

# IDENTITY THEFT



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## Statistics

- ▣ According to the Federal Trade Commission, identity theft is the fastest growing white collar crime in the United States
- ▣ Increasing an average nearly 40 percent per year for the past several years.
- ▣ The Privacy Rights Clearinghouse estimates that each year 800,000 people in the United States are victims of identity theft.

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## What is Identity Theft?

- ▣ Identity theft happens when someone accesses essential elements of a person's identifying information in order to commit theft.
- ▣ This information includes name, social security number, date of birth and mother's maiden name.



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## Identity Theft

### Types of Identity Theft

- Use of personal information
- Fraudulent charges on existing accounts
- Creating new accounts




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### What Do They Do With Your Information?



- Run up existing accounts
- Create new accounts
- Get loans
- Credit card fraud
- Apply for utilities




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### HOW IS IDENTITY THEFT DISCOVERED?

- ✗ Denied credit
- ✗ Receive bills you do not recognize
- ✗ Stop receiving monthly bills, bank statements, etc.
- ✗ Collection calls and letters for unknown debts




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What Should I Do To Avoid Becoming A Victim Of Identity Theft?

- To reduce or minimize the risk of becoming a victim of identity theft or fraud, there are some basic steps you can take. For starters, just remember the word "**SCAM**":




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**What Should I Do To Avoid Becoming A Victim Of Identity Theft?**

- **S** Be **stingy** about giving out your personal information to others unless you have a reason to trust them, regardless of where you are.
- **C** **Check** your financial information regularly, and look for what should be there and what shouldn't.

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**WHAT SHOULD I DO TO AVOID BECOMING A VICTIM OF IDENTITY THEFT?**

- **A** **Ask** periodically for a copy of your credit report. Your credit report should list all bank and financial accounts under your name, and will provide other indications of whether someone has wrongfully opened or used any accounts in your name.
- **M** **Maintain** careful records of your banking and financial accounts.




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## Concerns for the Elderly

- › Considered an “easy” target by criminals
- › May not use credit cards regularly
- › May not receive/review their own mail
- › Unfamiliar with computers/online activity
- › Overly trusting (family, friends, caregivers)
- › May not know they are a victim for some time




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### Federal Law

- **The Identity Theft and Assumption Deterrence Act of 1998** – enacted in October 1998
- Establishes that the person whose identity was stolen is a true victim. Previously only creditors who incurred monetary losses were considered victims.
- Provides penalties up to 15 years imprisonment
- Maximum fine of \$250,000

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### The Victim

- ☐ Victims are scared. They are confused. Their ability to trust anyone has been severely tested.
- ☐ Many victims report that financial, emotional and criminal assault on their good names has either permanently impacted their lives or has continued for years.




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## Victims responsibility

- Call the 3 credit reporting agencies, obtain copies of the credit reports, place a fraud alert, identify open fraudulent accounts and inquiries from companies that have received fraudulent applications.
- Notify affected credit card companies and banks, etc. and obtain account numbers and other pertinent information if possible. Try to get copies of all documents and conversations associated with the account.
- Identify fraudulent home addresses and other information on your credit report.

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### What Can I Do Today?

- Place passwords on your credit card, bank and phone accounts (don't use obvious ones).
- Secure personal information in your home.
- Shred financial and personal documents
- Ask about information security procedures in your workplace.

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### What Can I Do Today?

- ▶ **Be Alert**
  - Mail or bills that don't arrive
  - Denials of credit for no reason
- ▶ **Inspect your credit report**
  - Law entitles you to one free report per year from each nationwide credit reporting agency
  - [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com)
- ▶ **Inspect your financial statements**
  - Look for charges you didn't make

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?????????????????????How can anyone get my information?????????????????????



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Good, old fashioned stealing



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“DUMPSTER DIVING”



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# "Phishing"

- Emails that appear to be from IRS requesting you confirm information
- Emails that are thanking you for a recent purchase (of something you didn't buy)
- Phone phishing

*When in doubt, ask or "call back"*

*Your bank will NEVER ask you for account numbers or passwords if they initiated the communication*

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*How many of you...*

...have your Social Security card in your wallet or purse right now?




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*How do you prevent Identity Theft?*




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### Protect your sensitive information

- Do NOT carry your SSN card with you
- Memorize PINs and passwords
- Beware of promotions that request sensitive information
- Question how SSN or other sensitive data will be used if it is requested by legitimate sources
  - It may not be needed!

