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Dear Valued Customer,

Enclosed is the latest update for *Bank Security Desk Reference*. This update discusses the following topics:

- *ABA Bank Capture System*. In September 2011, the American Bankers Association launched its ABA Bank Capture system that provides a secure portal to collect, analyze and disseminate aggregated incident data for bank robberies and burglaries reported by member companies in the banking industry. According to the ABA, the goal of the initiative is to support banks in sharing crime details in an effort to reduce loss and increase solutions rates. See ¶ 2.02.
- *Federal Deposit Insurance Act, Section 19*. On August 8, 2011, the FDIC issued a revised policy statement governing the employment of persons with criminal records. The statement pertains to Section 19 of the Federal Deposit Insurance Act. See ¶ 7.01[4][a] and Appendix 6.2.
- *Business account takeovers*. A section in ¶ 8.02 has been updated with a discussion regarding FBI Assistant Director of the Cyber Division Gordon Snow's testimony before Congress. His testimony covered topics such as account takeovers, fraudulent monetary transfers and counterfeiting of stored value cards. Also in this section is a discussion of a September 2011 press release from U.S. Attorney for the Southern District of New York about a Russian citizen who pled guilty for his role in a fraud scheme to steal over \$3 million from dozens of U.S. business accounts that were compromised by malware attacks. This section also discusses how, in April 2011, the FBI, iC3, and the Financial Sector ISAC reported a trend in which cyber criminals, using the compromised online banking credentials of U.S. businesses, sent unauthorized wire transfers to Chinese economic and trade companies located near the Russian border. See ¶ 8.02[g].
- *Authentication in an Internet Banking Environment*. The FFIEC has published guidance documents for use by financial institutions on authentication in an Internet banking environment. The June 2011 supplement notes there have been significant changes in methods criminals use to gain access to customers' online accounts resulting in an increase in cyber crime attacks since 2005, particularly with respect to commercial accounts. See ¶ 8.04[4].
- *Appendixes*. Some of the appendixes in Volume 2 have been updated, including Appendix 6.2, FDIC Statement of Policy for Section 19 of the FDI Act, and Appendix 12.12, Interagency Guidelines Establishing Information Security Standards.