

What You May Not Know About Identity Theft

by Debbie Wood

A seminar on this topic will be presented by the ECC at the 2015 International Rally in Farmington.

After reading an article in AARP Magazine about identity theft, I decided to do some research about how to better protect myself and my parents. **I was surprised to find that, contrary to popular belief, most problems are not due to internet usage and presence. Thieves get our information from the most ordinary places: our trash and mailboxes.** Once identity thieves have a few key pieces of personal information, they have wonderful tools available to them on the internet to utilize the information and wreak havoc with our lives.

The article I read in AARP Magazine entitled "She Stole My Life" told about a woman who had her identity stolen to the point that she had trouble proving that she was herself. It got me thinking about what I could do to be better protected. More importantly, it got me to thinking about how to improve my parents' security.

Like the woman in the article, my parents are prime targets. They have no Internet access or presence. They use paper statements for everything. Their statements arrive to an unlocked mailbox. They pay all bills with paper checks. Although they shred financial statements, they throw credit card solicitations and the like in the recycle bin.

Until it happens to you, you might not fully understand the impact of having your identity stolen. On the two occasions that I've had credit card numbers stolen, I spent many hours on the phone resolving the issues and then much more time changing automatic payments to the new cards. Fortunately, the incidents didn't cost me any money. When we had our cell phone number hijacked, we lost use of our cell phone for a week and spent hours getting the \$900 of calls removed from our account. We first had to pay the bill and wait for the fraud investigation to resolve the issue and refund us the money. Significantly, we were out of the country when we learned of the fraud and resulting loss of service.

For other people the impact can be much greater. While the banks, credit card companies and businesses bear most of the cost, you have the job of convincing them that you are the real owner of the accounts and getting your damaged credit repaired. The emotional toil, sense of violation and investment of time required can be tremendous. I don't think that my parents or mother-in-law would be up to the task.

This is why I began my research and decided to share with you what I have found. I know you read articles like this often. But it's worth hearing one more time. Preventing identity theft starts with managing your personal information

carefully, comprehensively and sensibly. I've compiled a few simple recommendations to keep your personal information safe:

1. Protect your Mailbox. A locking mailbox or post office box is the best protection. If you have an unlocked box, then promptly remove mail from your mailbox after it has been delivered. If you're going to be away on vacation or some other travel, have your mail held at your local post office or ask someone you know and trust to collect your mail. Deposit outgoing mail, especially something containing personal financial information or checks, in the Postal Service's collection boxes, hand it to a mail carrier or take it to a local post office instead of leaving it in your home mailbox.

Even better, reduce what comes to your mailbox. If you use a computer, get your statements on-line and eliminate these in your mailbox. On-line accounts also allow you to monitor your activity on a weekly basis rather than waiting until your statement arrives. I saw \$5 charges for a charity I didn't recognize at the beginning of my cycle. I was able to cancel the credit card before the thief made any large purchases. This saved me and the company a lot of extra expense and work and prevented rewarding some ne'er-do-well from profiting.

Lastly, keep new checks out of the mail. Have the bank hold new orders of checks for you to pick up to avoid the chance of the checks being stolen, altered and cashed by identity thieves.

2. Only carry essential documents with you. Don't carry extra credit cards or checks, your Social Security card, birth certificate or passport with you when you leave home. If you are on Medicare, don't carry your Medicare card except to medical appointments since the Medicare number is your Social Security number. Once thieves have your social security number, they can apply for credit cards, take out loans, get duplicate drivers licenses, etc.

3. Keep a list of account numbers, expiration dates and telephone numbers filed away. If your wallet is stolen, being able to quickly alert your creditors is essential to prevent identity theft. If you have a copier handy, do what I did. Take everything out of your wallet and copy the fronts of all cards, including insurances. Then flip them over and copy the backs to get the phone numbers and security codes. This gives you a record and all the information necessary to report the stolen cards.

4. Do not give out personal information over the phone unless you initiated the call. If someone calls from your bank, credit card company or the IRS, remind yourself not to provide personal information over the telephone. Banks, credit card companies and IRS have all the information about you already and have no need to ask for it.

5. Shred your receipts, credit card offers, bank statements, returned checks and any other sensitive information before throwing it away. Thieves known as "dumpster divers" pick through garbage looking for credit card applications and receipts, canceled checks, bank statements, expired charge cards and other documents or information they can use to counterfeit or order new checks or credit cards. If you don't have a shredder handy, do what I do: cut out the addresses and account numbers from the document. Put the documents in recycle and the addresses and numbers in messy trash, (e.g., coffee grounds.)

6. Follow your credit card and bank statement cycles closely. Contact your institution if a bank statement or credit card bill doesn't arrive on time because that could be a sign someone has stolen account information and changed your mailing address in order to run up big bills in your name from another location. You may not be liable for the charges but your credit rating will reflect the missed payments.

7. Establish accounts with Equifax, Experian and TransUnion and get your free credit reports once a year. If you stagger your orders, you can get a free credit report every four months. You should make sure the report is accurate, including monitoring it for unauthorized bank accounts, credit cards and purchases. Also look for anything suspicious in the section of your credit report that lists who has received a copy of your credit history. Identity thieves sometimes will fraudulently obtain credit reports - and valuable details that can be used in a financial scam - by posing as a landlord, employer or someone else who has a legal right to the information.

8. Securely store extra checks and credit cards, documents that list your Social Security number, and similar valuable items. Be extra careful if you have housemates or if you let workers into your home. Don't advertise to burglars that you're away from home. Put lights on timers, temporarily stop delivery of your newspaper, and ask a neighbor to pick up any items that may arrive unexpectedly at your home.

9. Securing your information on the internet is important also. Create passwords or PIN numbers out of a random mix of letters and numbers. Doing so makes it harder for identity thieves to discover these codes, and makes it easier for you to prevent identity theft. If random mixes are too hard to keep track of, think of favorite phrases and then alter them with similar characters to make them difficult to guess. For example, favorite vacation spots like Grand Canyon could become: gR@nDc&ny0N, or Paris in Spring becomes: p@r!51NspR1n9.

10. And what about those security questions that you are required to answer? Thieves can find your mother's maiden name on the ancestry/census records websites, also your siblings names. When you provide answers, use creative names like nicknames that only a family member would know. Make up silly answers to the questions, favorite ice cream flavor: nilly vanilly, first

automobile: heavy chevy. Just remember to keep track of what you use but not in a file on your computer unless it is a **secure password vault**.

No one expects or plans to be a victim. You may be merely inconvenienced by having to replace cards or change bank accounts. It could be more time consuming than expensive. However, like the unfortunate woman in the AARP article that started me on this investigation, you could lose your identity, have your credit rating ruined and spend years trying to restore your accounts, credit, and peace of mind.

Unfortunately, it's not possible to prevent identity theft and credit fraud entirely. Following the precautions outlined here and from other sources may help you manage your personal information more carefully and reduce the chances that you will become a victim of identity theft.