

## Protect Your Business Against Identity Theft

Experiencing identity theft is “a very painful thing, and it can be expensive,” said Holly Nahabedian, vice president and branch manager of Century Bank in Andover, MA during a meeting of the Middlesex chapter of the Massachusetts Association of Insurance Women (MAIW).

While stealing personal information is the goal of every identity thief, individuals are not the only ones at risk of identity theft — businesses are as well. Typically, “there is more money in business banking accounts, so for a thief, it’s a quicker hit — particularly for small businesses. Small-business owners are so busy running their businesses, they may not always pay as close attention to their accounts as they should,” said Nahabedian.

In addition, it can be fairly easy for fraudsters to gather a lot of information about a business from the company’s own website, which can contain a lot of public information, including personnel. “Someone could easily send [a fraudulent] email as if they are the boss, asking someone to wire money. Wire transfers are cash — that money will be gone.”

To reduce the risk of falling victim to fraud, Nahabedian recommended that business owners take the following precautions:

- Pay close attention to bank account and business credit card statements.
- Consider having dual control for financial transactions. Set it up so you receive an email or text alert from the bank if any transfer is over X amount.
- Dedicate one computer in an office, preferably a desktop computer, to be used strictly for business purposes.
- Use a bank service such as positive pay to deter check fraud. Banks use positive pay to match the checks a company issues with those it presents for payment. Any check considered to be potentially fraudulent is sent back to the issuer for examination.
- Keep sensitive documents secure; do not leave checkbooks out in the open.
- Always keep business and personal finances separate, regardless of the size of the business.
- Train employees in best practices.

“The biggest thing is just paying attention. Balance your checkbook every month and look it over all the time.”