

**Dear X2 Colleagues,**

Trusting this message greets you all well and in positive spirits.

**I have decided to resend this message to you all due to experiencing further issues with email crime. This is the third message I have sent to the group in the past 6 months.**

I would like to remind you all in regard to the growing problems and developments of the global financial situation and how it is affecting individuals and businesses all around the world.

The Freight forwarding industry is not an exception and at X2 we feel duty-bound to send a message to our members with our thoughts about it. This message will focus on email hacking/fraud and the growing trend of this crime.

I have recently been involved in yet another case of email fraud between members within X2.

Although emails may get intercepted and usually from my experience it is most probably an insider within one of the companies doing business together due to the timing and knowledge of the amounts of invoices that are then intercepted, bank details changed and then new emails set up that look very similar to the real email domains.

No matter what, if your accounting process is flawed and you do in fact pay the wrong account details that were sent to you by the fraudster. You are still responsible for paying the correct invoice to the company that has performed services for you. Unfortunately, I have seen certain members make this mistake and then walk away advising they are the victims of the fraud and therefore, they feel it is not their responsibility to pay the correct amount to the correct company and account.

I'm sorry but if you are a victim of this unfortunate and despicable crime you are still responsible to pay the amount owed to the correct account and company. It is an accounting process problem that essentially is your fault by the process in your accounting department failing.

I urge both members doing business to exchange the bank details for payment. The receiving member should send the bank details and the paying member should send back confirming the bank details. Then a final email should come

from the member being paid confirming the bank details once more. If necessary, a phone call also to follow if you feel unsure.

Careful attention should be exercised to make sure that the correct authorized email should be used. Re-train you accounting teams in this process also.

**Two key points to advise upon;**

1. **Increase in Cyber fraud (email hacking, accounting and invoice manipulation whether internal or external)**
2. **Credit risk and the increase in delayed payments**

Please see below links regarding cyber fraud.

**[Click Here to View The Image](#)**

**[Click Here to View Image about Email Hack](#)**

We have been notified of several new instances of email interception and invoice manipulation with adjusted bank details for the purpose of defrauding agents, companies, members. This usually happens due to two key reasons (and maybe many more).

- a. **Emails are hacked into and the invoice details and email chains intercepted**
- b. **Internal knowledge shared to external parties**

Please inform your accounting departments to be EXTRA vigilant and to double, triple check any changes in banking information.

**Credit risk and the increase in delayed payments**

The risks of giving credit have become increasingly high now more than ever and everyone should give some thought before extending credit terms to business partners, particularly in this challenging times we are facing.

At X2 we have noticed an unprecedented number of overdue invoicing, with the numbers increasing week to week. Having seen this trend, we feel it is right for

us to caution our members and to take steps to protect our members from such risk.

We are currently working on different strategies on how we may address this problem, but meanwhile, we advise that careful consideration should be applied before determining credit terms between business partners.

The new risks to all businesses globally are already upon us and are likely to be further exacerbated as various businesses have tighter economic constraints and governments may impose stringent foreign exchange regulations, making it problematic for prompt payment of bills originating from abroad.

With that in mind, it is important to be aware of the new pitfalls present in doing business internationally, to protect not only yourselves but also your member partners and respected customers.

Please rest assured that our commitment to you as always is to work with you as a true partner and to focus on maintaining the level of service we have promised you. We are here to help.

We are thinking of you and your best interests.

Take Care and be careful!

Kind Regards,

Richard and the X2 Team