

INFORMATION

IDENTITY THEFT!

What is identity theft?

Identity theft is the taking of a victim's identity to obtain credit or credit cards from banks and retailers, steal money from the victim's existing accounts, apply for loans, establish accounts with utility companies, rent an apartment, file bankruptcy, or obtain a job using the victim's name. In short, identity theft occurs when someone appropriates your personal information without your knowledge to establish a parallel identity. The impersonator steals thousands of dollars in the victim's name without the victim even knowing for months or even years. Recently criminals have been using the victim's identity to commit crimes, ranging from traffic infractions to felonies. Identity theft is now the #1 nonviolent crime in the U.S. The Federal Trade Commission reports that I.D. theft incidents have doubled in one year.

How does the imposter take your identity?

It is easy. All that is needed is your Social Security number, your birth date, and other identifying information, such as your address and phone number and whatever else the imposter can find out about you. With this information and a false driver's license with the imposter's own picture, he or she can begin the crime. The person applies for instant credit, in person or through the mail, posing as you, and providing a new address, claiming to have moved. Negligent credit grantors, in their rush to issue credit, do not verify information or addresses. So once the imposters open the first account, they can use this new account along with the other identifiers to add credibility. This allows them to pretend to be you to open bank accounts and apply for loans, for example, and you may not know it is happening. The impostors don't pay the bills and you are left with a disastrous credit report.

How to prevent theft

Listed below are some suggested ways in which your privacy could be protected, but please note that these protective measures will not guarantee that a criminal will not get access to your credit from a less-than-cautious credit grantor.

- ❖ Shred all important papers and correspondence with your name and/or address on them—especially preapproved credit applications received in your name. Don't forget to shred your credit card receipts. Take them with you. Never toss them in a public trash container.
- ❖ Be careful of "dumpster divers." Be sure that you do not throw away anything that someone could use to assume your identity.
- ❖ Be careful using ATMs and phone cards. "Shoulder surfers" can see your pin number and get access to your accounts.
- ❖ Do not put checks in the mail at your home mailbox. Mail theft is common. It's easy to change the name of the recipient on the check with an acid wash.
- ❖ If you possibly can, get a post office box or a locked mailbox.
- ❖ Don't give personal information on the phone, through the mail, or over the Internet unless you

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CROWN FINANCIAL MINISTRIES

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Organizations or resources that may be listed above are not necessarily endorsed by Crown Financial Ministries but are given as possible sources of contact. Make sure any organization you choose provides services and counsel compatible to your convictions and beliefs.

have initiated the contact or know with whom you're dealing. Identity thieves may pose as representatives of banks, Internet service providers, and even government agencies to get you to reveal your Social Security number, mother's maiden name, financial account numbers, and other identifying information. Legitimate organizations have the information they need and will not ask for it.

- ❖ When you are asked for identification by schools, employers, or any other kind of institution, ask to use an alternative to your Social Security number. Unfortunately, your health insurance carrier often uses your Social Security number as your identification number. Try to change that if you can.
- ❖ Cancel all credit cards that you do not use or have not used in six months. Thieves use these very easily; open credit is a prime target.
- ❖ Put passwords on all accounts and do not use your mother's maiden name. Make up a fictitious word.
- ❖ Memorize Social Security numbers and passwords. Do not carry your Social Security card with you or use your Social Security number as your driver's license number.
- ❖ Don't carry a checkbook. Pay by cash or credit card.
- ❖ Don't put your Social Security number on checks or credit receipts.
- ❖ Don't put phone numbers on checks.
- ❖ Don't put your credit card number on the Internet unless it is encrypted on a secured site.
- ❖ Monitor all bank statements for every credit card every month.
- ❖ Order a credit report at least yearly and review it carefully. If you see anything that appears fraudulent, immediately put a fraud alert on your reports by calling the numbers listed under the resources section below.
- ❖ Immediately correct all mistakes on your credit reports in writing. Send those letters Return Receipt Requested, and identify the problems item by item, with a copy of the credit report going back to the credit reporting agency. You should hear from them within 30 days.
- ❖ Make a list of all your credit card account numbers and bank account numbers and keep them in a safe place. (Do not keep it on the hard drive of your computer if you are connected to the Internet.)

What victims can do

In identity-theft cases, the victim often has to prove his or her innocence. The burden remains on victims to straighten out the credit mess the imposter has made. This shocks most new identity-theft victims who naturally expect the police, the credit grantors, the credit-reporting agencies, or others in positions of authority to help them. Generally, victims of credit and banking fraud will be liable for no more than the first \$50 of the loss (15 USC 1643). However, the victim must notify financial institutions within two days of learning of the loss. Even though the victims may not be liable for the imposter's bill, they often are left with a bad credit report and have to spend months, or even years, regaining their financial health.

Report the theft to the Federal Trade Commission or FTC at 1-877-ID-THEFT. Or, visit the FTC consumer Web site, www.consumer.gov/idtheft. As a victim of identity theft it is important to act immediately to stop the thief's further use of your identity.

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- ❖ Immediately call all credit card issuers and get replacement cards with new account numbers.
- ❖ File a police report and keep a copy with you at all times. Even if the police can't catch the identity thief in your case, having a copy of the police report can help you when dealing with creditors.
- ❖ Call the fraud units of the three credit reporting companies: Experian (888-397-3742), Equifax (800-525-6285), and Trans Union (800-680-7289). Ask for your account to be flagged, and add a victim's statement to the report. You also can contact the National Fraud Information Center (800-876-7060) for step-by-step instructions on how to proceed.
- ❖ Notify your bank of the theft. Get a new ATM card with a new account number and password.
- ❖ Contact the Social Security Administration (800-269-0271).
- ❖ Report fraudulent checks to Telecheck 1-800-710-9898, Check Rite 1-800-766-2748, National Processing Co. 1-800-526-5380, or Equifax 1-800-437-5120.
- ❖ Create a paper trail of all correspondence and phone calls you make as you attempt to restore your name and financial identity. Keep copies of all documentation.

A portion of this material was adapted from an article by Mari Frank found on the Web site, www.identitytheft.org.

RESOURCES

Credit Bureaus

Equifax—www.equifax.com

To order your report, call 800-685-1111 or write to PO Box 740241, Atlanta GA 30374-0241.

To report fraud, call 800-525-6285 or write to PO Box 740241, Atlanta GA 30374-0241.

Experian—www.experian.com

To order your report, call 888-EXPERIAN (397-3742) or write to PO Box 949, Allen TX 75013-0949.

To report fraud, call 888-EXPERIAN (397-3742) or write to PO Box 949, Allen TX 75013-0949.

Trans Union—www.tuc.com

To order your report, call 800-916-8800 or write to PO Box 1000, Chester PA 19022.

To report fraud, call 800-680-7289 or write to Fraud Victim Assistance Division, PO Box 6790 Fullerton CA 92634.

Federal Trade Commission (FTC)

The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint or to get free information on any of 150 consumer topics, call toll-free, 1-877-FTC-HELP (1-877-382-4357) or use the online complaint form at their Web site, www.consumer.gov/idtheft/info.htm.

ID Theft: When Bad Things Happen to Your Good Name

This booklet is available through the FTC Web site or phone number (see previous paragraph).

Identity Theft Survival Kit

M.J. Frank and Associates provides free information and the sells the *Identity Theft Survival Kit*. Their Web site is www.identitytheft.org. Their phone number is 1-800-725-0807.