Guidance on How to Combat Fraud

Warning Signs

For email, letter and phone

How do you know the email, letter or call you received requesting information or instructing a transaction is not fraudulent? Fraudsters exploit human psychology and other social engineering tactics in an attempt to commit fraud. Be vigilant: recognizing signs of fraud is the most effective way to combat it.

Have you noticed?

- Alarmist or perhaps overly complimentary language
- Abusive or aggressive requests to transact
- Changes in a customer’s usual tone or demeanour
- Suggestions of losing money if you fail to act
- Company executive name-dropping to rush transactions
- Badly written requests, with poor grammar, syntax or spelling
- Changes to the normal letterhead or appearance of the email
- Alternative contact names or details provided
- Email address variations or domain name changes
- Customers/suppliers calling in before callbacks can be made
- Changes in a customers/suppliers’ usual callback number
- Customers/suppliers’ known contacts are unreachable
- Customers/suppliers’ seem anxious to complete transactions
- Unfamiliar suppliers or altered transaction details
- Additional system login steps or transaction pages
- System instructions that “appear” mysteriously

Are they asking you to . . .

- Receive unsolicited calls from unknown contacts
- Contact new or unusual numbers
- Give a password in a place you do not recognize
- Accept enclosed or unconfirmed contact details
- Receive or act on unsolicited instructions
- Click on unexpected or unnecessary links in an email
- Circumvent normal procedures
- Deal with a first-time or unknown payment beneficiary
- Provide payment confirmation by email
- Carry out instructions quickly after a profile change
- Make immediate or urgent payment changes
- Transfer most - or all - of the account balance
- Approve an unknown or unfamiliar transaction
- Transfer funds by or before a public holiday
- Transfer funds to a known secrecy haven
- Transfer multiple sums to a new beneficiary
- Transfer funds to an alternative jurisdiction

Do's and Don'ts

For devices (smartphones, tablets, laptops and pcs)

You may need to involve your IT department to effectively adopt these recommendations. This may require that you undergo a risk assessment in compliance with your IT department’s controls and evaluations.

Do . . .

✓ Use anti-virus, anti-spyware and anti-malware software that updates automatically.
✓ Install applications or software from reputable providers that you know you can trust.
✓ Enable your browser pop-up blocker to avoid malicious software attacks.
✓ Log out and close your browser when you finish using CitiBusiness® Online.
✓ Use most current version of your preferred browser.
✓ Password-protect any devices that you use to access CitiBusiness Online.
✓ Be suspicious of unsolicited phone calls from any individuals you do not know.
✓ Hang up if you are in doubt about a call, then call or email your known Citi contact.

Don’t . . .

✓ Use a computer without anti-virus, anti-spyware and anti-malware detection software for online banking.
✓ Install applications or software from unknown sources or companies you do not trust.
✓ Use technology without a native or third-party pop-up blocker to defend against malware.
✓ Leave your browser window open on devices after you have finished using CitiBusiness Online.
✓ Use outdated versions of browsers.
✓ Access CitiBusiness Online on any device or technology that is not password-protected.
✓ Share your challenge response with anyone (Citi will not ask you to share this information).
✓ Click on any email links from unknown or unexpected senders.
✓ Share PC screens with any unauthorized person.

Risks and Controls

For beneficiary change requests

Recognizing the problem is the key to applying best practice solutions. These tips — when applied alongside your own internal control processes — will mitigate the risk involved in changing beneficiary’s payment details.

The risks with fraudsters are that they . . .

- Operate across markets, sectors, geographies.
- Work in more creative, sophisticated ways.
- Make attempts to redirect payments.
- Seek to change beneficiary bank details.
- Hope you will accept forged letterheads.
- Attempt to notify you of bank changes.
- Pose as new account managers/bank technicians.
- Hack senior email accounts to request a payment.

The ways to reduce risk of fraud is to . . .

- Create your own customer/supplier/payee profiles.
- Validate all new/change beneficiary requests with a phone call to a number on file.
- Confirm agreements in writing and with a phone call to known contacts.
- Never deal with agreements from unknown requesters.
- Implement a robust process for adding/changing beneficiary information.
- Ensure beneficiary payment processes are robust, preferably involving a checker.
- Always be vigilant to requests that contain red flags.

Best Practices

Actions to protect your organization

- PERFORM checks to reduce fraud risk.
  > Validate payment instructions for any new counterparty, the same authentication should be applied for any subsequent change requests received.
- MANAGE high-risk transactions.
  > Set additional approval levels in CitiBusiness Online maker/checker.
- REDUCE business-wide transaction risk.
  > Segregate duties for sensitive and high-risk activities.
- UNDERSTAND social engineering.
  > Promote training on cyber threats/fraud awareness.
- CHECK user activity.
  > Regularly review your transaction reports.

IF YOU ARE A VICTIM OF AN ATTACK, CONTACT YOUR SECURITY OFFICER AND YOUR REGULAR CITI CONTACT. CITI HAS A FRAUD INVESTIGATION SERVICE THAT IS FULLY TRAINED TO INVESTIGATE AND MANAGE FRAUD ATTACKS.

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