Protect Your Business from

CHECK FRAUD

Has your business had checks stolen or altered? Have your accounts been subject to counterfeit checks or unauthorized withdrawals? If you answered yes to either of these questions, your business could be the target of a check fraud scheme.

Bad actors target business financial accounts over personal accounts because of large transaction volumes, more funds, and higher liquidity, making it easier to cash higher dollar counterfeit or altered checks — and more difficult to detect fraudulent transactions and overdraft issues. Securing your checks is vital!

BAD ACTORS COULD:

- Target business accounts by intercepting outbound or inbound mail.
- Recruit "insiders" to gain access to sensitive information such as bank account numbers or personally identifiable information (PII).
- Obtain examples of legitimate monetary instruments, such as business or cashier checks, in order to duplicate the banking details onto counterfeit checks.
- Purchase account details and business checks through an online forum.

HOW TO PROTECT YOUR BUSINESS:

- Adopt an employee need-to-know policy to limit access to sensitive information and business checks.
- Talk to your bank about services to monitor business account activity, such as fraud prevention programs (FPPs). FPPs can require and request verification for all checks drawn against specific accounts to detect and prevent fraudulent activity.
- Explore the use of a Positive Pay product with your bank to add another layer of validation protection to the check process.
- Confirm that all financial instruments drawn from your business accounts are received by the intended recipients. Any outstanding items should be flagged.
- Use the letter slots inside your post office for your outgoing mail or hand it directly to a letter carrier. Pick up your mail promptly after delivery. Don't leave it in your mailbox overnight. If you do not have weekend hours, coordinate with your local post office to hold any weekend mail until the following business day.

WHAT TO DO IF YOU SPOT THE SCAM:

- Report the fraud to your bank right away! If feasible, change your account number(s). Bad actors often reuse account details and/or sell them online, resulting in additional counterfeit attempts and fraudulent activity.
- Report it to your local police department immediately and report all suspected mail theft to the United States Postal Inspection Service at uspis.gov/report or at 1-877-876-2455.

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