

Preventing Card & Cheque Fraud



From small business to large enterprises, companies of all sizes can become victims of card and cheque fraud. Learn how to recognize different types of fraud so you can protect yourself and your business from fraudsters.

WHAT'S CARD FRAUD?

Anytime your credit card or number is used without permission – it's card fraud. Here are five common types.

1

Counterfeit:

Criminals obtain credit card numbers from a hacked checkout terminal or data breach. They use the stolen numbers to **create fake credit cards and use the cards** as if they were legitimate.

2

Scam and Misuse:

The criminal earns trust by sending an email that looks legitimate and extracts credit card information.

3

Lost or Stolen:

A fraudster uses **a lost or stolen card** to pay for items.

4

Card Not Present:

The criminal gains **control over the customer's account** and uses it to make purchases.

5

Card Not Present:

A fraudster **enters the credit card number to purchase items** online, by phone or through the mail.

PROTECTING YOUR COMPANY FROM CARD FRAUD

How we can protect you

- **Monitor your card purchases** made online and in person.
- **Evaluate all your purchases** made by using your card at the checkout terminal.
- **Flag activity that seems suspicious**, like an unusually expensive purchase or buying many items very quickly.
- **May decline purchases** that seem especially suspicious.
- **Reissue cards** when needed.

HOW YOU CAN PROTECT YOURSELF

Monitor use

- **Check your credit card transactions daily.** If you spot unknown charges, call us immediately.
- **Set up an alert on your credit card** so you know when your card is being used.
- **Choose paperless statements** to help protect your account.

Protect your card

- **Don't leave your credit cards unattended.**
- **Never share your PIN** with anyone or leave it written next to your card.
- **Don't share confidential information** over the phone or in an email. Remember, Scotiabank will never call or send you an email and ask you to provide your full card number or password.
- **Sign the back of a new credit card immediately** after you receive it.
- If your card is declined, lost, or stolen, **call us right away** to reduce the risk of fraud.
- **When credit cards are no longer valid**, destroy the cards by cutting them up.

WANT TO LEARN MORE?

[Stay Safe From Scams](#)

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.

WHAT'S CHEQUE FRAUD?

If someone uses a cheque 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 criminal forges the signature or endorses the cheque without permission.

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.