

2016 AFP

Payments Fraud and Control Survey



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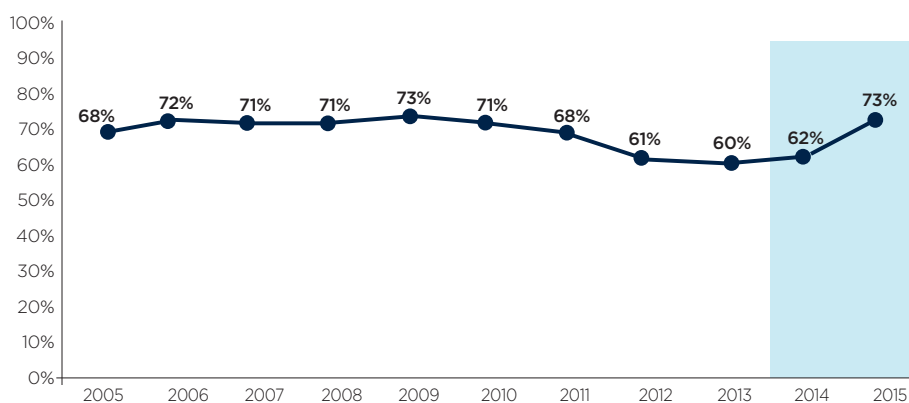


Payments Fraud Overview

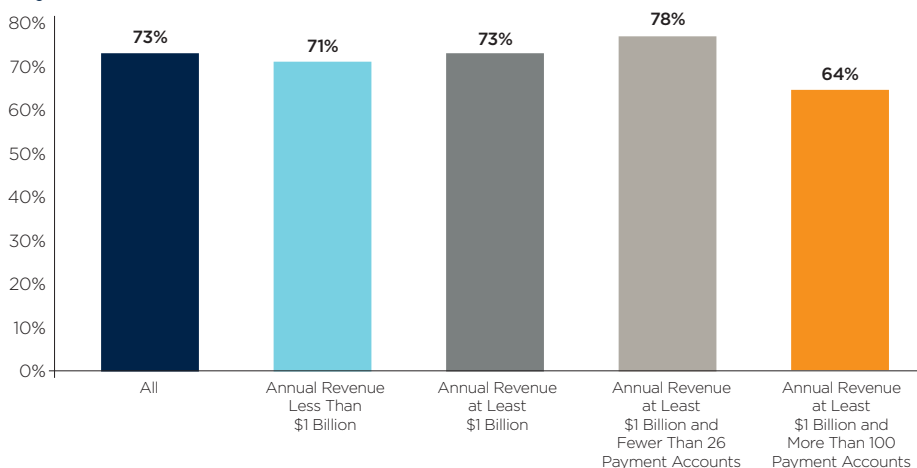
Seventy-three percent of finance professionals report that their companies experienced attempted or actual payments fraud in 2015. That matches the largest percentage on record first reported in 2009. Such a significant increase in payments fraud in only one year—from **62 percent in 2014** to **73 percent in 2015**—highlights the success of fraudsters in their attacks on organizations' payments systems.

While organization size does not appear to have had an impact on the incidence of fraud in 2015, those organizations with fewer payment accounts were more likely to have been subject to fraud than those with more than 100 payment accounts. Seventy-eight percent of organizations with annual revenue of at least \$1 billion and fewer than 26 payment accounts were victims of payments fraud in 2015 compared to 64 percent of companies with annual revenue of at least \$1 billion and more than 100 payment accounts.

Percent of Organizations that Experienced Attempted and/or Actual Payments Fraud, 2005-2015



Percent of Organizations that Experienced Attempted and/or Actual Payments Fraud in 2015



For more in-depth key information on payments fraud activity and trends in 2015, download the 2016 AFP Payments Fraud and Control Survey Report www.AFPonline.org/fraud/

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Business Email Compromise (BEC)

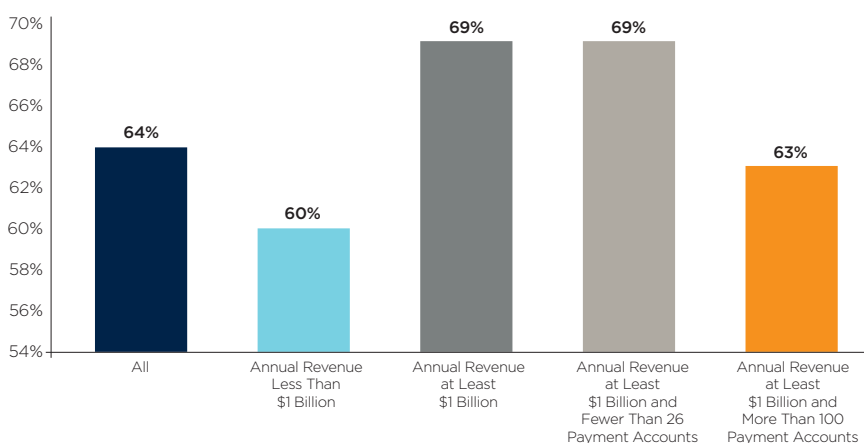
A relatively new challenge for finance professionals in the fight against payments fraud are business email compromise (BEC) scams. BEC scams target corporate email systems in an effort to trick employees into making payments to fraudulent accounts.

Finance professionals tasked with protecting their organizations against fraud activity are well aware of BEC and most likely have been making efforts to mitigate its impact. It is disconcerting that in spite of safeguards being implemented, criminals are still making headway with BEC scams. The significant increase in wire fraud also suggests that BEC scams may be more difficult to prevent than was previously believed.

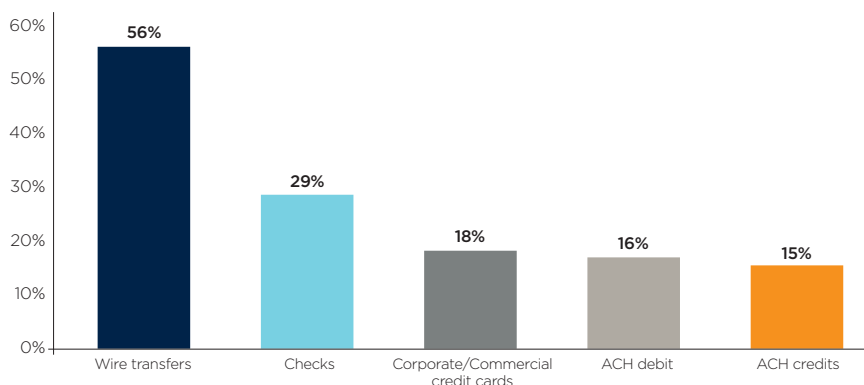
The key to BEC scams is acquisition of information and what criminals are doing with it. It appears from this year's survey results that organizations have a challenging time protecting their information from criminals who go to great lengths to access it. Scams like these are now more widespread and are the cause of an increasing number of actual financial losses for organizations.

A majority of finance professionals (64 percent) reports that their organizations were exposed to BEC in 2015. Business email compromise was slightly more prevalent among organizations with annual revenue of at least \$1 billion (69 percent of those survey respondents) than among smaller organizations (60 percent).

Percent of Organizations that Experienced Attempted or Actual Business Email Compromise in 2015



Percent of Organizations Impacted by Business Email Compromise



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