KeyBank
Use the red key.

Protecting Your Small Business From Cybersecurity Breaches

In the wake of recent cybersecurity defenses, criminals have stolen the components needed to assume entire identities, including Social Security numbers, names, addresses, and drivers licenses. This is a huge issue for small business owners who use their personal creditworthiness to gain access to business credit — and that's what makes breaches so concerning. Here are a few items that small business owners should take into consideration when protecting their personal credit for their business.

Know your creditors

If your data has been breached, you'll want to figure out what has been exposed. However, identifying the data compromised in a breach is not an exact science. Since cybercriminals often take steps to cover their tracks, companies don't always have a clear picture of the depth and severity of the breach. Therefore, unfortunately, there's no guarantee that your data is not in the hands of criminals.

Regardless, one of the best things you can do is educate yourself before a breach occurs. Take the time to understand who your creditors are and their history. Knowing your creditors can save you a lot of time should a new security breach occur and you see their name in the news or are tied to any breaches or other security concerns.

Consider placing a fraud alert or a credit freeze on your credit report

As the Federal Trade Commission[1] outlines, fraud alerts last for 90 days and require verification of data before the issuance of new credit. A freeze blocks the opening of credit accounts without the use of a personal identification number (PIN), issued at the time you request the freeze. It's a personal choice as to which option to pursue; however, if you apply for credit often, consider the impact of locking and unlocking your information each time a creditor requests access to your credit files.

Check your credit accounts frequently

Some companies have provided free credit monitoring to those how have been impacted by the recent breaches. However, bear in mind that cybercriminals often use data to commit fraud years after a breach. Therefore, while free credit monitoring is helpful, you may want to consider paying for additional monitoring once the free monitoring trial has ended.

Talk to your bank about their fraud detection capabilities

Stolen data provides criminals with the information they need to take over an account — they can use online banking to assume control of your personal or business accounts. According to CNBC®[2], in order to avoid account takeover, experts recommend monitoring your accounts often, using complex

passwords, opting for additional security (such as two-factor authentication), and setting up alerts related to activity in your account.

Note: Banks offer additional protection for business accounts, including positive pay and reverse positive pay, which scrutinizes check and automated clearing house (ACH) payments for signs of fraud. In addition, ask your bank about their ability to block wire transfers, ACHs, and check payments from your accounts.

Given the fact that small business owners often use their personal credit as a means of securing access to business credit, the recent breaches have the potential to threaten the livelihood of countless small businesses. In an era when cybercriminals possess the wherewithal to overcome sophisticated cybersecurity defenses and steal vast amounts of data on a regular basis, it's important to partner with a good financial institution and monitor credit files for signs of fraud.

Let's talk about your business.

For more information on KeyBank's capabilities, contact your KeyBank Relationship Manager.

KeyBank
Use the red key.®

CNBC is a registered trademark of NBCUniversalMedia, LLC.

[1]Lisa Weintraub Schifferle, "Fraud alert or credit freeze – which is right for you?", September 14 2017, https://www.consumer.ftc.gov/blog/2017/09/fraud-alert-or-credit-freeze-which-right-you

[2]Kelli B. Grant, "This growing fraud will drain your bank account", May 12, 2017, https://www.cnbc.com/2017/05/12/this-growing-fraud-will-drain-your-bank-account.html