

BEC: It's not a Bacon, Egg, and Cheese

Bethany Graves
IS Auditor
Division of Local Government Audit
August 2, 2024



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Disclaimer

The opinions expressed during this presentation are my own. They do not necessarily represent the views of the Tennessee Comptroller of the Treasury, his representatives, or the Tennessee Department of Audit.



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Objectives

- Passwords
- Business Email Compromise (BEC)
- Phishing



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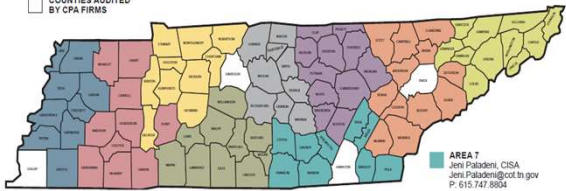
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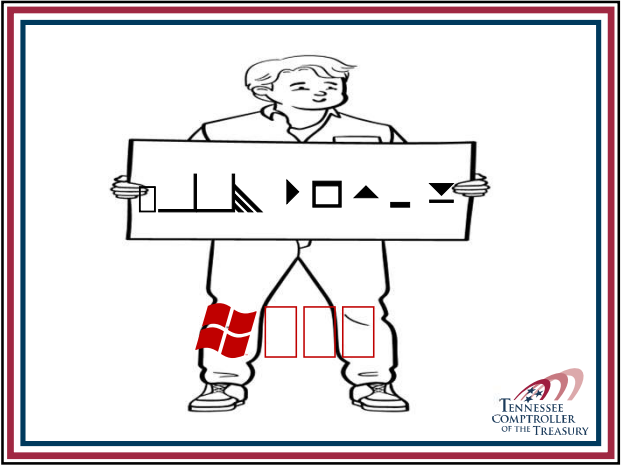
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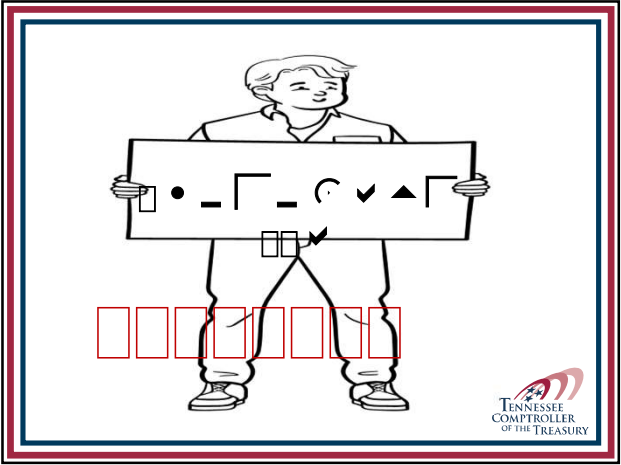
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Vacant

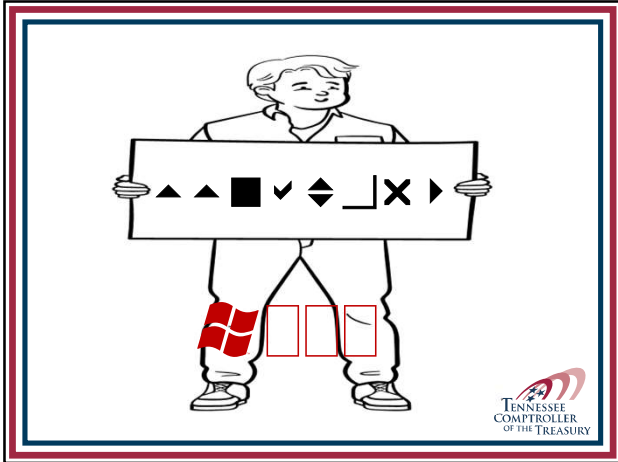
AREA 9
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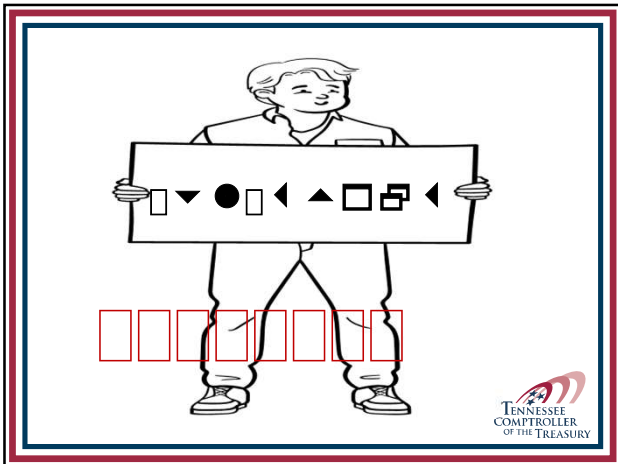




