Perspectives on Cyber Enabled Fraud

> **12 February 2019**

ACT Cash Management Conference 2019

Simon Viney, Financial Services Cyber Sector Lead

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You're more likely to be a victim of fraud than of any other crime

ONS Crime Survey for England and Wales, July 2018

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Fraud accounts for nearly half of all crimes

ONS Crime Survey for England and Wales, July 2018

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Over half of all frauds are cyber-related

ONS Crime Survey for England and Wales, July 2018

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Cyber Related Frauds Remain Headline News

> A constant and evolving threat

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UK cyber-crime victims lose £190,000 a day

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Metro Bank hit by cyber attack used to empty customer accounts

https://www.telegraph.co.uk/technology/2019/02/01/metro-bank-hit-cyber-attack-used-empty-customer-accounts/

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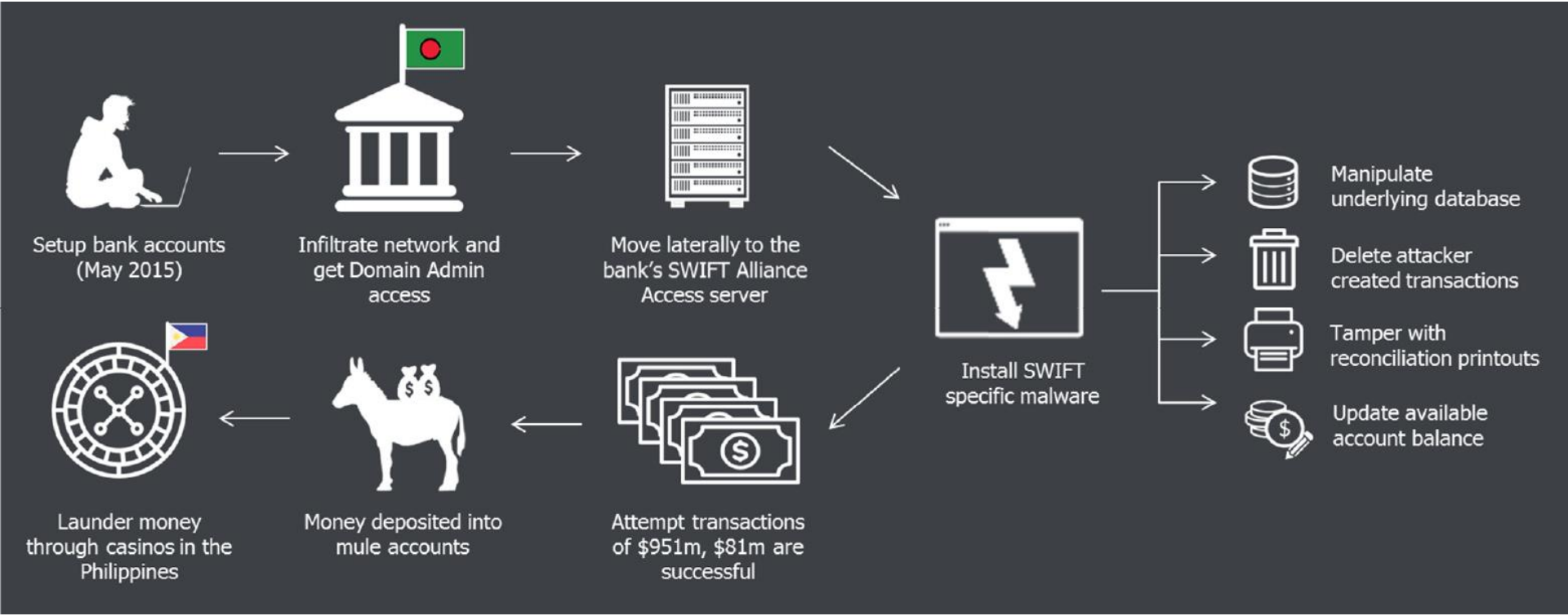
Cyber-Enabled Payment Fraud – Case Study



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Cyber-Enabled Payment Fraud – Evolution

Attack Timeline

~June	Attackers gain access to Cosmos network
9 August	Reports of an FBI alert on an imminent ATM cash-out scheme
11 August	12,000 Visa transactions with cloned cards withdrawing 78 crore at ATMs in 28 countries
11 August	2,800 Rupay transactions of 2.5 crore at ATMs in India
13 August	SWIFT transaction of 13.9 crore to ALM Trading in Hong Kong
14 August	Cosmos reports thefts to the local police in Chatushrungi
14 August	Customers receive SMS saying attack was "not at all" on the core banking system
14 August	Chairman says customer funds are unaffected

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Managing Cyber-Enabled Payment Fraud Risks

> Key Take-away messages

- Organisations should adopt the "not if, but when" mind-set to cyber attacks – don't assume you won't be targeted
- Cyber criminals constantly evolve their tactics and techniques
- It's not just an IT / technology issue – culture, awareness and operational processes are equally, if not more, important

- Ensure staff are empowered to challenge and verify payment instructions - Don't just take new instructions at face value
- Build adaptive controls into payment processes – both customer facing and internal payment processes
- Implement cyber security best practice
- Know how to react and respond if you are attacked

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