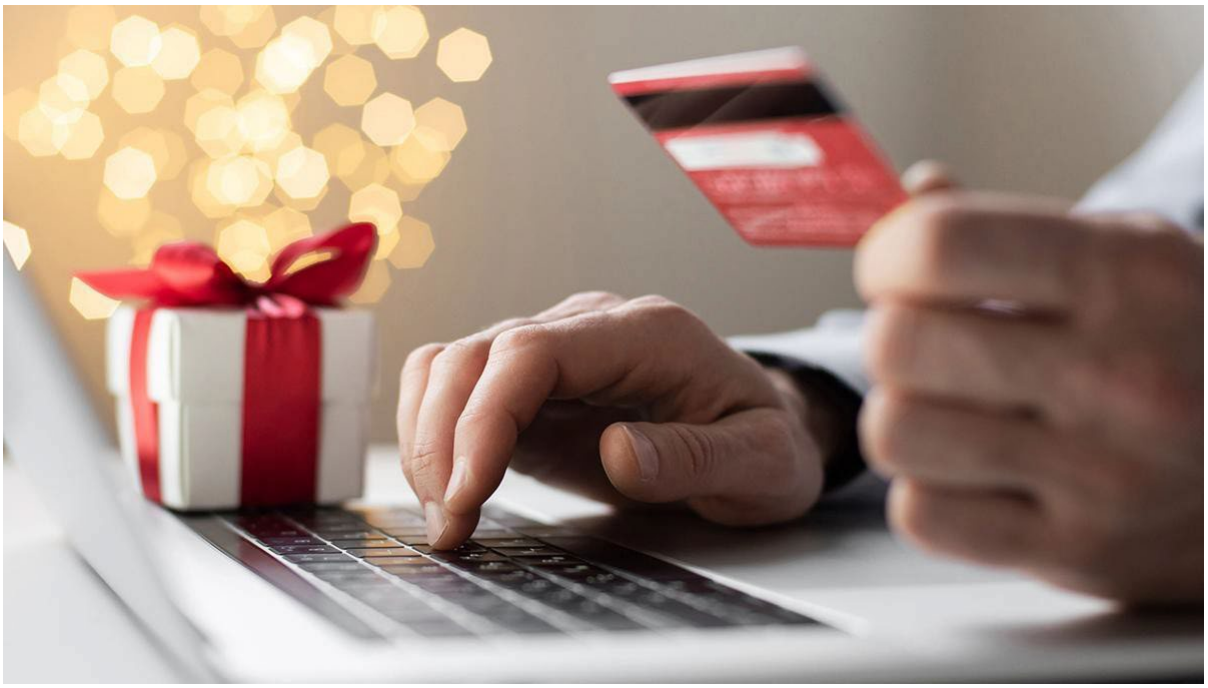
# BANK NOTE

WEEKLY NEWS IN BRIEF

IOWA BANKERS ASSOCIATION



## Fraud Awareness

# Holidays Bring Increased Risk for Consumers

**Black Friday is one week away, which means the holiday shopping season has arrived. With that comes an increased risk for bank customers to fall victim to fraud and cyber scams.**

Norton's 2023 Cyber Safety Insights Report shows that as many as 25% of consumers have been targeted by scams when shopping online and over half are concerned about security when shopping online. The report noted that cybercriminals primarily targeted victims by connecting through social media platforms (46%), third-party websites (35%) email (32%), phone calls (29%) and text messages (28%).

Additionally, banks all over the country are reporting more cases of check fraud, in which checks are stolen from the U.S. mail system, or banks are flooded with bad checks from multiple check deposit points. The Financial Crimes Enforcement Network notes that check fraud reporting doubled in 2022 from the previous year, reaching 680,000 cases reported by financial institutions.

"This holiday season, we expect to see an uptick in check fraud as holiday cards are sent between family and friends," said Scott Zurborg, risk management and information security officer at Availa Bank in Johnston. "We encourage consumers to keep an eye on their mailbox and routinely check their online bank information to identify possible fraudulent transactions. The avenues for check fraud are vast and it takes a partnership between community banks and consumers to combat the growing epidemic of fraudulent check activities."

Consumer Resources:

- National Cybersecurity Alliance: **Software Updates**
- Internet Safety 101: **Cybersecurity Resources**
- Iowa Communications Network: **Cybersecurity | Iowa Communications Network**

While individuals are most likely to be compromised, banks and business customers are also prime targets. Nearly two-thirds of U.S. organizations were targets of payments fraud in 2022, according to the Association for Financial Professionals'

We are reminding individuals (employees, customers) that to lessen the chances they fall victim to fraud, they should transact online with known sources that they visit directly (not via a link in an email), and look for a padlock denoting a secure connection. Nearly 1 in 4 people who reported a fraud loss the last two years said the scam began on social media, so it's important to ensure they're checking their account activity frequently and are skeptical of anyone who contacts them directly.

*— Chris Marchese, IBA Information Technology Analyst*