

# Fraud: Don't be a victim



Organizations lose  
**5%**  
of revenue each year  
as a result of fraud, or  
**\$4 trillion**  
of loss relating to fraud.

**78%**  
of organizations report  
being exposed to actual or  
attempted fraud in 2017.  
**That's the largest  
percentage on record.**



**Checks**  
were the primary target  
for fraud attacks with wire  
payments fraud via business  
email compromise scams on  
the increase.

## Types of cybercrimes

**Malware** infiltrates computer systems and performs unauthorized activities and transactions, such as email takeover, corporate account takeover, identify theft, data breaches and theft and denial of service.

**Phishing** comes as unsolicited emails that appear legitimate with real company names and logos such as banks and insurance companies. The email may request personal and financial information, providing a link or redirection to another website. By clicking on the link or divulging information, malware can infect email accounts, company email addresses and facilitate hacking in databases.

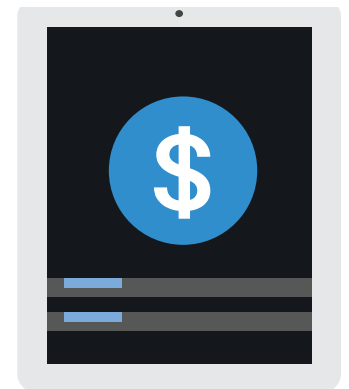
**Spear phishing** Criminals search social media accounts (Facebook, Twitter, LinkedIn) to identify individuals who can authorize payments. These individuals are targeted with emails containing malware.

**Vishing** is the same process using telephone calls.

**Smishing** is the same process using text messages.

## Tips

- Regularly update anti-virus and anti-malware software
- Always verify the source of fund transfer requests
- Ensure website is legitimate; check for https:// and lock icon in address bar
- Note unusual slowness of any banking session
- Beware of any communication requesting financial information
- Be suspicious of requests by email, phone, or text for confidential information regardless of real company letterhead or logos
- Never give out account information, usernames, password, PINs, security token and password
- Never click on a link or open attachments in a suspicious email
- Be social media savvy—limit the amount of professional details posted on a social media site



## Take steps to protect financial transactions from fraud





1. Seek to implement automation to processes
2. If automation is not possible, consider implementing Dual-Control Review Approval processes and segregation of duties. The person who initiates the transaction should be separate from the person who approves it.
3. Review and reconcile transactions daily



**BMO Trust and Custody Services is dedicated to helping our clients mitigate fraud.**

**Contact your Relationship Manager to learn more about the controls and programs in place to help you manage your fraud prevention program.**

## Let's connect

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### Sources:

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