



## BC Crime Prevention Association

#275 - 6450 Roberts Street, Burnaby, BC V5G 4E1

Tel: 604-291-9959 • Fax: 604-291-9951 • E-mail: [info@bccpa.org](mailto:info@bccpa.org) • [www.bccpa.org](http://www.bccpa.org)

We are a business in Vancouver, and recently were made aware of someone attempting to setup accounts/purchase product from one of our suppliers and one of our partners while pretending to be one of our employees - via email. We also recently had a company from the US requesting to purchase product from us and have it shipped. This opportunity didn't sound right, so we told the company that we required references and would require some form of secure transfer prior to shipping the product. We are not sure if these two incidents are related, or what we should do at this point. Your guidance is much appreciated - Colby

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*Invoicing scams are quite common in business. Either an outsider or a disgruntled employee or ex-employee acquires an account number from a victim business and by social engineering convinces a supplier to ship product or even hand over product to the suspect. Every business needs to have solid protocols in place and make sure all employees are trained on these procedures and follow them to the letter. Another version of this scam is for a fraudster to phone a business, ask for a first name of the person they are talking to and use that name as a lever to convince a business that a product has been ordered (New hires, especially receptionists, who are unfamiliar with company policies and anybody with a direct line are the most vulnerable targets).*

*At the end of the day a business must practice due diligence and be constantly on the alert for fraudulent invoicing. Because e-mail can be so anonymous it is an unreliable method of processing purchase orders as anybody can pretend to be anybody. It is acknowledged that some businesses do accept orders via E-mail because of convenience and they are often processed without a problem. Fax and regular mail are safer and more reliable methods.*

*With respect to the order from a US company the minimum that should be done is to phone the company and validate the order – far better to spend a dollar on a long distance phone call than not take that step and lose product to a fraudster when it is discovered too late that the order is bogus! Don't call the number on any e-mail correspondence but look for a landline number*



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*that is published in a commercial directory. Calling a cell number is a major red flag! Consider running a commercial credit report on the business and do a simple 411 enquiry on the Internet to confirm such a business exists and is located at the address indicated. These are just some of the steps that should be taken as part of the company policy of validating new orders.*

*Regardless of whether or not the two incidents are related they may constitute attempt frauds under the Canadian Criminal Code and as such you would be advised to contact your local police department for advice.*