

Identity theft has become a major problem in the United States. A survey conducted by the Federal Trade Commission in 2003 revealed that 27.3 million Americans had been victims of identity theft in the preceding five years. That survey also indicated that the victims of identity theft had suffered five billion dollars in out of pocket expenses. A survey by Gartner, Inc. reported that 15 million Americans were victims of some kind of identity theft related fraud in the 12 month period ending in mid-2006.

- Place strong passwords for credit cards, bank accounts and phone accounts.
  - Avoid using easily available information like your mother's maiden name, your birth date, the last four digits of your SSN, your phone number or a series of consecutive numbers.
- Secure your personal information at home.
- Secure your personal information at work.
- Don't give out personal information over the telephone, by mail or over the Internet unless you initiated the contact or you are sure you know whom you're dealing with.
- Guard your mail and trash from theft. Use a crosscut shredder.
  - Promptly remove mail from your mailbox.
  - If you are planning to be away from home and can't pick up your mail, call the U.S. Postal Service at 1-800-275-8777 to request a vacation hold.
  - You can opt out of receiving credit offers (which, when improperly discarded, can be used by thieves) by call calling 1-888-5-OPTOUT (1-888-567-8688).

- When ordering new checks, pick them up from the bank instead of having them mailed to your home mailbox.
- Before you reveal any personal information, find out how it will be used and secured and with whom it will be shared.
- Keep your Social Security card in a secure place and give your Social Security number only when necessary.
  - Limit the identification information and the number of credit cards and debit cards that you carry.
- Keep your purse or wallet in a secure location.
- Practice secure computing.
- Promptly review bank statements and credit card bills.
  - Promptly notify financial institutions of any discrepancies.
  - Make sure when receiving an electronically printed credit card receipt from a business that the receipt only has the last five digits of the card number and does not have the expiration date.

If you, or someone you know, becomes a victim of identity theft, the following steps should be taken:

- Place an initial fraud alert on your credit reports and review your credit reports.
  - The names and telephone numbers of the credit report companies are:
    - Equifax                      1-800-525-6285
    - Experian                      1-888-397-3742
    - TransUnion                      1-800-680-7269
  - An initial fraud alert stays on your credit report for 90 days.

- Wait one month after the information was stolen before ordering a free credit report because suspicious activity may not show up right away.
- The Fair Credit Report Act requires each of the nationwide consumer reporting companies to provide you with a free copy of your credit report once every 12 months.
  - Visit [www.annualcreditreport.com](http://www.annualcreditreport.com)
  - Call 1-877-322-8228
- Close any accounts that have been tampered with or opened fraudulently.
  - Consult with your financial institution about whether to close bank or brokerage accounts immediately or first change passwords and have the institution monitor for possible fraud.
    - You have 60 days from the date your bank account statement is sent to you to report in writing any money improperly withdrawn.
  - Place strong passwords on any new accounts that you open.
  - If the identity thief has made charges or debits on your accounts, or on fraudulently opened accounts, ask the company for forms to dispute those transactions.
  - For charges and debits on existing accounts, ask the representative to send company's fraud dispute forms.
  - Make sure to write to the company at the address given for "billing inquiries" not the address for sending your payments.

- For new unauthorized accounts, ask if the company accepts the FTC's ID Theft Affidavit form. If not, ask the representative to send the company's fraud dispute forms.
- Once you have resolved the dispute with the company, ask for a letter stating that the company has closed the disputed accounts and has discharged the fraudulent debts.
- File a report with your local police or the police in the community where the identity theft took place-keep a copy of the report.
- If the stolen information includes a driver's license or other government-issued identification, contact the agencies that issued the documents and follow the procedures to cancel a document and get a replacement.
  - Ask the agency to "flag" your file to keep anyone else from getting a license or another identification document in your name.
- If your ATM or debit card was stolen, it is important to remember:
  - If you report the loss or theft within two business days of discovery, your losses are limited to \$50.
  - If you report the loss or theft after two business days, but within 60 days after the transfer appears on your statement, you could lose up to \$500 of what the thief withdraws.
  - If you wait more than 60 days you could lose all the money.
  - Make sure you call the financial institution and follow up in writing, by certified letter.
- Regarding fraudulent checks:

- If your checks are stolen, stop payment, close the account and ask the bank to notify Chex Systems, Inc (1-800-428-9623) or the check verification service with which it does business.
- If your credit card has been stolen the Fair Credit Billing Act limits liability for unauthorized charges to \$50 if you:
  - Write to the creditor at the address given for “billing inquiries,” not the address for sending payments.
  - Send a letter so that it reaches the creditor within 60 days after the first bill containing the error.
  - Send the letter by certified mail.
- File a complaint with the FTC ([www.ftc.gov/idtheft](http://www.ftc.gov/idtheft)).
  - 1-877-IDTHEFT
  - 1-877-438-4338
- Continue to read your financial account statements promptly and carefully and to monitor credit reports every few months in the first year of the theft and once a year thereafter.

While becoming a victim of identity theft can become an extremely aggravating and expensive experience, the risks can be minimized by taking the proper precautions. In addition, people who have become victimized can take remedial measures to limit the damage.