

VENDOR IMPERSONATION

As scammers grow more cunning, you need to be more careful.



Fraudsters are stunningly skilled at impersonating vendors. You need to become skilled at guarding against them.

Payment fraud can happen to your business at any time. You pay what you believe is a legitimate invoice from a legitimate vendor or contractor, but the payment actually goes to an impostor who may be anywhere in the world and virtually impossible to find.

One rapidly growing form of payment fraud is Business Email Compromise (BEC), which is an email phishing scam that targets individuals at businesses and other organizations and cons them into making wire transfers to bank accounts controlled by criminals, a growing scourge.

Vendor Impersonation fraud is a form of BEC that aims to con companies, government agencies and others into making payments to fraudulent accounts. This type of fraud often involves impersonating smaller companies that provide products or services to larger companies.

You can be targeted as the vendor being impersonated or as the payor being scammed and suffering the loss.

Either way, the attack would likely be very sophisticated and difficult to detect and may result in financial loss. Scammers often start by monitoring targets using public information. Next, they send phishing emails to capture passwords and other confidential information from what appears to be a vendor's email account. The email may also carry malware that can take over the owner's account.

They study their targets, learning all about their payment patterns and processes. And, they create a faithful reproduction of the vendor's identity and send an email requesting the payor to update the vendor's payment instructions.

The scam is completed when they send authentic-looking invoices to the vendor's customers for payments that are about to be made, which look normal in every respect except that the payment instructions have been "updated."

Use ACH Positive Pay to establish and control payment parameters, and ACH Block to automatically block and return ACH debits.

Online Banking provides a wide range of self-service banking capabilities with advanced fraud prevention features. And, you can enhance your account's security with two optional tools that can help intercept potential vendor impersonations:

ACH Positive Pay enables you to establish acceptable payment parameters and sends an alert when requests for payment are received outside of those parameters. You can then decide to either pay or return the invoice. If you do not make a decision, the system will default to returning it. You can then decide to either pay or return the invoice. If you do not, the system will default to returning it.

You can also review and update authorized debits for current and future transactions. ACH anti-fraud services include features to help avoid inadvertently rejecting authorized ACH payments.

ACH Block allows you to block all ACH debits from being posted to your account. All blocked transactions will be returned automatically to the originator.