

FBI Warning Banks About Potential Attack on ATMs - What Consumers Need to Know

August 14, 2018 - Last Friday, the FBI quietly distributed a warning to banks that a major, coordinated attack on ATMs is imminent, according to the security blog Krebs on Security. The attack is known as a "cash out event" and involves a highly coordinated effort by criminals to use forged ATM cards to withdraw millions of dollars of currency in a very short period of time. This particular event is believed to be global in scale.

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var s = document.createElement('SCRIPT'), s1 = document.getElementsByTagName('SCRIPT')[0];  
s.type = 'text/javascript';  
s.src = 'http://widgets.digg.com/buttons.js';  
s1.parentNode.insertBefore(s, s1);  
})();
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var s = document.getElementsByTagName('script')[0]; s.parentNode.insertBefore(po, s);  
})();
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The FBI believes that this attack is due to a security breach at an unnamed payment processing company which may have given the people behind it access to card data, as well as access to bank ATM security protocols. This access would allow the people running this scam to remove many of the security features associated with ATM withdrawals including limitations on the amount of money that can be withdrawn in a single transaction.

The FBI expects that banks targeted in this attack will be smaller in nature since they probably don't have security as robust as larger financial institutions. And they expect the attack to happen on a weekend when many banks have reduced staff and are less able to respond to certain threats.

While banks were the organizations warned by the FBI, consumers need to be on alert as well. Because the attack uses forged ATM cards, the money being withdrawn actually belongs to consumers and businesses. Federal law having to do with theft of funds from a bank account is considerably less friendly than laws dealing with fraudulent credit card charges.

Consumers need to report any missing funds to their bank immediately. Not doing so could mean that you are responsible for any stolen funds.

Federal law dealing with theft of funds from business accounts is even less friendly. In many cases, businesses who have funds stolen from their accounts have absolutely no guarantee that those funds will be returned. Business owners should seriously consider setting up their accounts without ATM or debit card access. If such access is deemed necessary, the funds in accessible accounts should be limited to the least amount necessary for day to day operations.
byJim Malmberg

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