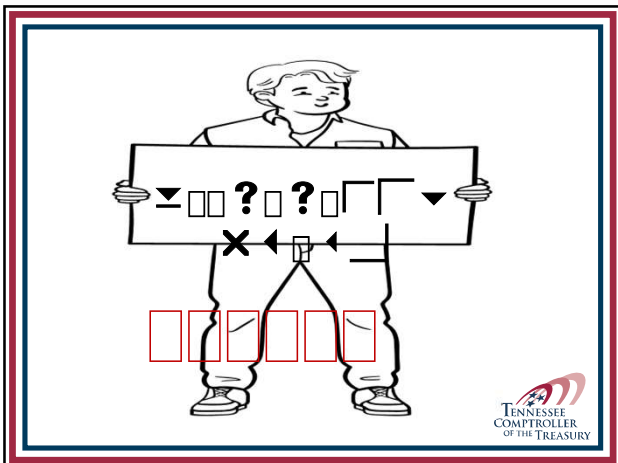




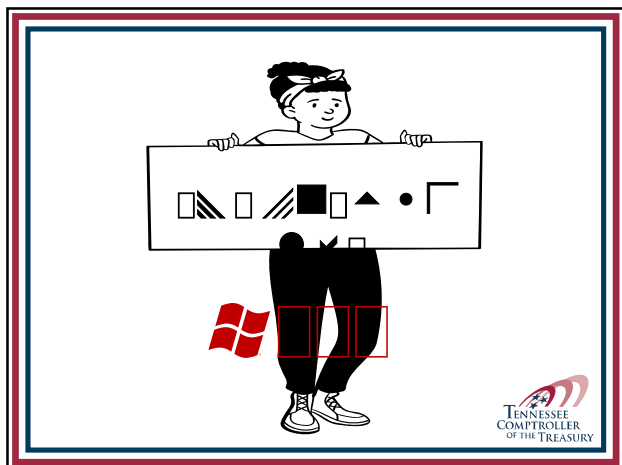
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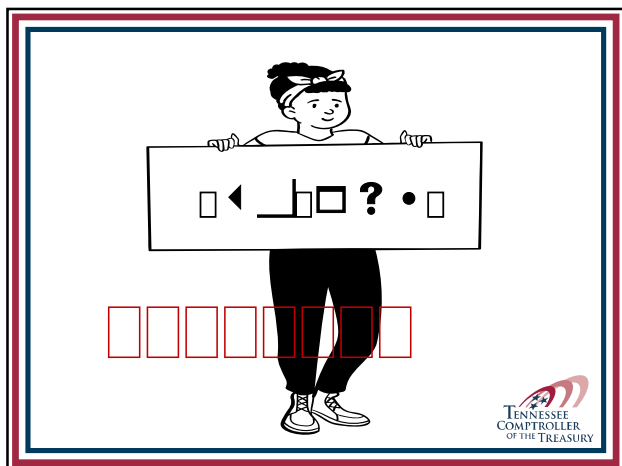
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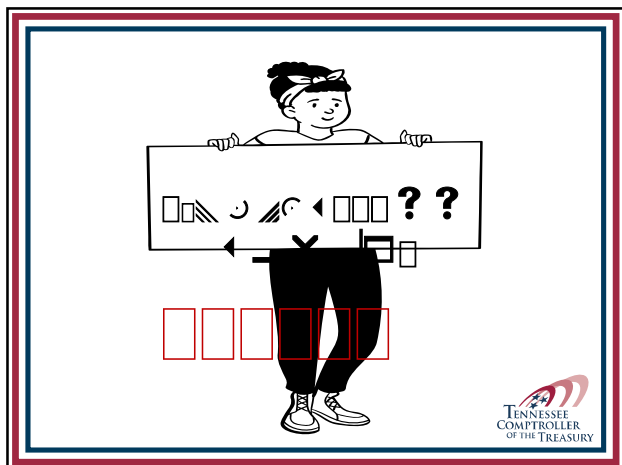
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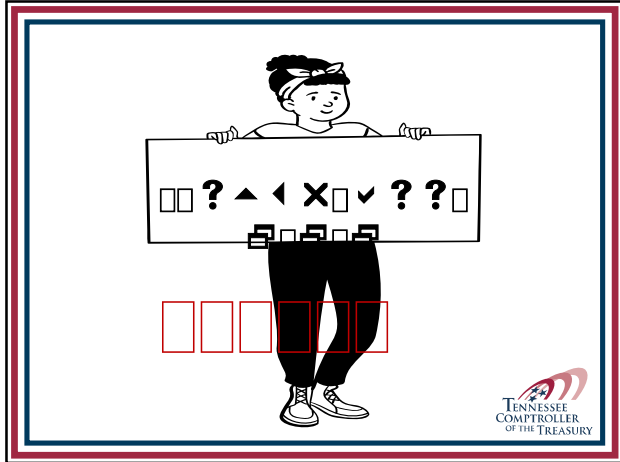
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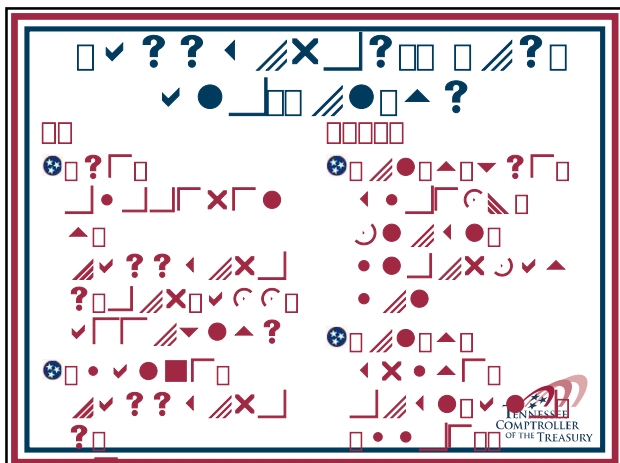
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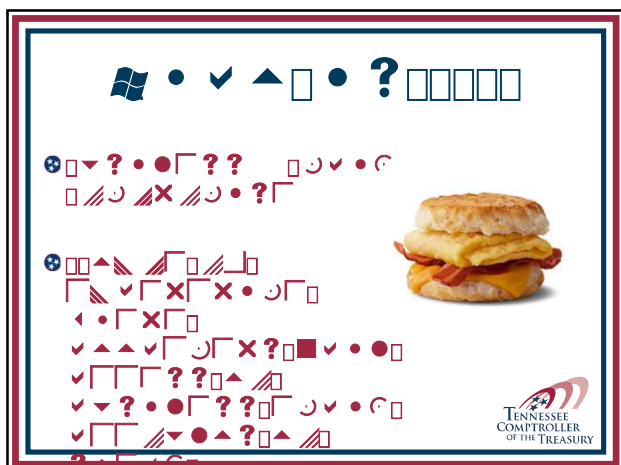
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FBI Knoxville
 Public Affairs Officer Darrell DeBuck
 (865) 544-0751

March 7, 2024

Knoxville: Scammers Stole \$160 Million From Tennesseans in 2023

KNOXVILLE, TN—Tennessee residents lost more than \$160 million to Internet scammers last year, according to a new report released by the Federal Bureau of Investigation. The report highlights critical vulnerabilities and underscores the imperative for heightened cybersecurity measures in the Volunteer State.

In 2023, Tennessee ranked 31st in the country, with residents logging a total of 8,484 complaints with the FBI's Internet Crime Complaint Center (IC3), reporting losses amounting to \$161,195,036. These figures underscore the devastating impact cybercrime has on individuals and businesses statewide.

