

From: FedACH

Date: 07/07/2017 01:30 PM

Subject:

Fraudulent FedACH Payment Activity on Federal Reserve RTNs

Announcement:

The Federal Reserve Banks have seen a recent increase in fraudulent payment activity in the FedACH network in which unauthorized debits, including consumer bill payments and other larger dollar items, have been originated using Federal Reserve Banks routing transit numbers as the receiving institution. To date, these debits have been returned through the normal ACH return process, using a *R03 - No Account/Unable to Locate Account* return reason code. Because of the volume of fraudulent debits, we have notified the appropriate law enforcement agencies. We encourage financial institutions to closely monitor this activity to identify these items as early as possible and take appropriate actions. Customer inquiries should be directed to FedACH and Check Customer Support at (877) 372-2457. All media inquiries should be forwarded to FRB Atlanta Public Affairs, Jean Tate - Jean.Tate@atl.frb.org, (404) 498-8035. If your organization has incurred a financial loss as a result of this fraud scheme, please contact Special Agent Brad Carpenter with the FBI Cyber Division, bmcarpenter@fbi.gov.