



Data Security & Account Takeover

Sharing our passion for payments



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Security Checklist for Corporates:

- » Have security information/privacy policy or procedures been established for your business?
 - Do they include online banking activities?

- » What types of sensitive data is collected, stored, transmitted and destroyed?
 - Examples of data:
 - Account number
 - Social Security number
 - Date of birth
 - Other non-public personally identifiable information



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Protecting Data

- » Consider how protected information is:
 - Collected from Receiver
 - Stored by Originator
 - Transmitted to ODFI
 - Or Third-Parties for processing

- » What safeguards exist for protection of data during these processes?



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Protecting and Destroying Protected Information

Paper

- » Secure location
 - Under lock and key
 - Away from unauthorized and/or public view

- » Shredded/Pulverized
 - Cross Cut
 - Destroy physical media used for storage
 - Hire professional service

Electronic

- » Password protected, encrypted or masked

- » Data erased, hard drive professionally “wiped”



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What is Corporate Account Takeover?

- » When cyber-thieves gain control of business' bank account by stealing your valid online banking credentials

- » You can become infected with malware via:
 - Documents attached to email
 - Link to fraudulent website



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Ongoing Scams

- » E-mail purporting to be from:
 - NACHA (@nacha.org) and Federal Reserve Bank
 - Reported rejected ACH transaction
 - Individuals are lured to click on fake “unauthorized ACH Transaction Report”

- » Other common scams
 - U.S. Treasury
 - Better Business Bureau
 - FDIC / other regulatory agencies
 - UPS package tracking



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What is a Money Mule?

- » LinkedIn; Monster.com; CareerBuilder

- » Work at Home

- » Money Mule takes “commission” before wiring money out of their account to cyber-thieves



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Why are Small Businesses Targeted?

- » Capability to initiate funds transfers, ACH credits and wires via online banking
- » Typically do not have same level of resources as larger companies to defend information technology systems
- » May not utilize additional banking services
- » May not reconcile accounts daily



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FS-ISAC & NACHA Recommends

- » Originator sound practices:
 - Use stand-alone system for on-line banking
 - Daily reconciliation of all banking transactions
 - Limit administrative rights on users' workstations to prevent inadvertent downloading of malware
- » Should issues arise, contact your ODFI or service provider



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Other Considerations

- » Effective use of passwords
 - Never use default password
 - Strong passwords or phrases unique to each user
 - Minimum length
 - Use of alpha and numeric characters
 - Including special characters
 - Specify how password should be kept secure
 - Do not share password with co-workers
 - Change password frequently
 - Use password-activated screensavers



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Other Considerations

- » Block potential intruders
 - Restrict use of computer for business purposes only
 - Protect IT system – anti-virus, spyware, firewalls
 - Limit or disable unnecessary workstation ports/services/devices
 - Log off computer or device when not in use
 - Automatic log-outs after inactivity
 - Encrypt data when moved and stored
 - Install updates as soon when published
- » Notify your ODFI/service provider immediately of potential security breach



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Other Considerations

» Staff education

- Keep protected Information safe and secure at all times
- Mask protected Information in communications
 - Phone calls
 - Email
 - Snail mail
- Security policy
- Phishing scams
- Clean desk policy



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**THANK
YOU**

Should you have questions or require clarification, please contact your financial institution or ACH Origination Service Provider



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