

Safeguard your business against fraud



Corporate fraud – Invoice fraud

This leaflet describes the most frequent fraud cases that could impact you and your employer. It also gives advice on how to protect yourself. Fraudsters are clever, well organised and masters in ‘social engineering’. They use deception to manipulate individuals into divulging confidential or personal information to commit cybercrime. Fraud cases occur worldwide on a daily basis, and generate millions in losses. Beware.

How to use this document?

Distribute it within your company to raise awareness among employees, especially employees who are authorised to access your company’s accounts or who can create and/or approve payment instructions. Fraudsters often target employees with such rights.

While there’s no full protection against cybercrime, awareness can help recognise so-called ‘red flags’.

Communicate and apply the recommendations in this leaflet to reduce the risks of fraud!



Important information!

If fraud is in progress, always notify your ING contact immediately. Although a transaction made is permanent, an attempt can be made to retrieve the funds before they disappear permanently from the beneficiary account. Speed is of the essence as with every minute passing, the chance of getting your transaction reversed will diminish.

If your ING contact is not available, please call :
ING Wholesale Banking
Fraud operations at +31
20 584 7840

After working hours or for a fraud that occurred in the past, please contact :
fraude@ing.nl



Invoice fraud, what is it?

Invoice fraud is manifold. In all cases, the fraudsters will change the banking details of the company which issued the invoice to their own and, as a result, receive the invoiced amounts.

What happens?

1. The criminals intercept the invoice between the time it is posted and its receipt, by hacking the mail accounts used for sending invoices by email, by registering a domain that looks alike the original senders one (so-called domain typo squatting), or by impersonating an existing relation such as a supplier.
2. The fraudsters change the invoice to reflect their own banking details on it. A new invoice is compiled with the new details, with the 'fraudsters' banking details and mentioning a change of bank, etc. Then the invoice is sent again.
3. The invoice is received and paid to the new bank account number. It is highly likely that the following invoices will also be paid to the wrong account until the real issuer of the invoice realises that their invoices have not been paid and contacts the debiting company.

Variants of such fraud

For instance, the debiting company receives an email from what looks like its supplier, stating a change of bank and account number. The message will seem legitimate because it will bear the suppliers' letterhead. In this case, all pending invoices as well as subsequent invoices will be paid to the new account number.

Whatever the scenario, the aim of the criminals is to make a change to what we call the suppliers details (phone number, bank references, email address) in order to steal funds.

Disclaimer

This leaflet is provided to you solely for informational purposes in order to make you aware of the most frequent cases of fraud and provide you with recommendations to protect yourself against it. This information does not ensure that your company, acting upon these recommendations is or will be protected against any occurrence of fraud detailed in this leaflet. No rights can be derived from the use of and reliance on the safeguards you take by following up these recommendations. ING does not accept any responsibility or liability with respect to your reliance on and the actions you take as a result of these recommendations. This disclaimer is governed by Swiss law.

What safeguards to take?

- Validate the invoice: Did you expect the invoice and the amount it's stating? Are the supplier details unchanged compared to previous payments?
- Any change in your suppliers' details (address, phone number, email address, account number, etc.) must result in a phone call to a verified number (not to the number indicated on the invoice itself), to check the validity of the requested change.

Beware!



- **Fraudsters target the weakest link in the chain**
- While your security may be mature, keep in mind that the fraud activities may have occurred outside your boundaries or those of your direct counterparty.
- In recent years, the industry has seen smaller suppliers or counterparties targeted as they may have weaker controls.
- Always check that the beneficiary details are correct and that they correspond to the transaction taking place before validating.
- If in doubt, perform a phone call to a verified number to confirm.