

# RSA<sup>®</sup>Conference2015

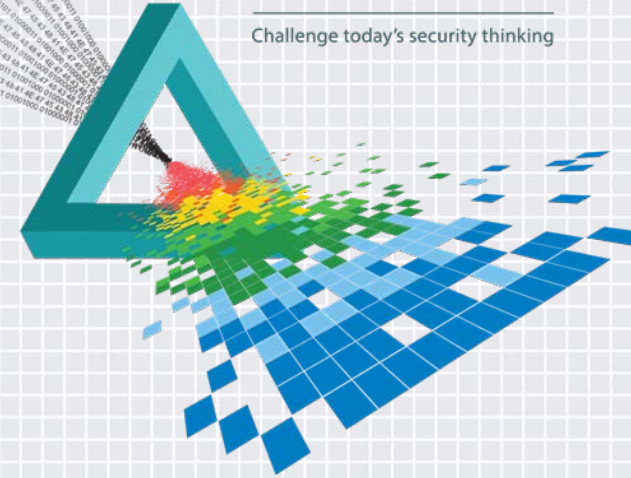
San Francisco | April 20-24 | Moscone Center

# CHANGE

Challenge today's security thinking

SESSION ID: LAW-W01

## Inconvenient Security: When Attorneys Drive Security Decisions



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# Can Bank Customers Defend Themselves?

## Man-in-the Browser Malware



Malware injection of these fields created by criminals

The screenshot shows the InternetBank website interface. A red box highlights the login form, which includes the following fields:

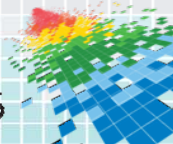
- ATM Number:
- ATM Pin:
- User Name:
- Password:
- login button

The website also features a navigation menu with links like 'Privacy & Security', 'Open an Account', and 'About Us'. A central image shows three men in suits, one on a phone and one with binoculars.



Criminals

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master slide



# UCC 4A – The Key to Fraud Liability

...a payment order received by the receiving bank is effective as the order of the customer, ***whether or not authorized***, if

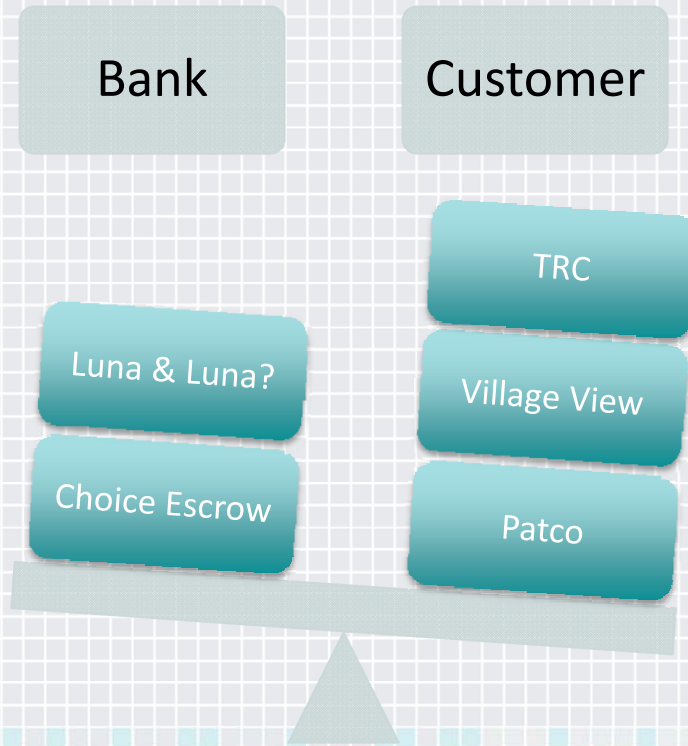
- ◆ (i) the security procedure is a ***commercially reasonable*** method of providing security against unauthorized payment orders, and
- ◆ (ii) the bank proves that it accepted the payment order in ***good faith*** and in compliance with the security procedure and any written agreement or instruction of the customer restricting acceptance of payment orders issued in the name of the customer.



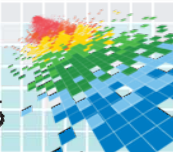
# Where Does Liability Fall?

