OMNARETH

SOLUTION BRIEF

E-commerce Refunds Fraud Prevention

Refund the customer. Not the scheme.

The challenge

Refund abuse looks like customer service: one request at a time, each plausible. The scheme only shows across orders.

The solution

Refund-as-a-service rings sell fake refunds: "never arrived" on delivered orders, returns shipped with another order's label, money sent to a gift card that never paid. Omnareth checks every refund against the order before money moves, and recognizes the gift card or device collecting across orders.

11
reference rules for e-commerce refunds

75 ms
median fraud-checked, audited decision, lab test

8/8
reference scenario decisions correct and verified on chain

How it fits

ELEMENT	IN THIS SOLUTION	WHAT IT COVERS
The record	The order	Who placed it, how it was paid, whether the carrier confirmed delivery, which return label was issued and whether the return arrived.
The events	Refund requests	A refund must come from the customer who ordered, go back to the payment method that paid, use the order's own label, and not exceed the order.
The memory	One gift card, many orders	Omnareth holds the ring's device and destination responsible, and recognizes the gift card collecting refunds across orders.

> **Evidence for auditors and regulators**
>
> Every decision stores the record, the request and the exact rules evaluated, with what was known about everyone involved, under a SHA-256 integrity hash anchored on the Omnareth chain. Edits, even covered-up ones, fail verification.

Next step: run the scenario with your team (`examples/ecommerce-refunds/demo.sh`, one command, every record verified), then scope a 90-day shadow-mode pilot. See the Pilot Program Guide.

© 2026 Habify Labs, Inc. All Rights Reserved. · Omnareth

What it stops

RULE	WHAT OMNARETH CHECKS	DECISION
Refund Before Return Received	Flag refunds for returns that have not reached the warehouse yet.	FLAG
Refund to Another Destination	Refunds go back to the payment method that paid.	DENY
Refund Exceeds Order	A refund may not exceed what is still refundable on the order.	DENY
Not Received, but Delivered	An item-not-received claim on an order the carrier confirmed delivered needs investigation.	DENY
Not the Order Owner	Only the customer who placed the order may request its refund.	DENY
Return Tracking Mismatch	A return must use the label issued for this order.	DENY
Destination Across Orders	Flag a refund destination or device implicated in denied refunds on two or more other orders in the last 24 hours.	FLAG
Return Label Reuse	A return tracking number belongs to one order; seen on another, the return is likely fake.	FLAG
Repeat Offender	Flag events involving an identity implicated in two or more denied events in the last 30 days.	FLAG
Blocked Identity	Identities blocked on the fraud watchlist may not take part in any order event.	DENY
Watched Identity	Identities under watch may proceed only with a flag for review.	FLAG

The reference scenario

#	EVENT	DECISION	FRAUD CASES
1	Genuine return, scanned in, refund to the card that paid	ALLOW	
2	"Never arrived" on a delivered order, refund to a gift card	DENY	
3	A 'return' using another order's label, same gift card	DENY	Repeat offenders opened; device and gift card watched
4	Refund on a third order to the same gift card	DENY	One gift card across three orders: case opened
5	Refund larger than the order	DENY	
6	Genuine return still in transit	FLAG	
–	Analyst confirms the gift card case	-	Gift card blocked everywhere
–	A support agent records the gift card as the order's payment method	-	
7	The ring asks again for that order	DENY	
8	Genuine refund once the return is scanned in	ALLOW	

© 2026 Habify Labs, Inc. All Rights Reserved. · Omnareth