). She then asks the cashier what kind of credit card terminal is being used, then gives the cashier the step by step instructions needed to re-key the transaction into the credit card machine as an "OFFLINE ENTRY" transaction, entering in the approval number.

A regular credit card receipt then prints out; customer signs it and walks away with the product.

Problem is, the bank teller was not a bank teller, and the authorization code is phony too. The credit card carrier will eventually reject the transaction, and deny payment. "Offline entry" transactions are not transmitted to the credit card processor until the end of the day, and by then the thief is long gone.

The way to prevent this is to make sure that no employee accepts a credit card authorization number from anyone other than the credit card processor (either issued electronically thru the machine or given verbally over the phone when the credit card processor is called by the employee). Banks do not issue credit card authorizations – only credit card processors issue authorization numbers. Never call a customer's bank or accept information from someone claiming to be from the customer's bank. A credit card processor will never call a merchant to give an authorization number – the merchant must contact the processor.

The customer was trying to get away with \$550.00 worth of product, mainly tools. Luckily, the thief tried this on a senior cashier, who had completed and printed the transaction, but called for a manager's approval because the transaction was not "normal". The cashier also did not give out the merchant number when asked, because she was previously instructed to never give it out except to the processor.

"CAWA, We're In Business To Keep You In Business"