

# WHAT IS FRAUDULENT FUNDS TRANSFER?

The loss of money due to an unauthorized user instructing your bank to wire funds out of your account. The loss can be initiated by a computer hacker or a renegade employee.



**CRIMINALS LIKE ONLINE BANKING FOR THE SAME REASONS YOU DO...**

## IT'S QUICK AND EASY!

Using malware, a criminal gains access to your system, obtains your online banking credentials, and instructs your bank to wire funds from your account to a bank account in another country. Since the thief is using proper credentials (yours) your bank does not suspect foul play.

**NOT ALL FRAUDULENT FUNDS TRANSFERS ARE BY AN OUTSIDER!!**

## EMPLOYEE GOES ROGUE!

As a bookkeeper, Marcy handled accounts payable and processed payroll; BUT the owner controlled online banking and wire transfers. While the owner was away, Marcy found the banking passcodes under a coffee mug on the owner's desk and used them to wire \$5,000 to an offshore account.

## FACTORS THAT INCREASE YOUR RISK

- ✦ Not using (or your bank does not offer) Positive Pay or another multi-factor authentication tool
- ✦ Not performing timely account reconciliations
- ✦ Not updating your anti-virus software or implementing security patches
- ✦ Keeping all passwords on a post-it note
- ✦ Opening emails from unknown senders

## INSURANCE TIP:

Some crime policies provide coverage, but it may be more cost effective if coverage is purchased as part of a cyber policy.

### Cyber Insurance Education

- Fraudulent Funds Transfers**
- Extortion / Ransomware
- Social Engineering
- Business Interruption
- Data Breach/Privacy
- Network Security
- Website Media Liability



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