

# Preventing Cheque Fraud



From small business to large enterprises, companies of all sizes can be targeted by fraudsters. Learn how to recognize different types of fraud so you can protect yourself and your business.

## WHAT'S CHEQUE FRAUD?

If someone uses a cheque or draft illegally to obtain funds, they're committing cheque fraud. There are three types of cheque fraud.

1

### **Counterfeit:**

The cheque seems to be original or genuine, but it's actually fake.

2

### **Altered:**

The fraudster changes the amount of the cheque, the receiver's name or both.

3

### **Forged Endorsement/Intended Payee Not Paid:**

The fraudster forges the signature or deposits a cheque that is payable to another individual or entity without endorsement.

## PROTECTING YOUR COMPANY FROM CHEQUE FRAUD

### **How we can protect you**

Scotiabank offers three [fraud prevention services](#): *Paid Cheque Reporting*, *Positive Pay* and *Positive Pay with Payee Match*. These services can:

- **Identify cheques** that aren't issued by your company.
- **Spot changes** to the payee name, amount and serial number.
- **Provide images of cheques** that are clearing the account.

## HOW YOU CAN PROTECT YOURSELF

- **Monitor your account** withdrawals and transactions every day.
- If a cheque goes missing, **call the Bank** to stop payment.
- **Lock up cheques** and the equipment used to issue cheques.
- **Restrict access to cheques and equipment.** Only employees who are authorized to issue cheques should be able to access, process and mail cheques.
- **Segregate duties.** Have one employee issue cheques while another reconciles them.

### WANT TO LEARN MORE?

#### [Stay Safe From Fraud](#)

Learn more about email and phone fraud.

#### [Get Cyber Safe](#)

Find out about cyber safety at home and work.

#### [Canadian Anti-Fraud Centre](#)

Stay on top of the latest frauds so you can avoid them.