

# Identity Theft Solutions



BALANCE  
Financially Empowering You

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Your wallet is missing. Thousands of dollars have been charged to your credit cards, your checking account is empty, and loans you never took out appear on your credit report. What happened? You've been a victim of identity theft – an increasingly common and inventive crime.

Identity theft occurs when someone uses your personal information to commit fraud or other crimes. It may also involve computer fraud, mail fraud, wire fraud, and financial institution fraud.

Fortunately, there are preventative measures you can take to substantially reduce the chance of identity theft occurring, as well as steps to recover from any damage if you are a victim.

# Identity Theft Risk Assessment

How secure is your personal information against identity theft? To find out, answer Yes or No to the following questions.

- |  |                              |                             |
|--|------------------------------|-----------------------------|
| 1. I shred all pre-approved credit offers, account statements, and financial documents before disposing of them. | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. I never carry my Social Security card.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. I have a locked, secured mailbox.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 4. My Social Security and driver license numbers are not printed on my checks.                                   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 5. I view each of my credit reports annually.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 6. I only carry those credit cards that I use.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 7. I carefully review my monthly credit card statements before paying them.                                      | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 8. When shopping on the Internet, I buy only from secure websites.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 9. I'm aware of all my creditor due dates, and know immediately if a bill is missing.                            | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 10. I know the security procedures at my place of work.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 11. I never reveal personal information unless I initiated the contact and know exactly who I'm dealing with.    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 12. I have up-to-date virus protection software installed on my computer.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 13. I never store personal and financial information on my laptop.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 14. I know exactly what to do and who to contact in case my wallet is stolen.                                    | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 15. I have complete copies of all my credit cards stored in a safe place.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| 16. All of my account passwords are too complicated for anyone to guess.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

(For maximum theft prevention, all of the answers should be Yes. Have a few No's? Review the Identity Theft Protection section for safety measures.)

# Common Practices

## How your information is obtained

Thieves use a variety of illegal techniques to obtain identity information. They may:

- Take mail from a mailbox
- Divert mail to another location by filling out a change of address form
- Go through trash to find identification and financial documents
- Access credit reports by posing as landlords or employers
- Hack into personal computers
- Pose as legitimate companies or government agencies to request personal information via email (called phishing) or text message (called smishing)
- Steal hard copy or electronic files from your workplace
- Stand close to you at the ATM to learn your personal identification number
- Work at restaurants, gas stations, or other businesses to steal money or information from credit/ATM/debit cards (called skimming)

## How your information may be used

Once identity thieves have your personal information, they may use it to:

- Charge on existing credit cards
- Open new credit accounts in your name
- Use existing or open new checking accounts in your name and write bad checks
- Establish phone or wireless service in your name
- Use your debit cards or counterfeit checks to drain your checking account
- Take out loans to buy cars and other big ticket items

# Preventing Identity Theft

There are many ways to protect your private information from fraud. Though some tasks take a bit of effort, be aware that cleaning up the mess identity thieves leave behind is far more difficult and time-consuming.

## Credit reports

- Periodically check your credit report from each of the three major credit bureaus. You can obtain a copy of each report free once a year from [www.annualcreditreport.com](http://www.annualcreditreport.com).
- Dispute inaccurate information immediately

## Personal identity information

- Keep all identification and financial documents in a safe and private place
- Provide personal information only when:
  1. You know how it will be used
  2. You are certain it won't be shared
  3. You initiated contact and know who you're dealing with
- Make all passwords hard to guess by using a complex combination of numbers and upper and lower case letters
- Request a vacation hold if you can't pick up your mail
- Deposit outgoing mail in post office collection boxes or at your local post office



- Remove mail from your mailbox promptly
- Keep your purse or wallet in a safe place at work
- Memorize your Social Security number rather than carrying your Social Security card
- Do not have your Social Security or driver's license number printed on your checks
- Review your Social Security annual statement for accuracy
- Provide your Social Security number only when necessary and to those you absolutely trust
- Before revealing your Social Security numbers, ask:
  1. Why your number is needed
  2. How your number will be used
  3. What happens if you refuse




### Credit Cards and ATM/Debit Cards

- Carry only those cards you really need
- Shred all statements and pre-approved credit card offers with a crosscut shredder
- Opt out of receiving pre-approved credit offers
- Photocopy both sides of your credit cards so you have all the account numbers, expiration dates, and phone numbers, and keep the copies in a safe place
- Cancel unused credit card accounts
- Be aware of people behind you at the ATM or anywhere else you use your card
- When you give your credit or debit card to someone for a transaction, watch them swipe it and inspect the receipt for accuracy
- Know your billing cycles and contact creditor if bills don't arrive on time
- Examine the charges on your credit card statements every month

