



## Mass Marketing Fraud Trend Bulletin #2011-10:

### Buying and Selling Online

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#### Purpose

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This bulletin was prepared to provide an overview of fraud trends involving buying and selling merchandise online. As well as, to provide a list of indicators to assist government agencies, and other private sector partners with identifying potential frauds in progress.

## Overview

- Since 2008 the Canadian Anti-Fraud Centre has documented that mass marketing fraud crimes occurring online are resulting in the majority of Canadian victimization. In 2010 more than five million dollars in losses was reported as a result of consumers being duped by buying or selling merchandise online.
- The most prominent items being listed by fraudsters online includes, motor vehicles (cars, trucks, boats and heavy equipment), event tickets (concert, sporting etc.), electronic equipment (cell phones and laptops), animals (puppy dogs, exotic birds) and rental property.
- Depending on the item being purchased or sold victimization can result in losses ranging from \$200 CAD to \$20,000 CAD.
- Scams targeting consumers selling items online usually target higher priced items (vehicles, and rental property) and often involve a buyer in from another country. The victim will receive an overpayment for the item listed and subsequently be asked to return excess funds via a money service business.
- Victim funds are primarily remitted through email money transfers, Internet payment Services, Money Service Business (e.g. Western Union, Money Gram or Ria Financial) and bank wire transfer.
- Complaint data indicates that scams involving the purchase of merchandise online are often national in scope, occurring within Canada, while scams involving the sale of merchandise are international in scope, often involving a buyer from another country.

## Indicators

- Be cautious of items offered through online classified ads for extremely low prices.
- Limited or no feedback rating on sellers.
- Buyers and renters from overseas
- Request to send funds to a third party shipping company.
- Request to send funds through Money Service Business
- Multiple incoming email money transfers for low dollar amount, often into personal account.

## Outlook

This bulletin was prepared to provide an overview of fraud trends involving buying and selling merchandise online and a list of indicators that may assist in identifying potential victims. If you think you or someone you know has been a victim of this type of fraud, contact the Canadian Anti-Fraud Centre 1-888-495-8501 or [www.antifraudcentre.ca](http://www.antifraudcentre.ca).

**Fraud:** Recognize It, Report It, Stop It.