

## FRAUD & CYBER CRIME

# Fast facts for your business

**Fraud and financial crime is a trillion-dollar industry.<sup>1</sup>**

**58%** of business leaders are concerned with their readiness to respond to a fraud crisis<sup>2</sup>

**5%** of organizational revenue lost to fraud each year<sup>3</sup>

**86%** of organizations experienced business email compromise attacks in 2019<sup>4</sup>

Every **39 seconds** - 1 cyber attack occurs<sup>5</sup>

## 3 High-risk fraud events impacting today's organizations

### Digital fraud

Fraudsters access customer information and obtain funds online, primarily by means of Account Takeover (ATO). ATO occurs when a threat actor gains access to an account in order to steal a customer's identity or information, or to execute fraudulent transactions.

### Payment fraud

Fraudsters use stolen credit cards or unauthorized payment information to redirect payment or property from the intended recipient. Fraudsters often move money using wire payments because they are significantly more difficult to recover once they reach the receiving bank.

### Synthetic identity theft

Fraudsters combine fake and sometimes real information to create new identities, which they use to obtain credit or open mule accounts for money laundering.



**BMO's Financial Crimes Unit** – Setting a new benchmark for financial security

Learn more at [BMO.com/us/security](https://www.bmo.com/us/security)

<sup>1</sup>Financial crime and fraud in the age of cybersecurity (McKinsey & Company), <https://www.mckinsey.com/business-functions/risk/our-insights/financial-crime-and-fraud-in-the-age-of-cybersecurity> Retrieved 2021-03-17.

<sup>2</sup>Fighting fraud: A never-ending battle (PwC), <https://www.pwc.com/gx/en/forensics/gecs-2020/pdf/global-economic-crime-and-fraud-survey-2020.pdf>. Retrieved 2021-03-22.

<sup>3</sup>Report to the Nations (Association of Certified Fraud Examiners), <https://acfe-public.s3-us-west-2.amazonaws.com/2020-Report-to-the-Nations.pdf>. Retrieved 2021-03-22.

<sup>4</sup>2020 State of the phish; An in-depth look at user awareness, vulnerability and resilience (Proofpoint), [https://www.proofpoint.com/sites/default/files/gtd-pfpt-uk-tr-state-of-the-phish-2020-a4\\_final.pdf](https://www.proofpoint.com/sites/default/files/gtd-pfpt-uk-tr-state-of-the-phish-2020-a4_final.pdf). Retrieved 2021-03-17.

<sup>5</sup>Study from the University of Maryland, <https://eng.umd.edu/news/story/study-hackers-attack-every-39-seconds>. Retrieved 2021-03-17.