

Cyber Security Committee Call

Meeting Minutes

March 4, 10:00 a.m.

Chair John Sthresley

I. Forged Deeds

- a. Scammers are searching for title companies to close their deals using forged deeds on REO properties. Perpetrators are looking online at deeds specifically for bank owned properties, forging deed to an LLC, then coming with a new grange presenting a contract with no agent involved.
- b. Note – Naked transactions or transactions with no evidence of finance should be red flags and should require additional due diligence.

II. Malicious Apps in App Store

- a. Google recently removed apps from Google Play which contained “Clicker” Malware. This malware views your data and can make purchases on your behalf.
- b. Tips: When downloading an app, read the reviews, look at the rating, make sure you are downloading the app you intended to download and make sure you check the settings once downloaded, to set it where it is not enabled to run in the background.

III. Shark Tank – Barbara Corcoran

- a. Lost nearly \$400,000 in a wire scam.
- b. More recent article reports she was able to recover the funds due to swift action.

IV. Young Couple loses \$775,000

- a. False wire instructions they received said DBA BitCross. They found the money was going to a bitcoin account. Cyber currency is a very, very high red flag for scams and fraud.

V. Puerto Rico's Pension Fund Went to Hackers (\$2.6 million)

- a. Member of the Pension Fund was fooled by bogus emails sent by hacker. Email message contained instructions to transfer money intended for the public pension system to a different bank account than had been used before. \$2.6 million was sent to the foreign account on January 17th.

VI. Title Companies Expanding Regulatory Territory

- a. Recent article in ACAMS Today discussed how vulnerable real estate transactions are to Money Laundering and with Title Companies being high flyers for wires – millions of wires coming and going out – Title companies should have basic suspicious activity reporting requirements, just like Financial Institutions do, along with broader GTO-like reporting and state-level Anti Money Laundering focused exams.

VII. Round Table Discussion

- a. April 6th is our audition to be panelists at the Orlando REALTORS Panel.
- b. Early Warning System – contains fraud data sharing between banks, could be useful in preventing wire fraud.

VIII. Adjourn.