

CYBER RISKS IN INTERNATIONAL BUSINESS: Tips and Pointers For Working With Foreign Suppliers And Customers

1. Conduct enhanced due diligence on all suppliers. Know who you are dealing with. Ask about their IT security policies and practices.
2. Be cautious about dealing with commercial customers and suppliers without domain names (using gmail for example).
3. Develop internal payment policy procedures. Best practices include no change in payment practices without officer approval and oral confirmation from both parties. Officer should be trained in how to confirm changes (don't use phone number in email).
4. Carefully review email correspondence or notifications from your suppliers. Check for minor differences in domain name (a "q" instead of a "p", a "9" instead of a "g"), a different look, feel or tone to the transmission, broken English or typos, anything different regarding payment, delivery or material instructions. Be alert and have a healthy suspicion—use common sense.
5. Call your supplier contact (or customer contact) at the number in **your database**. Do not use phone numbers or links in emails or fax correspondence you receive from the supplier (or customer).
6. Request suppliers that send you wire instruction by email not to do so. Ask for a protected portal or better yet, instructions by phone.
7. Don't send your wire instructions to a customer in an email. Any payment protocol change should require oral confirmation at the phone number you have in your database (for example, **not** the phone number in the email or document containing the protocol change).
8. Check account names before wiring payment for product or services, not just account numbers. Check your bank's security procedures regarding wire transfers.
9. Become educated on business email compromise and other trending scams. See for example link for FBI Public Service Announcement of June 14, 2016. <https://www.ic3.gov/media/2016/160614.aspx>.
10. Be alert for advance payment schemes (pay me a small amount to get something from me with greater value). (Examples include: send us payment to test your product before we become a distributor; send us reimbursement for shipping cost before our product payment hits your bank account; pay this tax before receiving this foreign government contract, etc.).
11. Exercise care if you receive payments by credit card. Credit card policies and practices protect the purchasers.
12. Check your insurance policies regarding cyber coverage and make an informed decision on coverage. <http://www.michiganitlaw.com/5-tips-purchasing-cyber-insurance>



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