

Mitigating Payment Fraud:

Protect Your Company From Cybercrime And Check Fraud

Payment fraud is continuously evolving. Check fraud has been a threat for so long that awareness—and prevention—efforts are widespread. While shifting payments from paper to electronic platforms such

as wire transfer and automated clearing house (ACH) transactions has served as an effective deterrent to check fraud, electronic payment systems are not still entirely safe from criminal activity.

WHAT IS PAYMENT FRAUD SOCIAL ENGINEERING ATTACKS

PHISHING uses fraudulent emails sent to many targets at one time to trick recipients into providing personal information or sending funds to an unauthorized recipient.



SPEAR PHISHING targets individuals—usually managers or executives using information gathered about the targets to increase the attack's chance of success.



These attacks exploit the recipients trust and subsequent willingness to comply with a request from someone in authority.

AND HOW CAN YOU AVOID IT INTERNAL ANTI-FRAUD PRACTICES

As vital as it is for all employees to be alert to be able to detect attempts at fraud, it's even more critical for companies to establish and maintain systems and procedures to actively prevent fraud. Here are some internal practices you ought to consider.



DUAL APPROVAL
Require two individuals to approve any financial transaction.



DEDICATED COMPUTER
Use a computer without access to email and can only connect to secure sites.



SECURE EMAIL
Make sure that your email system encrypts emails as they are sent and received.



SEGREGATED AND DEFINED DUTIES
Limit overlapping duties related to financial transactions.



FREQUENT ONLINE ACCOUNT REVIEW
The sooner you alert the bank of fraud, the higher the chance of recovering the money.



STAFF EDUCATION
Educate your staff regularly about best practices around computer safety.

Just as cybercrime has evolved, so have treasury management tools offered by banks. Learn how Sterling National Bank can support your payment fraud prevention at snb.com/fraud-prevention.

