

Protecting Yourself from Identity Theft

According to the FBI, identity theft is one of the fastest growing crimes in the United States. 500,000 to 700,000 Americans become identity theft victims each year. A federal crime, identity theft occurs when a person uses someone's name, social security number, or any account number for unlawful activities.

Gone are the days when canceling credit cards and closing existing checking and savings accounts are adequate damage control measures for a lost or stolen wallet. Once armed with your personal information, identity thieves can do much more than make fraudulent charges on your credit card accounts and access money in your accounts. They often open new accounts in your name, apply for credit and leave bills unpaid, apply for telephone service or utility service, print counterfeit checks and even apply for government benefits. These activities could go on for years without your even being aware of it. By the time you discover the problem, you could face severe damage to your credit record and mountains of fraudulent debt.

Four out of five victims have no idea how the thief obtained their information. Thieves access information by stealing wallets, mail, information from home computers, records from schools, stores or other places, and even documents from the trash. "Pretexting," another common method of obtaining information, occurs when a thief, posing as someone from a financial institution or other company, calls a person and asks him or her to "verify" personal data.

Plastic Card Fraud Prevention

While no one is free from risk, you can take measures to protect yourself from becoming a victim. Practice these steps to keep yourself — and all of your important information — away from would-be fraudsters.

- Don't have more information printed on your cards than necessary. Make sure you don't use your social security number as your driver's license number. Ask your insurance company if you can use another number as your member number. Never carry your social security card with you.
- Choose a PIN number that is difficult to guess. Don't use birthdays, part of your phone number, or your address. Try to mix numbers and symbols when possible.
- Never carry more cards than you will use. The more cards you have, the more accounts you will have to close if you are a victim of theft. If you have department store cards you rarely use, close the accounts or take them out of your wallet until you will need them. Make a copy everything in your wallet so you will remember what you had if a theft does occur. Keep the copies with a list of account numbers and the phone numbers you would need to report a theft and close accounts.
- Ask your credit card companies about their information sharing policies. Often you can request that your information not be shared or used for other promotions.
- A growing number of instances of identity theft occur when you use a credit card to pay for gasoline at a pump. There have been reports of employees stealing credit card numbers as they are transmitted inside. Consider using gasoline company cards to pay for gas purchases. These cards typically have lower credit limits and can be used in fewer places.
- When writing checks to make payments on your credit card accounts, do not put the complete account number on the "For" line. Instead, just put the last four numbers. The credit card company knows the rest of the number, and anyone who might handle your check as it passes through all the check processing channels won't have access to it.

Since one in 10 instances of identity theft stays hidden for two years or more, prevention is vitally important. By protecting your information, you are protecting yourself.

This is the first in a series of articles on identity theft. Next quarter watch for more ways to prevent it from happening to you.

Information in this article was taken in part from a booklet entitled, "Identity Theft," developed by the Federal Reserve Bank of Boston.



Identity Theft Prevention

Last quarter, we began a series of articles on identity theft. To view this article, go to www.gwinnetfcu.org. This quarter we are continuing our look at how to avoid becoming a victim. Next quarter, look for information on what to do if identity theft happens to you.

The old saying, “An ounce of prevention is worth a pound of cure,” is certainly true when it comes to identity theft. The cost of recovering your good credit and settling fraudulent debt can be monumental both in time and money.

Identity thieves can obtain information from many different places — even your trash. However, a few simple steps can greatly reduce your chance of falling prey to thieves seeking to steal your identity:

- When you mail your bills from home, you are literally raising a red flag to thieves. Mail anything containing your personal information (including insurance information that might contain your Social Security number) from a locked public mailbox or take them directly to the post office.
- Examine your statements carefully. If anything looks suspicious, call the authorities, your credit card issuer and/or your financial institution immediately.
- Shred all documents containing your account numbers, Social Security number, credit card numbers, etc.
- Be cautious when giving out any personal information. Never give out your Social Security number, account numbers or other sensitive information over the phone unless you initiate the call. Your credit union or other legitimate financial institution will never call you and ask for your account number. Also, use caution even with people you know. The Federal Trade Commission reports that many instances of



identity theft is perpetrated by someone who is close to the victim.

