

IDENTITY THEFT: HOW TO PROTECT YOUR CREDIT

The crime of identity theft is simple. A criminal obtains your credit card number, drivers licence number, social security number, ATM card or some other key piece of your identity. The criminal can use the information to use your credit cards, borrow money in your name, clean out your bank accounts and investments, and then move on to the next victim. The results can be disastrous. As a victim of identity theft, you are often left with a bad credit report and on the receiving end of demand letters and calls from collection agencies. It may take you years to correct the damage to the credit that you worked so hard to obtain. Not only will your credit report be affected, you may have trouble getting loans, renting an apartment, leasing a car, or even obtaining insurance. Last year there were over 400,000 reported cases of identity theft, and the number of thefts is on the rise. Listed below are some simple preventive steps to protect your identity and some recommended actions to take if you become the victim of an identity theft.

Preventive steps to protect your identity:

1. Reduce the information you carry on your person. Do not carry any credit cards you do not use, your social security card, bank account numbers, and anything that can be used to identify you that is not necessary for you to carry.
2. Destroy and shred all credit card receipts and solicitations, canceled checks and financial documents before discarding.
3. Check your credit card statements and immediately report unauthorized purchases.
4. Do not release your social security number, mother's maiden name, or any account information over the phone, unless you are sure the business is legitimate.
5. Protect your passwords and PINs. Do not use your social security number, birth date, address or other obvious numbers as your password.
6. If you want to reduce unsolicited credit offers, call toll-free 1-888-5OPT-OUT. This can remove your name from pre-approved credit offers.
7. For security purposes, order your credit report once a year from a credit reporting bureau to check for inaccuracies or fraudulent use of your accounts.
8. Do not leave paid bills in your mailbox for the mailcarrier to pick up. If stolen, your checks can be altered and cashed by an imposter or your important account information used by the identity thief. It is best to mail bills at the post office or another secure location.
9. Do not include your social security number on personal checks or your drivers license.
10. Be careful when using computers. There are virtually no on-line activities or services that guaranty an absolute right of privacy. Therefore, careful consideration should be given before revealing any account numbers on-line.

What to do if you are the victim of identity theft:

1. Report the crime to the police immediately. Give the authorities as much documented evidence as possible. Obtain a copy of the police report so you can send them to your credit card companies, bank, and your insurance company in order to verify the crime.

2. Immediately call all of your credit card issuers. Although your out-of-pocket losses due to identity theft are generally limited to the first \$50 on the loss of a credit card, you should alert the companies as soon as possible.

3. Get replacement cards with new account numbers and ask that the old accounts be processed as “account closed at consumer’s request.” You should also follow-up the request in writing to the companies.

4. Notify your bank of the theft and cancel your accounts in order to obtain new account numbers.

5. You may want to have your social security number changed if your number has become associated with bad checks and credit. The local office of the Social Security Administration should be able to assist you in this matter.

6. Call your telephone, electrical, gas, and water utilities and alert them of the possibility that someone may attempt to open new service using your identification.

7. You may want to change your drivers license number if someone has been using your identification on bad checks. The Department of Motor Vehicles can assist you in this matter.

8. Do not pay any bill which is a result of identity theft. Your credit should not be permanently affected and you should not be held responsible for most identity thefts.

9. You may want to consider seeking legal counsel, especially if you have difficulty resolving the bad credit history. We can assist you in recovering from the fraud and determine whether your rights under various credit, financial, social security number and other laws have been violated.

Preventive measures can reduce the risk of falling victim to these pirates of the technology age. Protect your identity whenever possible. If you become the victim of identity theft, act quickly to reduce the damage to your credit and to correct the problem.