

Responding to Credit-Push Payments Fraud: A Checklist for Corporate Practitioners

Business email compromise. Vendor impersonation. Payroll impersonation. Credit-push fraud can happen in many payment channels, including ACH, wire, card, and instant and other digital payments. As a corporate payment originator, decisive action is necessary should you discover you've fallen victim to credit-push fraud. These checklists from Nacha's Risk Management Advisory Group (RMAG) can help with both the immediate response and the post-mortem.

Credit-Push Fraud – Originator's Immediate Response:

- 1>> Recognize that a payment went to a party other than the intended receiver.
- 2>> Review payment information.
- 3>> Determine if transaction resulted from a scam or an error.
- 4>> Contact the Originating Depository Financial Institution (ODFI).
- 5>> Confer with ODFI about options for recovery of funds.
- 6>> Anticipate that the ODFI may ask for an indemnification agreement.
- 7>> Correct the payment information on file.
- 8>> Verify the corrected payment information.
- 9>> Initiate a corrected payment to the legitimate receiver.
- 10>> Notify management of the situation.

Credit-Push Fraud – Originator's Post-Mortem Actions:

- 1>> Determine the source of the fraud (e.g., a request to change payment information, an invoice or request for payment, etc.).
- 2>> Determine if the fraud resulted in other payments.
- 3>> Work through the Immediate Response checklist for each fraudulent payment.
- 4>> Report the scope of the fraud to management.
- 5>> Determine the root cause of the error.
- 6>> Notify local law enforcement and the FBI's Internet Crimes Complaint Center (IC3).
- 7>> Determine the need to engage internal resources (Information Security, Audit, etc.).
- 8>> Perform remediation (virus scans, security audit).
- 9>> Review and update policies and procedures with compensating controls.
- 10>> Educate staff on proper procedures.



You'll find additional RMAG guidance, and can download Nacha's Risk Management Framework, at Nacha.org/RiskFramework