"We've noticed a steady stream of cybercrime here in Tennessee. This means we all need to be extra careful and take action to stay safe online," said Asst. Dir. Carlos, special agent in charge of the FBI's Knoxville Field Office. "Cybercriminals are always coming up with new tricks to scam people, whether you're a regular person or a big company. So, it's really important for everyone in Tennessee to pay attention and make sure we're protecting ourselves online."

Tech support scams, investment fraud, and business e-mail compromise (BEC) emerge as the leading categories for losses in Tennessee. Particularly alarming is the heightened risk faced by individuals over 60, who are most susceptible to falling victim to these cyber scams.

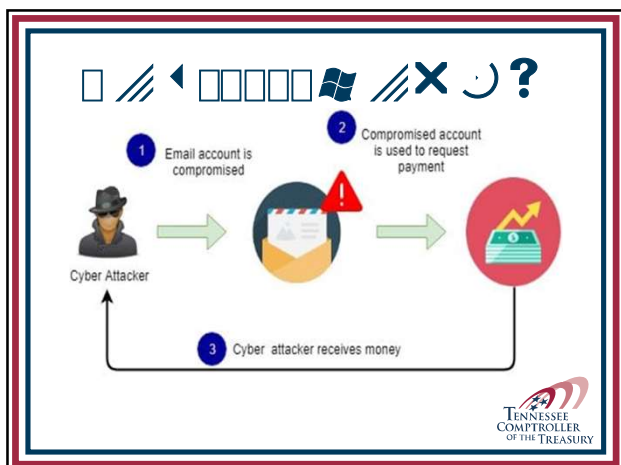
Nationwide, in 2023, the IC3 recorded a staggering 880,418 complaints, indicating a substantial rise in cybercrime activities across the nation. The total losses incurred from these incidents exceeded a staggering \$125.6 billion, underscoring the severity of the cyber threat landscape.

Notably, this figure represents a significant increase compared to the average number of complaints received over the past five years. California, Texas, and Florida topped the list, with California reporting the highest number of complaints, while California, Texas, and Florida also topped the list in terms of financial losses.

"Protecting yourself online is crucial. Make sure to use strong, unique passwords for your accounts, and be cautious about clicking on links or opening attachments in e-mails from unfamiliar sources," said Jason Jamagin, supervisory special agent leading the FBI's cybercrime squad in Knoxville. "Keep your computer's software up to date and consider using antivirus software. Most importantly, if something seems suspicious or too good to be true, trust your gut and double-check before sharing personal information or sending money."

The FBI remains committed to working closely with local law enforcement agencies and community partners to mitigate risks and protect Tennesseans against cyber attacks. If your business is the victim of a cyber attack, contact your local FBI office immediately for assistance.

For more information on the 2023 Internet Crime Report and resources for cybersecurity, visit the IC3 website at www.ic3.gov.





CEO Fraud: Impersonating executives to request fund transfers

Account Compromise: Hacking an employee's email for fraudulent requests

Vendor Email Compromise: Altering invoice details for payment redirection

Attorney Impersonation: Using urgency and authority to facilitate transfers





> On Friday, April 1, 2022, 10:38:55 AM CDT, Donna Craig <clerkoffice1@gmail.com> wrote:

>

> Randi

> I'll need you to process a payment for me today via ACH/WIRE

> TRANSFER/CHECK MAILING. For the

> Administrative networking web-hosting activity expense.

>

> Get back to me if you can get this done, so i can forward the payment details to you.

>

> Regards

> Donna

On 4/1/22, Randi French <randifrench@yahoo.com> wrote:

> Yes ma'am I sure can :)

> Thank you,Randi FrenchHenry County Trustee



From: Donna Craig (clerkoffice1@gmail.com)
To: randifrench@yahoo.com
Date: Friday, April 1, 2022, 11:05 AM CDT