- Limit the information you print on your checks. Consider substituting your initials for your first name. If someone takes your checkbook, they will not know if you sign your checks using your full name or initials, but the credit union will. Also, don't print your phone number on your checks. If you have a PO Box, use that address on your checks rather than your home address.
- To avoid having your checks stolen from your mailbox, consider picking up your new checks in person. If a new order of checks is being mailed, notify the credit union right away if you do not receive your order.
- Check your credit report regularly. You can control the damage much better if you discover the problem quickly. Checking your credit report will allow you to spot any unusual activity. All three major credit bureaus are required to provide you with one free copy per year. Their numbers are: Equifax: 1-800-525-6285, Experian: 1-888-397-3742, Trans Union: 1-800-888-4213.

Don't wait until you learn about identity theft the hard way. Prevention is your best protection.

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Identity Theft

What to Do When it Happens to You

This is the final installment in a series of articles on identity theft. This quarter we are focusing on what steps to take if you are a victim.



Even when you do everything you can to protect yourself, a thief may still find a way to access your personal information. If you become a victim of identity theft, damage control should be your top priority. Your prompt action can save you from being held responsible for a mountain of fraudulent debt and keep your credit from being severely damaged.

The following steps can help you minimize the damage and repair what has already been done.

1. File a police report in the jurisdiction in which the theft occurred. Get the police report number and ask how to reach the investigator in charge. Give this information to all the companies you contact.
2. Call the three major credit bureaus and the Social Security Administration and ask that a Fraud Alert be placed on your file. Find out how long the Fraud Alert will remain on your file, and ask if there is a way to lengthen that time. Ask that all creditors contact you at a number you provide to verify all future applications. Ask for a copy of your credit report. After a few months, order another set of reports to verify that corrections were made and to check for new fraud activity.

The fraud numbers for the three major credit bureaus are:

- Equifax: 800-525-6285
- Experian: 888-397-3742
- TransUnion: 800-680-7289
- Social Security Administration (fraud line): 800-269-0271

3. Document the time and money you spend to correct the fraud. Keep copies of all of your correspondence and documents related to the theft. Write records of your telephone conversations which include the date, time, name and title of person with whom you spoke. Write letters to confirm phone conversations. Make certain to state the date, the name of the person with whom you spoke and the action that was to be taken. Send all documents Return Receipt Requested.
4. Complete an ID Theft Affidavit to assist in disputing inaccurate information. The ID Theft Affidavit is a document created by the FTC, consumer advocates and creditors. Many companies accept the document, allowing you to complete one form for many companies. Visit www.consumer.gov/idtheft for a copy of the form. Add a victim's statement to the report in which you state the problem and provide a telephone number.
5. Close credit card accounts and ask for the accounts to be labeled as "closed at customer's request". Ask for new account numbers. Then follow-up with a letter documenting the date, the name of the person who helped you and the action taken.
6. Cancel checking and savings accounts and open new ones. Stop payments on outstanding checks and get a new ATM card.
7. If the fraud occurred through the mail, contact the Postal Inspector at 800-372-8347.
8. Report the theft to the Federal Trade Commission (FTC). The FTC Identity Theft Hotline number is 877-IDTHEFT or 877-438-4338.
9. To find out if the thief has been writing bad checks in your name, call SCAN at 1-800-262-7771.
10. Contact check verification companies directly to request that they notify retailers who use their databases not to accept your checks.

TeleCheck:

- Forgery: 800-710-9898
 - Recovery: 800-366-5010
- Certegy, Inc. (previously Equifax Check Systems):
800-437-5120
11. Always save the originals of any documents you send. And keep your records even after you think you have everything resolved. You never know when something you thought you had corrected might resurface.

The process of dealing with identity theft is time-consuming and sometimes frustrating. However, knowing what to do is half the battle. In the end, the hassles and headaches are a small price to pay to protect your good name. For more helpful information on dealing with identity theft visit www.consumer.gov/idtheft.

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