

Identity Theft

According to wikipedia.org, “**identity theft** is a term that is used to refer to fraud that involves someone pretending to be someone else in order to steal money or get other benefits. The person whose identity is used can suffer various consequences when he or she is held responsible for the perpetrator's actions.” Statistics state that this particular crime is surpassing drug trafficking as the fastest growing crime in our nation. Identity theft can occur in approximately five categories which are:

- business/commercial identity theft (using another's business name to obtain credit)
- criminal identity theft (posing as another when apprehended for a crime)
- financial identity theft (using another's identity to obtain goods and services)
- identity cloning (using another's information to assume his or her identity in daily life)
- medical identity theft (using another's information to obtain medical care or drugs)

The FTC estimates that as many as 9 million Americans have their identities stolen each year. We have researched various sources to provide you with tips to help you stay informed and your information protected.

HOW DOES THIS HAPPEN?

Identity theft starts with the misuse of personal information, such as your driver's license, your social security number, credit card numbers or other account information. It could be as simple as not shredding personal documents at home, to not changing your passwords every 60-90 days on your online accounts for people to access your information. The bottom line is that we need to be more aware that this crime is ever present and learn how to protect ourselves. When we have done all we can to protect ourselves, our accounts, our assets, we are that much closer to financial independence. The less we are aware of identity theft the more susceptible we are to its catches.

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WHAT ACTIONS CAN WE TAKE TO PREVENT IDENTITY THEFT?

1. Annual Credit Reports: A credit file disclosure, commonly called a credit report, provides you with all of the information in your credit file maintained by a consumer reporting company that could be provided by the consumer reporting company in a consumer report about you to a third party, such as a lender. It is important to have your credit report run at least once a year. This report is very informative and provides information such as credit cards in your name (both open and closed) and any debt in your name (such as student loans, mortgages, or lines of credit). This report also provides a record of every third party who has received a consumer report about you from the consumer reporting company within a certain period of time. Helpful websites: www.freecreditreport.com or www.experian.com.
2. See ID: On the back of all credit cards you should write “see identification.” Do not leave it blank or with signature only. These are easy ways for a person to impersonate you by either forging your signature or copying your signature from the back of the card.
3. Invest in a shredder: Recycling is a huge part of our society. That being said, we need to take extra time to shred any documents that may have personal data on them. Investment account numbers, social security numbers, dates of birth etc. are all pieces of information that someone can use to impersonate you. Take the extra time to shred all documents that contain any such information.
4. Check your statements: Don’t assume that your statements are correct. Take the time to check and reconcile each transaction. It may be time consuming, but you may find out that it saved you money in the end.
5. Update your passwords: Every 60-90 days your passwords on your online accounts should be updated. It is easier to remember if you only do it once in a while, however it is more difficult to access your information if you are constantly changing your passwords. Do not allow your computer to save your passwords either. Many computers have this functionality and if a person were to breach your computer system, it would not be very difficult to gain access to your accounts. When changing your passwords, think upper case, lower case and number format. Do not use your social security number, date of birth or last name as a prime password.

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6. Limit information on your checks: Never put your social security number on a check. Keep it to the minimum of name and address. It may be convenient to have your driver's license number or social security number imprinted on your personal checks to save some time when you write one, but if it falls into the wrong hands it reveals too much information.
7. Look for the secure lock: When buying online, you may be tempted to go for a deal at a no-name store. This is all well and good. However, always look for the secure lock symbol on the bottom of the page or on the check out page. If it is not there, steer clear of providing your information.
8. Write to the Direct Marketing Association to have your name taken off direct mail lists. This will stop the dangerous flow of preapproved credit card offers to your address. This will help prevent people from taking your junk mail and opening credit cards in your name. That being said, always empty your mailbox. A full mailbox, or one that is not emptied often, is a prime target for thieves. This is where to write: **Direct Marketing Association Mail Preference Service PO Box 643 Carmel, NY 10512.**
9. Identity Theft Protection Programs: Many credit card companies and bank institutions offer identity theft protection programs for a small fee or sometimes no fee at all. Inquire about this to see if you can enroll all your liability instruments in this kind of protection program. If your liability companies do not provide any kind of protection, look into programs such as LifeLock. Lifelock (www.lifelock.com) is an advanced system monitor that manages individual pieces of your identity and helps to give you early notification of potential identity threats. Please note, this product is not available in New York.
10. Stay educated: Becoming a victim of identity theft can happen to anyone. Staying alert and aware helps you stay one step closer to protecting yourself and your financial independence. Websites are a great way to stay educated. www.ftc.gov has updated information to help deter, detect and protect against identity theft.

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RECOVERING FROM IDENTITY THEFT

There are four steps that you can take as soon as you realize you are a victim of identity theft. Follow these steps, as outlined by the federal trade commission and keep a record with details of your conversations and copies of your correspondence.

1. Place a fraud alert on your credit reports, and review your credit reports.

TransUnion: 1-800-680-7289

Equifax: 1-800-525-6285

Experian: 1-888-EXPERIAN (397-3742)

2. **Close the accounts that you know, or believe, have been tampered with or opened fraudulently.**
3. **File a complaint with the Federal Trade Commission.**

You can file a complaint with the FTC using the [online complaint form](#); or call the FTC's Identity Theft Hotline, toll-free: 1-877-ID-THEFT (438-4338); TTY: 1-866-653-4261; or write Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580. Be sure to call the Hotline to update your complaint if you have any additional information or problems.

4. **File a report with your local police or the police in the community where the identity theft took place.**

For more information, please go to:

<http://www.ftc.gov/bcp/edu/microsites/idtheft/index.html>