Auction fraud involves fraud attributable to the misrepresentation of a product advertised for sale through an Internet auction site or the non-delivery of products purchased through an Internet auction site.

Consumers are strongly cautioned against entering into Internet transactions with subjects exhibiting the following behavior:

- The seller posts the auction as if he resides in the United States, then responds to victims with a congratulatory email stating he is outside the United States for business reasons, family emergency, etc. Similarly, beware of sellers who post the auction under one name, and ask for the funds to be transferred to another individual.
- The subject requests funds to be wired directly to him/her via Western Union, MoneyGram, or bank-to-bank wire transfer. By using these services, the money is virtually unrecoverable with no recourse for the victim.
- Sellers acting as authorized dealers or factory representatives in countries where there would be no such dealers should be avoided.
- Buyers who ask for the purchase to be shipped using a certain method to avoid customs or taxes inside another country should be avoided.
- Be suspect of any credit card purchases where the address of the card holder does not match the shipping address. Always receive the card holder's authorization before shipping any products.