

# Mitigating Fraudulent Third Party Disbursements



Trust Company of America (TCA) is updating the third party disbursements verification policy to better protect account owners, advisors and representatives from fraudulent transactions.

Currently TCA requires you, the advisor or your designate, to contact the account owner, via a channel other than email, to confirm all third party wire disbursement requests. This verification is being expanded to now include third party disbursements via wire, ACH and check.

When the disbursement request is delivered to TCA, it must include a confirmation statement from the advisor or designated representative that the third party request has been validated via a phone call or in person with the account owner.

The following language confirming that the request has been verbally or personally validated with the account owner must be provided to TCA with the third party disbursement request:

***It has been confirmed with the account owner, verbally or in person, that this third party disbursement request is valid and (RIA Firm) indemnifies TCA for honoring this request.***

If the confirmation statement is not included, TCA will follow up directly with you, the advisor, which may delay the third party disbursement.

Typically criminals gain access to an investor's email account from which they submit a request to their financial advisor to have funds disbursed to a third party. Often the email will explain that there is an immediate need for the funds such as an illness or death in the family or for unexpected expenses while traveling. In cases where the custodian requires a signed distribution form, the criminals have been able to duplicate the investor's signature presumably by referencing previous forms sent via the compromised email of the account owner.

Let your relationship manager know if you have questions.