### Checking Accounts

- Know where your checkbook is at all times
- Print firmly and use indelible ink when writing checks
- Check your account statement for fraudulent activity
- Do not give out your checking account number unless you know the company requesting the information and understand why the information is necessary

### Computer

- Update virus protection software periodically, and after every new virus alert is announced
- Do not download files or open hyperlinks sent from people you don't know
- Use a firewall program to prevent your computer from being accessible to hackers
- Use a secure browser to guard the security of your online transactions
- Enter personal and financial information only when there is a "lock" icon (  ) on the browser's status bar and look for the URL to read "https" instead of "http"
- If you must store personal and financial information on your laptop:
  1. Use a strong password – one that is a hard-to-guess combination of upper and lower case letters and numbers
  2. Don't use an automatic log-in feature
  3. Always log off when you're finished
- Before disposing of a computer, delete personal information using a "wipe" utility program to overwrite the entire hard drive

# Consumer Rights & Responsibilities

Since thieves prey on those who have not taken preventative measures, it is up to you to be careful with all of your identification and financial information. For maximum security, make safety a family affair. Limit and monitor children's access to the Internet and online transactions, have a designated person collect the mail, and establish guidelines for when telemarketers call and ask for information.

If you have children, you can – and should – safeguard their identity as well as your own. Some companies have mistakenly sent pre-approved offers for credit to those too young to actually have a credit card. Once your child has received one offer, he or she may very well receive others. Monitor the mail carefully and check your child's credit report.

Unfortunately, even when you have done all the right things, you may still be a victim of identity theft. While consumer protection laws give you rights, it is your responsibility to take action if fraudulent activity occurs.

If someone has used your identity or financial information, it is imperative that you act swiftly and treat the matter seriously. This means, in many cases, dedicating time to letter writing, telephone calls, credit report monitoring, follow-up, and log keeping. Turning from victim to victor takes effort. However, as frustrating as it might be to have to spend the time and energy fixing damage, no one but you can do it.

There are many federal laws that help in the fight against identity theft, both before and after the law is broken.

## The Fair Credit Reporting Act

The Fair Credit Reporting Act (FCRA) ensures that the financial data contained in your credit report is not only correct but private. Only those with a need recognized by the FCRA may access your credit report – usually a creditor, insurer, landlord, employer or other business.

It is the credit reporting agency's responsibility to report only accurate information, so if you discover a false entry, you can file a dispute. The credit reporting agency has 30 days to investigate your claim.

## The Fair and Accurate Credit Transactions Act

The Fair and Accurate Credit Transactions Act (FACT Act) amends the FCRA and provides increased protection against identity theft. This law guarantees consumers the right to access their reports at no charge once every 12 months. The credit bureaus only provide the free reports via Annual Credit Report Request Service, not through their individual websites, telephone numbers, or addresses.

Additional protections under the FACT Act include:

- Consumers may receive additional free reports if identity theft is suspected
- Identity theft victims who file police reports may block fraudulent information from appearing on their credit reports
- Active duty military personnel may place special alerts on their files when they are deployed overseas
- Only the last five digits of a credit card number may be listed on receipts

## The Fair Credit Billing Act

The Fair Credit Billing Act provides consumers with a legal dispute process to help with fraud committed on open-end credit accounts. It limits your responsibility for unauthorized charges to \$50 and stipulates that you won't be charged for goods and services you didn't accept or weren't delivered.

To take advantage of the law's consumer protections:

- Write to the creditor at the address given for billing inquiries and include your name, address, account number and a description of the billing error.
- Send your letter so that it reaches the creditor within 60 days after the first bill containing the error was mailed to you.
- Send your letter by certified mail, return receipt requested. Keep a copy of your dispute letter.

## The Fair Debt Collection Practices Act

If you have been a victim of identity theft, and a debt that you did not incur has gone to a collection agency, you have rights under the Fair Debt Collection Practices Act.

Write to the collector within 30 days of receiving notice of the fraudulent debt. The collection agency will conduct its own investigation, during which time the collector must cease communication. Only if the debt is determined to be accurate will the collection activity resume.

## The Electronic Fund Transfer Act

The Electronic Fund Transfer Act provides consumer protections for ATM, debit card, and other electronic transactions, including fund transfers.

Report lost or stolen ATM and debit cards immediately to the financial institution, since the amount you can be responsible for is time sensitive:

- If you report loss or theft within two business days, your liability is limited to \$50
- If you report loss or theft after two business days, but within 60 days after a statement showing an unauthorized electronic fund transfer, you can be liable for up to \$500
- If you wait more than 60 days, you could lose all the stolen money

Note: You may have additional protection if your ATM/debit card has the VISA® or MasterCard® logo on it. In most instances, your liability for unauthorized use is \$50 per card, no matter how much time has elapsed since the discovery of the loss or theft.

