



March 2008 Newsletter

How About Identity Theft...

One would presume that if I wrote the book and gave emergency presentations that I would be alert to such vital things as identity theft. Well, I thought so too. I carefully shred my mail and I do not freely give out information about myself. But, in January, I had the shock of my life. My business checking account number had been violated. I was a victim of identity theft.

I pay my bills online and I have been very diligent to check those accounts and make sure that they are safe and secure. However, something happened last July that I didn't find out about until this past January.

While I was on a business trip, I paid for my hotel room with a business check. I do not remember why I didn't use a credit card. I just didn't. Someone copied my information from my check and signed up for an online service using my routing number and checking account number, the two numbers on the bottom of the check. They were very tactful to not make big purchases. I was billed \$9.95 per month from the same company, for the same online service.

I checked my bank statement each month and saw the \$9.95 charge, which is the same charge I receive monthly for an online business service I use. However, since I have been busy (not a good excuse), I scanned over the online bank statement and never once saw that I had two identical charges. However, in January, for the first time, I saw both charges for \$9.95 came up on the same page.

One charge was from a known business and the other charge was from a generic company I was not familiar with. To make the long story short, I had to do the following:

- Contact my bank.
- Sign investigation forms.
- Close my business account.
- Open up a new business account.
- Order new checks.
- Change my merchant account banking protocol for my website bookstore.
- Change direct payment information on accounts that were paid for by my business checking account.

All in all it took two weeks to make all of the changes. In the mean time, the bank investigated the company using my checking account number and found out that it was a third party processing company for an online porn site. I was mortified.

I am grateful that my losses were less than \$70. I have heard of cases where thousands of dollars were stolen over a period of months. Since this is such a fresh experience for me, I thought this would be a good time to investigate the topic of identity theft for the newsletter this month.

Deter - Detect - Defend - AVOID Theft.

From The Federal Trade Commission

Although most of the contacts listed in this newsletter refer to American organizations, I still feel much of the details apply to everyone, including our international readers.

DETER Identity Thieves:

- Shred all document with your personal information attached.
- Protect your Social Security number. Don't carry it in your wallet, write it or print it on your checks. Offer some other form of identification when asked for your Social Security number.
- Don't give out personal information to anyone on the phone or over the Internet unless you know who you are dealing with.
- Don't use an obvious password like your birth date or your mother's maiden name, or the last four digits of your Social Security number.

DETECT Suspicious Activity by Monitoring Your Financial Account and Billing Statement.

Be alert to these signs that require immediate attention:

- Bills that do not arrive on time.
- Unexpected credit cards or account statements.
- Denial of credit for no apparent reason.
- Calls or letters about purchases you didn't make.

DEFEND Against Identity Theft As Soon As You Suspect It.

- Place a "Fraud Alert" on your credit reports. (See contact numbers below).
- Close accounts that have been tampered with.
- File a Police Report.
- Report the theft to the Federal Trade Commission - Online at: ftc.gov/idtheft or by phone: 1-877-438-4338.

Common Ways ID Theft Happens:

Skilled identity thieves use a variety of methods to steal your personal information:

- **Dumpster Diving.** They rummage through trash looking for bills or other papers containing your personal information.
- **Skimming.** They steal credit/debit card numbers by using a special storage device when processing your card.
- **Phishing.** They pretend to be a financial institution or company and send spam or pop-up messages to get you to reveal your personal information. They can also call you and pretend to be your bank.
- **Changing Your Address.** They divert your billing statements to another address by submitting a "change of address" form in your name.
- **Old Fashioned Stealing.** They can steal wallets, purses, mail, personal records from an employer, or bribe employees who have access.

- 90% of most fraud takes place through traditional channels, rather than on the Internet.
- 30% of identity theft arises from lost or stolen wallets, checkbooks and credit cards.
- Almost half (47%) of all identity theft is perpetuated by friends, neighbors and relatives, or someone known to you.
- The 65+ demographic age group has the smallest rate of identity theft.
- to 44 demographic age group has the highest average fraud amount.

If your identity has been violated, call the three national credit reporting organizations immediately to place a fraud alert on your name. Also call the Social Security fraud line. If your card is used after the fraud alert is in place, you must be contacted by phone to authorize any new purchases.

Those contacts are:

- 1) Equifax: 800 525-6285
- 2) Experian: 888 397-3742
- 3) Trans Union: 800 680-7289
- 4) Social Security Administration
Fraud line:800 269-0271

Since this week is National Procrastination week, Why not take a personal safety quiz!
You can access it at www.idsafety.net

Laurie's Favorite Stuff

You may have heard about identity theft protection services. There are several on the market, so check them out carefully. I like to check out new businesses at: www.ConsumerCompare.org.

The actual link to the information about theft protection services is:
www.nextadvisor.com/identity_theft_protection_services/index.php

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