

Fraud Risk Bulletin

*Exclusive, As-It-Happens Risk Updates
and Insights for Bond Clients*

RISK ALERT

Spike in Physical ATM/ITM Attacks



SUMMARY

Stand-alone ATMs and ITMs located in drive-up islands and unalarmed or minimally alarmed off-site or branch locations are vulnerable to what is sometimes called “smash-and-grab attacks”. These crimes can cause significant losses that include property damage to the building, damage to the ATM/ITM and theft of cash. Even unsuccessful attacks can cause a tremendous amount of property damage and a destroyed ATM/ITM.

Immediate action should be taken to inspect and assess the risk associated with all of your ATM/ITMs against these types of attacks.

HOW THE ATTACKS ARE OCCURRING

Hook and Chain Attacks: Thieves will use any type of construction or heavy-duty vehicle to wrap a chain around the ATM/ITM with a hook attached to the vehicle and drive off at a high rate of speed. The vehicle pulls and rips the entire ATM/ITM from its foundation and later works to open the unit offsite. Most of the vehicles used in these types of attacks are stolen.

Ram-raid/Pull-out Attack: A heavy duty vehicle is driven into a window, doors, and/or wall of a building to haul out an ATM/ITM. As with hook and chain attacks, most of the vehicles used are stolen.

Explosive Attack: Thieves will pump explosive gas materials through an opening in the ATM/ITM, igniting the unit in an attempt to breach the safe door to quickly access the money.

Break-in/Rip-out: The thieves use crowbars, drills, angle grinders, and acetylene torches to access the ATM/ITM safe to remove the cash by hand. Thermal tools are often more successful at cutting through thick metal parts. These types of attacks usually occur after hours, inside a closed location with minimal or no alarm security. The thieves have time to compromise the ATM/ITM since they are not in view of the public.

RISK MITIGATION STEPS

Physical ATM/ITM Security

When purchasing an ATM/ITM, understand the protection that the rating provides. ATM/ITM ratings have moved from UL® (Underwriters Laboratories) to CEN (Central European Norm). UL safes are of steel construction as per the UL specifications and guidelines. In comparison, the CEN safes are of composite construction, which offers greater resistance to tool attacks. The higher the CEN grade, the greater resistance to tool attacks such as grinders, acetylene torches and drills due to the added reinforcement within the safe body and doors. CEN 3 and 4 offer gas explosive protection and should be the lowest level purchased for standalone drive-up island units.

Upgrading an existing ATM/ITM

Gas detection/neutralization solutions can be installed to detect against the threat of gas explosives. These devices can trigger an alarm or siren. Gas neutralization will counteract the presence of an explosive gas to prevent an explosion from occurring.

Alarm Security of ATM/ITM should be considered. Alarm components (door, heat/thermo and audio detectors) and reporting line security and backup system.

ATM body armor upgrades UL safes to CEN V level protection and above. Loktec's patented body armor packs provide physical and visual protection that has a proven track record with the ATM industry. Loktec armor packs are available for the ATM safe door, safe sides, and safe front to provide protection for all areas that are usually attacked. According to the manufacturer, the Loktec body armor has a proven track record against physical attacks.

Anchoring Systems and Barriers

Anchoring systems that have been tested against heavy plant machinery, large 4x4 vehicles, etc. can be used for ATM/ITMs, which may be at risk of ram-raid or pull-out attacks. Anti-ram-raid supports have various designs that prevent the unit from being removed from its mounting. Other anchoring systems include chains secured to the base of the unit's platform. Steel barriers and bollards (some with strobe lights and an audible alarm) can be installed to the unit's location specifications.

STAY ONE STEP AHEAD OF THE CRIMINAL

Claims history dictates that this problem is not going away anytime soon. Stay vigilant in protecting your ATM/ITMs and well versed on the most up-to-date solutions when upgrading or purchasing an ATM/ITM. Criminals will continue to take advantage of opportunities and develop new methods to defeat security.

RISK MITIGATION RESOURCES

Loktec ATM Body Armour (PDF): <https://loktec.co.uk/wp-content/uploads/2018/12/ARMOUR-2.pdf>

ATM Security Barriers: <https://www.cennox.com/financial-services/security-alarm/atm-security/atm-security-barriers>

Physical ATM Security Threats in the U.S. and How to Prevent Them (PDF):
https://www.ncr.com/content/dam/web/documents/banking-endpoint-security/072320_ProductMktg_Banking_PhysicalProtection_WP_FNL.pdf

Tap into knowledge from our experts by visiting our Risk Alerts library for your loss control efforts, See, <https://www.alliedsolutions.net/enews/risk-alerts>

ADDITIONAL RESOURCES

Sign up for our [fraud risk e-newsletter](#). Visit our website for [fraud prevention resources](#). Contact our risk team [here](#)



LinkedIn



Twitter



Facebook