Year	Plaintiff	Defendant	Amount	Finding
2009	Patco	Ocean Bank	\$588,000	Customer
2010	Choice Escrow	BancorpSouth	\$440,000	Bank
2010	Village View Escrow	Professional Business Bank	\$393,000	Customer
2011	TRC Operating Company	United Security Bank	\$350,000	Customer
2012	Texas Brand Bank	Luna & Luna	\$1,660,000	pending
2012	Tennessee Electric	TriSummit Bank	\$192,000	pending
2012	Efficient Services Escrow	First Foundation Bank	\$1,500,000	pending
2013	Chelan County Hospital	Bank of America	\$1,000,000	pending

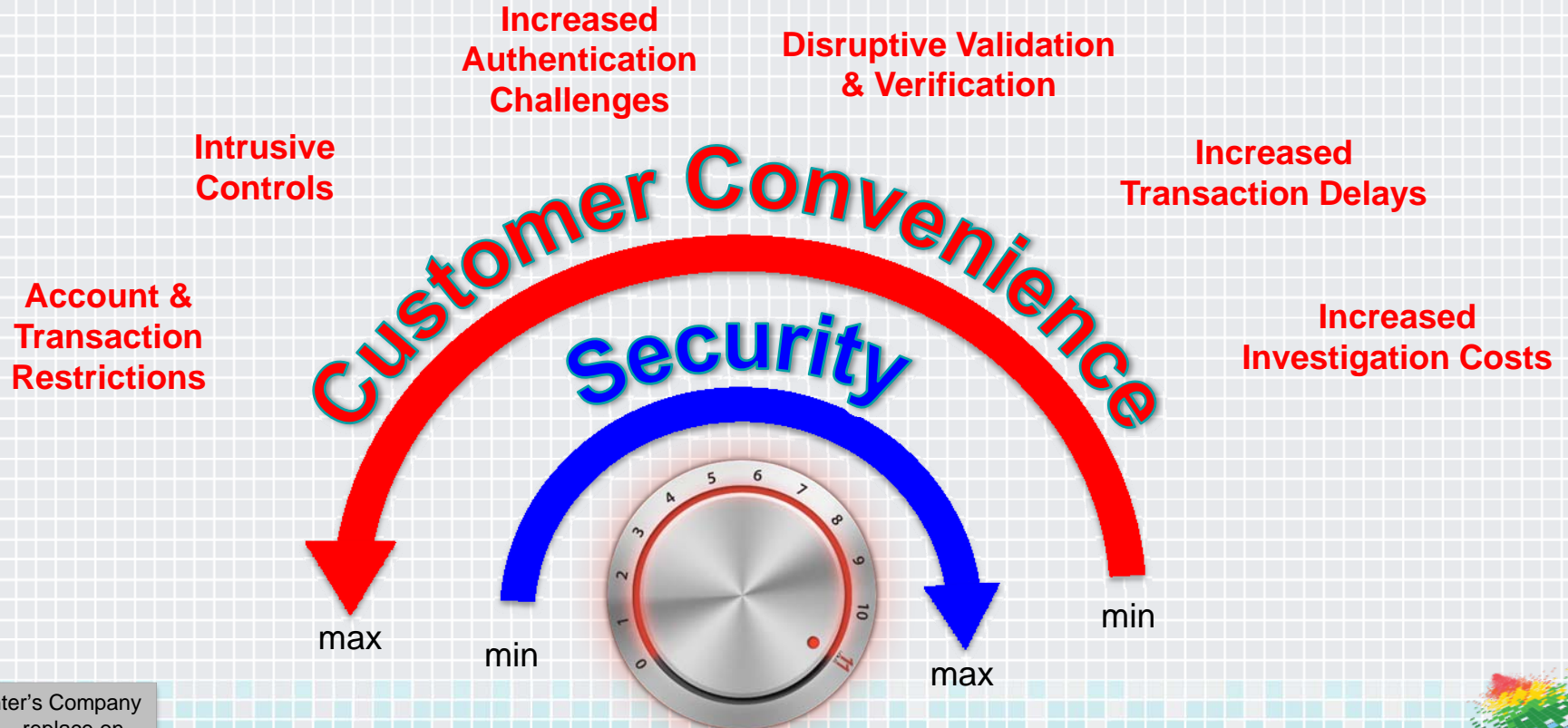
# Cyber-Fraud Liability?



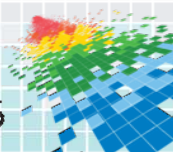
Presenter's Company  
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# Fraud Liability Drives “Stronger” Security



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# Apply Slide

- ◆ If you are with a bank:
  - ◆ Realize that cybercriminals can beat your customers
  - ◆ Investigate protections commensurate with risks
- ◆ If you are a commercial banking customer:
  - ◆ Learn about what your bank is doing to protect you
  - ◆ Adopt security measures recommended by your bank
  - ◆ Perhaps find another bank?
- ◆ If you are a consumer banking customer:
  - ◆ Don't worry!