Randi

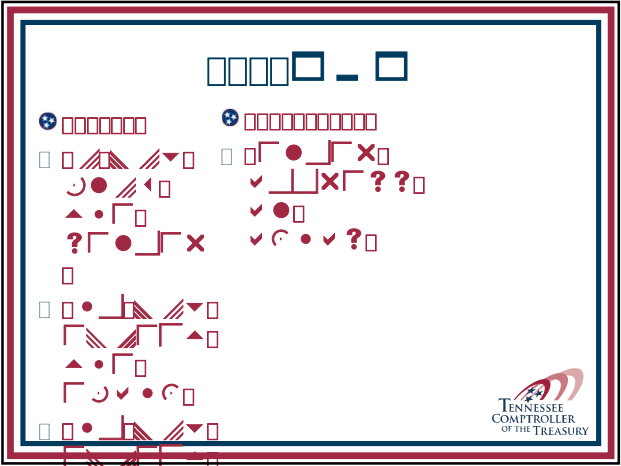
initiate a an outgoing wire transfer to the account details below:
ACCOUNT HOLDER: CONSTANCE LYON
BANK NAME: M&T BANK
ACCOUNT NUMBER: 9888615268
ROUTING NUMBER: 031302955
AMOUNT :\$4,780.00
BANK ADDRESS : 550 Suburban Dr, Newark,19711

Payment for Administrative Networking web-hosting activity service expenses

Get back to me with the payment confirmation slip once you are done making the payment.

Regards
Donna





From: Donna Craig (clerkoffice1@gmail.com)
To: randifrench@yahoo.com
Date: Friday, April 1, 2022, 11:05 AM CDT

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Malachi Mullings, Settlement Monk
Mad Mullings Setting Bank Accounts in Multiple Bank Accounts
a State Medicaid Program Phishing Accounts Multiple Bank Accounts
Sandy Springs ELC Phishing Accounts Multiple Bank Accounts

Phishing Accounts Multiple Bank Accounts
Romance Schemes \$4.5 Million
Phishing Accounts Multiple Bank Accounts
Romance Schemes \$4.5 Million




TENNESSEE
COMPTROLLER
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Brianna S. Graves 926
ETS Contracting
Have a one letter difference the domain
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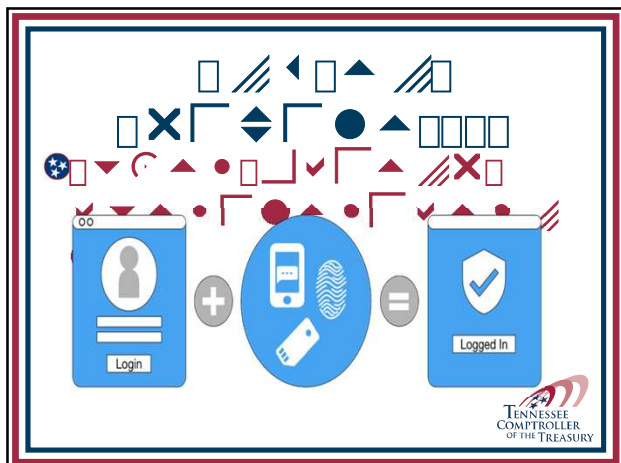
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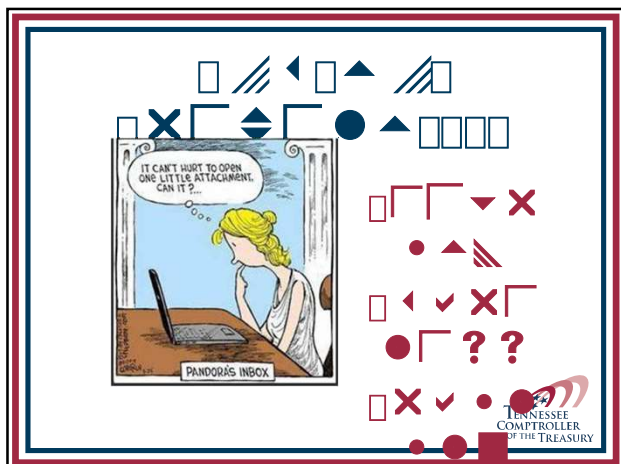