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### Protect your sensitive information

- Shred pre-approved credit offers, receipts, bills, other records that have SSN
- Do not provide CC#, SSN, etc. out over email
- Do not click on links in unsolicited emails




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*How many of you...*

...write checks to pay bills  
and then  
put them in the mailbox with the flag up?




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## Modify your mail habits

- ▶ Don't leave mail containing checks or account information in your mailbox
- ▶ Use the post office mailboxes
- ▶ Keep an eye out for bills or statements that aren't received in a timely manner




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### How many of you...

...have noticed fewer and fewer places actually require or check your signature on a credit card?




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## Modify your credit card habits

- ▶ Carry only cards you use regularly
- ▶ Sign the backs of all credit cards (or write "Check ID")
- ▶ Do not loan out your cards to anyone
- ▶ Report lost/stolen cards immediately
- ▶ Keep a copy of both sides of your cards in a safe place

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## Modify your credit card habits

- Check for the "padlock" and/or "https" when purchasing online
- Opt out of pre-approved credit card offers
- Opt out of junk mail
- Shred all pre-approved credit card offers
  - Do not just tear them up!

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## How many of you...

...do not have a firewall  
or  
do not have anti-virus software on your  
computer at home that is up-to-date?




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## Safeguard your computer

- Use a firewall
- Use anti-virus software AND keep it updated
- Use wireless encryption
- Do NOT give out your NetID/password under ANY circumstances
- Lock your computer when you are away from your desk

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*How many of you...*

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...have not checked your credit report in the last 12 months?

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**DETER**  
**DETECT**  
**DEFEND**

*How do you restore your good name?*

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**Steps to Take**

- Immediately close the account and request fraud dispute forms
- File a police report
  - You will need the report number when corresponding with bank/credit card company
- Contact one of the 3 credit reporting agencies to place a "fraud alert" on your file
  - The credit reporting agency is required to notify the other 2 to do the same

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## Steps to Take

- Report the theft to the Federal Trade Commission
- Keep copies of everything and journal all correspondence (date/time/name)
  - Send all written correspondence "certified mail, return receipt requested"
- Know your rights!

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## Credit Card Liability

- ▶ Covered under Fair Credit Billing Act (FCBA)
- ▶ Your maximum liability under federal law for unauthorized use is \$50
- ▶ If you report lost/stolen cards before they are used, your liability is \$0
- ▶ If the loss is only of the card number and not the card, your liability is \$0

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## Debit Card Liability

- Covered under Electronic Fund Transfer Act (EFTA)
- Liability depends on how quickly you report the loss
- It does not matter if you ran it through as "credit"!
- It does not matter if you "signed" rather than used PIN number!




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## Investment Liability

- ❑ There are currently NO federal liability protections against fraudulent use of your investment or retirement accounts!
- ❑ Check with your bank or brokerage to see what they offer for liability protection

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## Deter, Detect, Defend

At Home and At Work

- ▶ Keep your sensitive data secure
- ▶ Monitor regularly for identity theft
- ▶ Act quickly if you think your identity has been compromised

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## Questions



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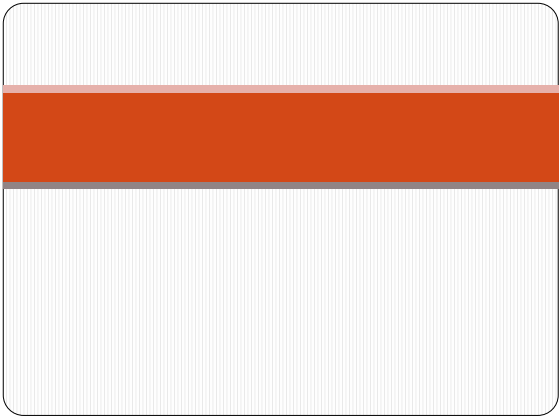
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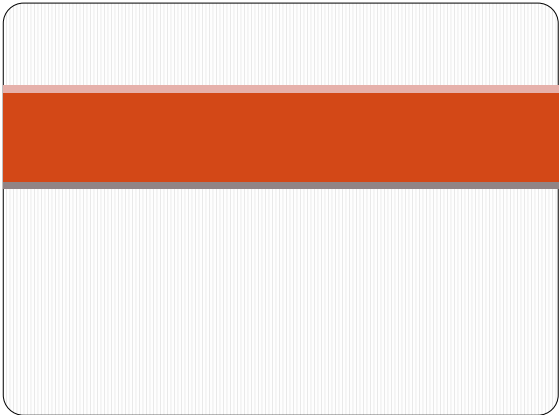
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