

08 Protect your business

Knowing what to watch for can help you identify fraud and limit potential damage and other forms of harm to your business, including liability for illegal activities like human trafficking.

Know the signs of business fraud

Business fraud is on the rise, not only in Connecticut and the United States, but around the world. Artificial Intelligence is making it even easier for bad actors to commit widespread fraud. The two most common forms are synthetic business fraud and business identity theft, or corporate hijacking.



Synthetic business fraud

Synthetic business fraud

involves creating fake business identities using a mix of real and fabricated information to deceive financial institutions and gain access to credit, loans, or other financial benefit. This might involve someone using stolen information, like an EIN, to register a new business. If the filing goes through, the business now exists in the public record.



Business identity theft

Business identity theft

occurs when someone steals and uses a company's legal, financial, or public identity to commit fraud. This can involve impersonating the business, its executives, or its vendors, and using government records, tax credentials, bank accounts, or business filings to make the fraud appear legitimate.

6 ways to help protect your business against fraud

- 1 Check your business credit report often – at least twice a year. Early detection is key to protecting yourself.
- 2 Thoroughly vet the companies in your supply chain to ensure that they are real entities.
- 3 Keep up with invoicing and receivables to deny bad actors an opportunity to hijack your business to get between you and your customers.
- 4 Keep your private information safe by staying current on ways criminals are phishing for your data.
- 5 Use the “Follow Business” tool on [Business.CT.gov](https://business.ct.gov) to receive notifications when a filing to your business is made.
- 6 If you ever close your business, formally dissolve it with the state. Even an inactive entity can be targeted by fraudsters.

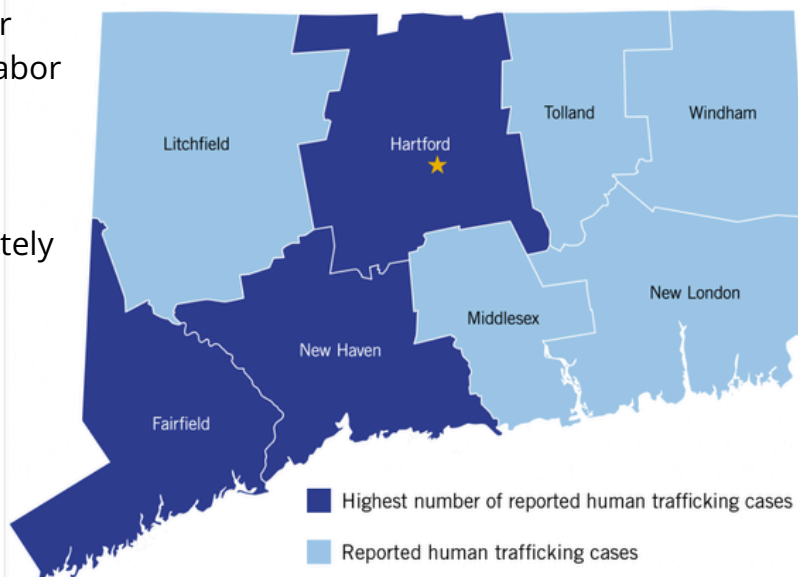
HUMAN TRAFFICKING

Know the signs. Protect your business.

Human trafficking isn't limited to hotels or illicit massage businesses. Both sex and labor trafficking can intersect with legitimate businesses and industries throughout Connecticut — sometimes in ways that owners and employees may not immediately recognize.

Businesses may encounter trafficking through their customers, employees, contractors, vendors, or supply chains. Knowing the warning signs and how to respond can help businesses:

- Recognize potential sex or labor trafficking
- Train employees to identify concerning situations
- Respond and report safely without putting employees or potential victims at greater risk
- Reduce legal, financial, and reputational risk
- Help protect vulnerable people in their workplaces and communities



Reported trafficking settings in Connecticut include:

- Illicit massage or spa businesses
- Hotels and motels
- Online platforms used to advertise commercial sex
- Pornography production and distribution
- Domestic work conducted in private homes
- Restaurants and food service operations



Be a
LIGHT
Learn, Identify and Guard
against Human Trafficking

The Connecticut Secretary of the State's Office created PreventHumanTraffickingCT.com specifically for the business community, with practical information to help businesses understand trafficking, recognize potential warning signs, and know what to do when something doesn't look right.



START HERE →
PreventHumanTraffickingCT.com