

New payment solution to prevent payment fraud between buyers and sellers

Paycorp has launched a new escrow service, ProtectPay, making buying and selling with unknown parties safer. ProtectPay is a secure online payment portal and protects buyers and sellers using online or traditional classified from payment fraud, non-payment and the hassle of chasing payment for large and small-ticket items alike.



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Relatively new to the South African landscape for consumers, escrow services are trusted, neutral third parties that hold funds safely until the trade is complete.

With the increase in online trading and e-commerce on platforms such as OLX and Gumtree, consumers are looking for a tool to protect them against fraudsters. It's not surprising that escrow services like [ProtectPay](#) are gaining popularity in South Africa, says Wayne Abramson, executive director of Paycorp. While it's not easy to put a number to the prevalence of general trade-fraud, cybercrime is easier to measure and is becoming ever more sophisticated.

"South Africans lost as much as R2.2 billion to online scams and fraud in 2013 alone and one in every 214 local emails sent in 2014 was a spear phishing attack, an email that appears to be from someone you know but it isn't, and is typically an attempt to hack bank or credit card information. So it's no surprise that individuals and business are looking for ways to minimise the risk of transacting with unknown parties," says Abramson. ProtectPay presents a quick, easy and affordable way to protect payments.

ProtectPay offers users a simple five-step solution to secure trading:

- Both the buyer and seller set up a free account at [ProtectPay](#)

- After mutually agreeing to use ProtectPay, a transaction is loaded and the transaction fee terms are agreed - the fee can be paid by either buyer or seller or split 50/50
- The buyer transfers funds to the ProtectPay escrow account for secure holding, and the seller is made aware that funds have been received
- The buyer confirms receipt of goods or services and notifies ProtectPay to release the funds to the seller
- The funds are paid to seller

Besides guaranteeing payment once the terms of the transaction are met, ProtectPay also allows parties to raise a transaction dispute and holds the funds until the dispute is resolved.

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