



Fraud ALERT

To: Members
From: Sandy Baker, SVP Sales & Marketing
Date: June 25, 2010
Re: Wire Fraud Alert

Alert Regarding Fraudulent Wire Activity

Southeast Corporate would like to keep you abreast of trends in fraudulent wire activity. In recent weeks we have become aware of several fraudulent wire requests submitted to credit unions by fax. In some cases the wire requests are for very substantial sums and have been accompanied by faxed requests to process HELOC or other line of credit advances. We would like to encourage you to consider measures that might help mitigate risks associated with faxed wire transfer requests and with funds transfers in general. Some examples include:

- Establish and follow rigorous procedures to validate the authenticity of faxed wire requests. Beware of accounts that have had changes to the member's telephone numbers or other contact information; this is a common factor in some recent fraudulent wire attempts. Be prepared to contact the member through alternate means if contact information has been changed.
- For large wires, consider the option of having the member visit a branch to sign the wire request, and ask them for a picture ID.
- Know your member – When a member who has never sent an international wire faxes in a request for a large payment to be transferred overseas, consider the possibility that the payment request could be fraudulent. In such a case, be ready to make extraordinary efforts to confirm the request with your member.
- Convenience is an important part of your credit unions' value to members, but protecting your members is of vital importance too. Most members will welcome security measures that are intended to protect them from fraud.

Please call our Member Services staff at 800-342-0203 Option 1 with any questions or concerns, or to find out about Southeast Corporate's MemberGuard information security services. Thank you.