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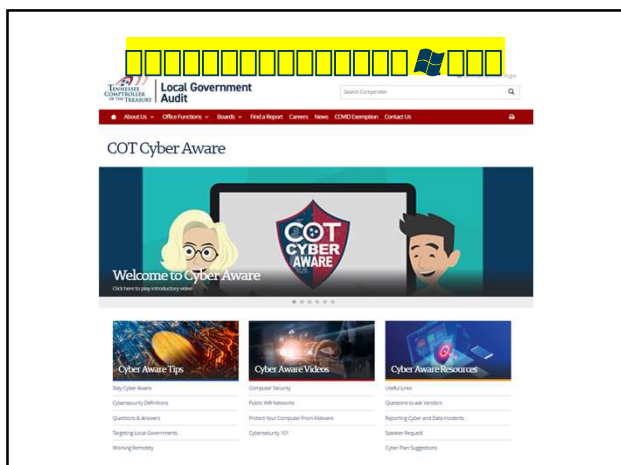




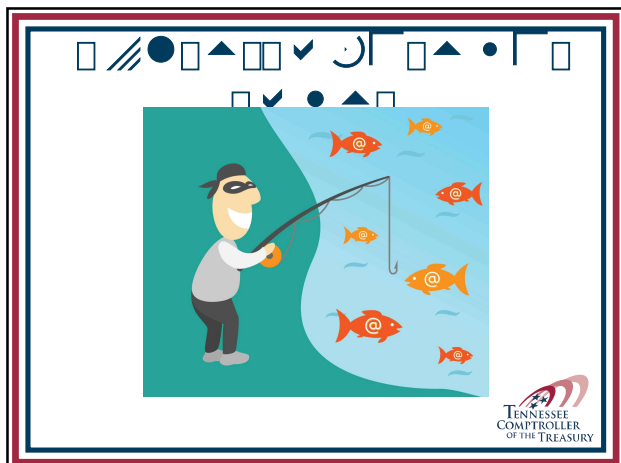
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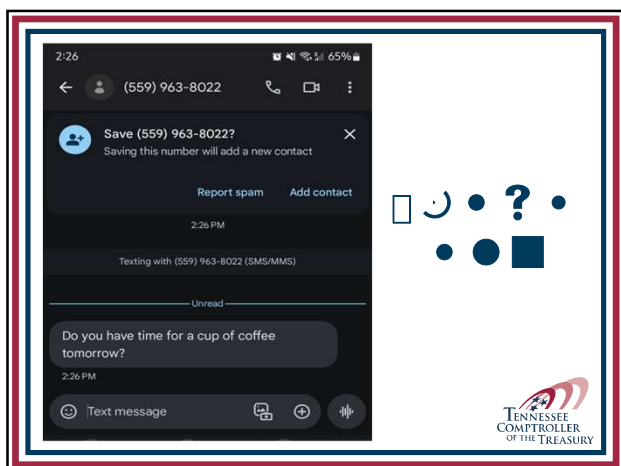


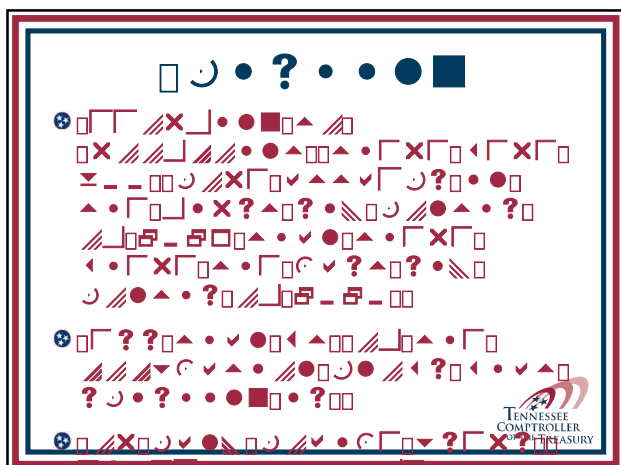
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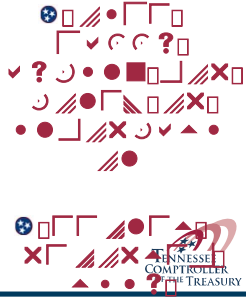







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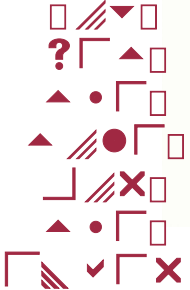
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