



BEST PRACTICES TO HELP MITIGATE COMMERCIAL CARD FRAUD

M&T Bank understands how important it is to help protect cardholders

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This document describes some of the most common types of unauthorized card use, the tools M&T makes available to assist in detecting unauthorized use, some of the industry's proactive best practices to help protect your organization from fraudulent transactions, and where to call if fraud does happen.

WHAT IS UNAUTHORIZED USE?

There are two basic types of unauthorized use:

- **Employee Misuse** – unauthorized use by the cardholder which is outside of the company's spend policy or doesn't benefit the company. In the event of cardholder misuse, the Visa® Liability Waiver Program provides M&T Commercial Card clients with up to \$100,000 coverage, provided certain criteria are met
- **Fraudulent Activity** – unauthorized use of the card account by someone who is not the cardholder. Common fraudulent transactions usually occur as a result of the following:
 - **Lost / Stolen Cards** – card plastic is lost by a cardholder or stolen from them and used to make unauthorized purchases before the cardholder can duly report the card missing and have it closed
 - **Unauthorized Internet Transactions** – card account and expiration date information is stolen and used by criminals to make unauthorized purchases in a card-not-present environment
 - **Counterfeit** – card account and magnetic stripe information is stolen and used to create a duplicate plastic for fraudulent card present use

MEASURES TO DETECT FRAUD

M&T takes cardholder fraud very seriously, implementing multiple measures to monitor transactions for its clients and cardholders. These measures aim at either preventing certain transactions at the point of sale or by flagging suspect transactions that are outside learned fraud behavior for follow-up with the cardholder.

M&T Bank offers every Commercial Card customer both the Card Guard Fraud Detection Service as well as Visa Advanced Authorization scoring. These fraud detection systems use neural network technology in conjunction with spending history and other factors to isolate fraudulent activity. Suspicious transactions are scored, prioritized, and analyzed, and the M&T Financial Crimes unit places calls to Program Administrators and Cardholders.

Additionally, there are a number of controls that companies can institute themselves through the Card Management tool, CentreSuite, to help prevent fraudulent use of their cards.

M&T Bank now issues all Commercial Cards as EMV Chip and PIN cards. EMV Chip cards use dynamic data on each transaction which renders stolen card information virtually useless for creating counterfeit cards. Your customized PIN adds to the security of your card.

Enjoy worldwide acceptance and enhanced security with chip technology on all M&T Commercial Cards. Visit www.mtb.com/commercialchip for more information.