If you discover a fraudulent transaction, call your financial institution immediately, then follow up with a letter that explains your dispute. Send it certified mail, return receipt requested, and keep a copy of the letter for your records.

## Recovery Guide

If you are a victim of identity theft, understand that minimizing damage will take patience and a systematic approach. However, the sooner and more aggressively you deal with the problem, the faster you will see results.

To start, commit yourself to becoming and remaining organized. Since you will be communicating with a lot of people and have many tasks to complete, use the action logs (pages 10-13) to keep track. Keep copies of all forms, file paperwork promptly, and store everything in a safe and accessible place.

## Creditors and Financial Institutions

- If accounts have been used or opened illegally, contact your creditors immediately. Ask for fraudulent transaction documentation. You may use a uniform affidavit form, available on the Federal Trade Commission's website, as you may need it to file a police report. Add "non-guessable" passwords to replacement cards and all existing accounts.
- If a collection agency attempts to collect on a fraudulent account, explain (in writing) that you are a victim of identity theft and not responsible for the debt. Ask that they confirm in writing that you do not owe the balance and that the account has been closed.
- For checking account fraud, contact your financial institution to place stop payments on any outstanding checks that you did not write. Report the crime to check reporting agencies. Close current checking and savings accounts and obtain new account numbers and passwords. Monitor all future account statements carefully for evidence of new fraud.



## Local and Government Agencies

- Report the crime and file a police report. Request a copy of the report and keep the phone number of your investigator handy. For additional documentation, you may also report the crime to the Federal Trade Commission.
- Notify the U.S. Postal Inspection Service if someone has used your address or in other ways committed fraud through the mail.

## Credit Reporting Bureaus

- It is very important that your credit report lists only factual information. To know what is being reported, you will need to obtain a credit report from each of the three major credit bureaus. If you are married, your spouse should also check his or her report.
- Even if the fraudulent information hasn't yet appeared on your reports, be proactive and report the crime now. Call any one of the three credit bureaus to place a fraud alert on your credit report. The company you contact will notify the other two, who will then place alerts on their reports as well. If you have proof that identity theft has occurred and you have filed a police report, you may request that the fraud alert be placed for seven years instead of the initial time frame of 90 – 180 days. While fraud alerts are in effect, no new credit should be granted without your explicit approval.
- You may also write a victim's report – a brief statement describing the details of the crime – and send it to all three bureaus to be added to your reports.
- The first reports with the fraud alert are free and will be sent to you automatically. Check your credit report for accuracy every three months for a year, then at least annually after that.



If you are especially concerned about the possibility of identity theft, you may consider paying for added protection of a monitoring service – but do so only after carefully reading the fine print and weighing the risks against the benefits. Some of these businesses are scams themselves. Research the company's history and check the Better Business Bureau's complaint log before signing an agreement.

### Credit Monitoring

Each of the three major credit bureaus offers a fee-based credit monitoring service. They typically provide regular credit report updates about fraudulent activity, new inquiries, new accounts, late payments, and sudden changes in your credit card balances.

These plans often include a specific number of credit reports being mailed to you automatically or at your request, and access to individualized customer services.

### Credit Protection

Credit protection is offered by private companies and some financial institutions, and the price and service varies considerably. Most will reimburse victims of identity theft for out-of-pocket expenses (up to a certain dollar amount) and help you through the process of contacting creditors, writing affidavits, and filing reports.

# Resources

## Credit reporting bureaus/accessing credit reports

- **Equifax**  
To order a credit report call: 800.685.1111  
To report fraud call: 888.766.0008  
Equifax Credit Information Services, Inc.  
P.O. Box 740241, Atlanta, GA 30074  
[www.equifax.com](http://www.equifax.com)
- **Experian**  
To order a credit report and report fraud, call: 888.397.3742  
Experian, P.O. Box 2104, Allen, TX 75013-2104  
[www.experian.com](http://www.experian.com)
- **TransUnion**  
To order credit report call: 800.888.4213  
To report fraud call: 800.680.7289  
TransUnion, 2 Baldwin Pl, P.O. Box 2000, Chester, PA 19022  
[www.transunion.com](http://www.transunion.com)
- **Annual Credit Report Request Service**  
To order a credit report call: 877.322.8228  
Annual Credit Report Request Service,  
P.O. Box 105281, Atlanta, GA 30348-5281  
[www.annualcreditreport.com](http://www.annualcreditreport.com)

