

# CYBER FRAUD!

## KNOW YOUR LIABILITIES!

*August 24, 2018 (Economics Times)*

*Following a hacking of servers of city-headquartered Cosmos Bank, Rs 78 crore were withdrawn "physically" from 28 countries.*



Are you a victim of cyber fraud?

Could you recover your money?

How can you recover your money?

### What does the RBI say?

#### Bank's Liabilities

- ✓ Customers will not have to bear a loss if the fault is on the part of the bank. Even if the breach can be traced to deficiencies existing in the system.
- ✓ Cash-strapped lenders will have to compensate depositors unless it can provide conclusive proof that the fault lies on the part of the victim.
- ✓ The amount of money stolen has to be transferred to the customer's account within 10 working days from the date of notification.
- ✓ Banks to establish liability within 90 days of the breach being flagged.
- ✓ If money is siphoned off from their accounts even after the fraud has been reported, the liability is to be borne by the bank.

**Customer's Liabilities:** Customers will not be able to claim the amount in following circumstances:



If by error of judgment, customers share their credentials with fraudsters



If there is a gap of more than seven days between the time, the initial breach took place and when it was reported

Time taken to report fraud	Customer's Liability
Within 3 working days	Zero Liability
4-7 working days	Transaction value or INR 5K-25K
Over 7 working days	As per bank's policy