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A Mechanism to Report Credit Card Scams

Adam Liss

A MECHANISM TO REPORT CREDIT CARD SCAMS

ABSTRACT

A system and method are disclosed to trace the source of a credit card scammer using a single use duress credit card number. If someone receives a request for credit card information, the potential victim can respond by providing a fake duress number. The duress number can be obtained via a special service set up for that purpose. The duress credit card number is generated and provided to the potential victim. The scammer uses the duress number to verify/charge the account via standard mechanisms. The verification/charges appear to succeed, but no funds are transferred; instead, the scammer's identity is captured and sent to the appropriate authority. The authorities can easily trace the source of the scammer using the captured identity.

BACKGROUND

Credit card scams over the phone are far too common, and too often people give their credit card details to fraudsters who run such scams. Typically in such cases, the victim receives a phone call from someone who offers a barely plausible story: he is from "Windows" and wants to remove viruses from their computer, or he is collecting donations for charity, or he is from a credit card company, *etc*. The caller typically ends his call with a request for the victim's credit card number and some personal information like credit card security code, social security number, *etc*. After the call ends, the scammer uses the information to make charges to the victim's credit card. Little can be done about the scammer, who often leaves no or inaccurate identifying information, can't be traceable or may be from a foreign country.

DESCRIPTION

The disclosure proposes a method to trace the source of fraud via a "duress" code that takes the form of a single-use credit card number. The duress credit card number is generated

and provided to the potential victim through a special service. A duress code is an alternate, but ostensibly valid, piece of information that (1) satisfies an attacker that the victim is complying, and (2) silently notifies the proper authorities that an attack is occurring.

For example, if a potential victim receives a call, mail or other message requesting credit card details, he or she can access the service using their service provider account (via browser or mobile app) and request a single-use duress number. The potential victim can then provide that number to the scammer in lieu of a genuine credit card number. The scammer will attempt to verify/charge the account via standard mechanisms. The method ensures that the verification and charge appear to succeed, but no funds are transferred. Instead, the scammer's identity is recorded, and forwarded to authorities. Because the scammer is unaware that he is being reported, he is less likely to close his accounts before he can be apprehended. It is required for the "victim" to have a confirmed relationship with the particular service provider, to prevent duress numbers from being used fraudulently to avoid legitimate charges.

The disclosed method increases the likelihood of apprehending scammers. Several independent reports against the same scammer can be accumulated before taking action, and such corroboration increases accuracy of the method. Since reporting is done without the scammer's knowledge, it also reduces the chances of retaliation by the scammer.