

Online invoice scammers are targeting Australian companies

By SUPRATIM ADHIKARI, TECHNOLOGY EDITOR

3:24PM FEBRUARY 10, 2020 •  NO COMMENTS

Business Email Compromise (BEC) — where hackers steal the login details of people in supplier/vendor organisations to issue fake invoices or change bank detail requests — is becoming a major issue for local companies.

The scam was used by a Lithuanian hacker to trick Facebook and Google into handing over \$172m between 2013 and 2015.

The hacker, Evaldas Rimasauskas, sent fake invoices to employees of the two tech giants that appeared to be from a major Taiwanese hardware maker, which was a business partner of both companies.

The invoices and bank change requests come from legitimate email addresses and often include a prior email trail of messages, lulling companies into a false sense of security.

While Google and Facebook were able to recover their losses, with Rimasauskas currently serving a five-year sentence in prison, BEC remains a serious threat to the corporate sector, according to Australian secure payments data platform EFTsure.

EFTsure's technology verifies supplier bank account details and other compliance information before a payment is made.

According to co-founder and CEO Mike Kontorovich, BEC attacks are getting more sophisticated, with hackers targeting the supply chain to break in to corporate systems.

“What we are seeing is that a big company’s partner may get their system hacked and then the cybercriminals send invoices and emails that are valid,” he said.

“The banks leave the accountability to their customers, so at the corporate level where you are paying a lot of people you wouldn’t pick up a fraudulent account up immediately,” he said.

EFTsure has created a vast database of verified accounts, using crowd-sourcing to ensure it has the correct supplier account details. Currently, it prevents more than \$21bn being duped from Australian companies through invoice fraud every year.

“Australia is the third most-attacked country with scam emails,” Mr Kontorovich said.

“Our financial controls aren’t quite there yet, even though digital payments are everywhere.”

EFTsure has a joint business relationship with PwC Australia, through the professional services firm’s Align program.

“We look at technology from upcoming companies and introduce them to our larger clients,” PwC partner Ross Thorpe said.

“EFTSure is solving a big problem (for) a number of our clients. Using crowd-sourcing as part of the solution is great idea.”

SUPRATIM ADHIKARI, TECHNOLOGY EDITOR

Supratim Adhikari is The Australian’s technology editor. He has covered the technology and telecommunications sector for over a decade with a particular focus on the National Broadband Network. He has also cove... [Read more](#)