## Government agencies

- **U.S. Federal Trade Commission**  
The FTC oversees the operation of credit bureaus and maintains a database of identity theft cases used by law enforcement agencies for investigations  
Consumer Response Center: (877) ID-THEFT,  
or online at [www.ftc.gov](http://www.ftc.gov)  
ID Theft hotline: 877.438.4338, or online at [www.ftc.gov/idtheft](http://www.ftc.gov/idtheft)
- **FTC Identity Theft Affidavit Instructions and Form**  
[www.ftc.gov/bcp/edu/resources/forms/affidavit.pdf](http://www.ftc.gov/bcp/edu/resources/forms/affidavit.pdf)
- **U.S. Postal Inspection Service**  
Call the U.S. Post Office to obtain the phone number of the nearest postal inspector: 877.876.2455  
Criminal Investigations Service Center, Attn: Mail Fraud,  
222 S Riverside Plaza, Ste. 1250, Chicago, IL 60606  
[postalinspectors.uspis.gov](http://postalinspectors.uspis.gov)

## Checking Account Fraud

In addition to reporting checking account fraud to your financial institution, you can report it to these agencies that monitor checking account transactions:

- **ChexSystems**  
800.428.9623  
Chex Systems, Inc., Attn: Consumer Relations,  
7805 Hudson Rd., Ste. 100, Woodbury, MN 55125  
[www.chexsystems.com](http://www.chexsystems.com)
- **TeleCheck**  
800.710.9898  
TeleCheck Services, Inc., Attn: Forgery Department,  
P.O. Box 4451, Houston, TX 77210  
[www.telecheck.com](http://www.telecheck.com)

## Credit card opt-out

- **To opt out of receiving pre-approved credit offers:**  
888.567.8688  
[www.optoutprescreen.com](http://www.optoutprescreen.com)

## Action Log: Financial Institutions

Financial Institution	Action	Yes/no	Date	Report #	Notes (phone, email, extension, etc.)
	Stop payments				
	Report check fraud				
	Cancel accounts				
	Change account #s and passwords				
	Stop payments				
	Report check fraud				
	Cancel accounts				
	Change account #s and passwords				
	Stop payments				
	Report check fraud				
	Cancel accounts				
	Change account #s and passwords				
	Stop payments				
	Report check fraud				
	Cancel accounts				
	Change account #s and passwords				

## Action Log: Credit Accounts

Creditor	Action	Yes/no	Date	Report #	Notes (phone, email, extension, etc.)
	Report fraud				
	Send affidavit				
	Change account #s and passwords				
	Report fraud				
	Send affidavit				
	Change account #s and passwords				
	Report fraud				
	Send affidavit				
	Change account #s and passwords				
	Report fraud				
	Send affidavit				
	Change account #s and passwords				
	Report fraud				
	Send affidavit				
	Change account #s and passwords				
	Report fraud				
	Send affidavit				
	Change account #s and passwords				
	Report fraud				
	Send affidavit				
	Change account #s and passwords				

## Action Log: Bureaus & Agencies

Bureau	Action	Yes/no	Date	Contact person	Notes (phone, email, extension, etc.)
Equifax	Obtain report				
	Fraud alert				
Experian	Obtain report				
	Fraud alert				
TransUnion	Obtain report				
	Fraud alert				

Bureau	Action	Yes/no	Date	Contact person	Notes (phone, email, extension, etc.)
FTC	Report crime				
	File report				
Police Dept.	Report crime				
	File report				
USPIS	Report crime				
	File report				
DMV	Report crime				
	File report				

## Action Log: Other Contacts

[illegible]



## Glossary

**Account takeover** – When an identity thief uses your personal information to convince a financial institution to give him or her full control of your account.

**Affidavit of factual innocence** – A legal document issued by a court, stating that you're innocent. You may need one of these if you've been wrongfully arrested as a result of identity theft.

**Affidavit of forgery** – A legal document that states that a certain signature is not yours, but a forgery.

**Check washing** – A method identity thieves use to commit check fraud. They dip a check in acetone, which washes the ink off so they can write it for a higher amount.

**Credit repair agency** – A company that offers "cleanup" services to remove inaccurate information from your credit report. Often illegal and expensive, they are sometimes called credit clinics.

**Credit reporting agency (CRA)** – Commonly known as credit bureaus, they keep track of credit records, and issue credit reports to those who have a legitimate reason for accessing your credit history.

**DL stop (driver license stop)** – A DL stop is a system that puts a flag on your driver license in the Department of Motor Vehicle's database, to show that your license has been lost or stolen.

**Fraud alert** – A fraud alert is put on your credit report at the CRAs if you become an identity theft victim. It lets potential creditors know that someone may be trying to obtain new credit in your name, so the process will be very closely scrutinized.

**Permissible purposes** – Guidelines set out in the FCRA that outline the allowable reasons for requesting a copy of a credit report. One of those reasons is if you're a victim of identity theft.

**Truncated credit card number** – When all the digits of your credit or debit card number, except for the last four or five, are "x'd" out on a receipt or other document. This is done to protect you from identity theft.

**Victim's statement** – A statement that is attached to your credit report when you think you may be a victim of identity theft. It asks creditors to contact you before opening any new credit accounts, or making any changes to existing ones.



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