US Banks On Alert After Cyber-attacks At B of A and Chase

September 20, 2012 The Financial Services Information Sharing and Analysis Center (FS-ISAC), a banking industry group that deals with cyber-security, has put out a warning to US banks that they should be heightened alert for cyber-attacks. The warning comes after both Bank of American and JP Morgan Chase were targeted in denial of service attacks earlier this week.

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Most customers of B of A and Chase experienced no effect from the attacks launched against the banks. Those that did have issues were most likely to notice slow response times from the bank's websites or even an inability to reach those websites at all. According to both banks, no customer information was breached or ever at risk.

A previously unknown group with ties to the Middle East has taken credit from the attack against Bank of America, but not for the one on Chase. That group has said that the attacks will continue against American financial services companies as long as a film trailer for the movie "the Innocence of Muslims" remains on the internet. That film trailer has sparked an outburst of violence against US and American companies across the Middle East in the past week. There is however no real evidence that the group had anything to do with attacks against the banks.

The larger issue with denial of service attacks is that they can be used as a distraction while the criminals behind them are attempting to gain access to more sensitive information, such as customer account data and personal information. Data breaches of this type can lead to identity theft and fraud. For those that use online banking services, they can also lead to direct financial losses. US laws regarding losses caused by online bank fraud are less than friendly to consumers.

While it is highly advisable to avoid online banking, the reality is that most consumers under the age of 30 do the vast majority of their banking in this way. Any consumer or business that uses online banking services should be checking their account activity almost daily. Any irregularities need to be reported to your bank immediately. Not doing so could easily mean that you, and not your bank, are responsible for any losses caused by fraudulent activity within your account.

byJim Malmberg
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