

FINANCIAL FRAUD – IDENTITY THEFT

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In my 25 plus year career in the financial services industry, there have been many changes that affect both the consumer and the business providing financial services. One of the most dramatic changes has happened in the areas of financial fraud directed at either the financial institution and individuals or businesses using various financial services.

It was not too many years ago that the exposure to loss was normally limited to receiving a “bad check”. While those exposures to loss still exist, there are much larger risks for loss including one of the fastest growing types of financial fraud – identity theft. Identity theft involves crooks assuming your identity by applying for credit, running up huge bills, and stiffing creditors – all in your name.

The American Bankers Association offers these important steps to protect your identity:

1. Order copies of your credit report once a year to ensure they are accurate. You can call each of the three national credit-reporting agencies because each may contain different aspects of your credit history, or you can contact the Annual Credit Report Service for one free credit report each year.

AnnualCreditReport 1-877-322-8228 or annualcreditreport.com
Equifax 1-800-685-1111 or equifax.com
Experian 1-800-311-4769 or Experian.com
TransUnion..... 1-800-916-8800 or transunion.com

2. Keep an eye on your account throughout the year by reading your monthly/periodic statements thoroughly. Check that all of the activity in your accounts was initiated by you.

3. Tear up or shred pre-approved credit offers, receipts and other personal information that link your name to account numbers. Don’t leave your ATM or credit card receipt in public trash cans. Crooks have gone through trash to get account numbers and information to get credit in your name.

4. When you pay bills, don’t put them in your mailbox with the red flag up. That’s a flashing neon light telling crooks to grab your information. Use a locked mailbox or the Post Office instead. Use of electronic bill payment, e-statements and other similar options where paper is not used can provide additional protection.

5. Protect your account information. Don't write your personal identification number (PIN) on your ATM or debit card. Don't write your social security number or credit card account number on a check. Cover your hand when you are entering your PIN number at an ATM.

6. Never provide personal or credit card information over the phone, unless you initiated the call. Crooks are known to call with news that you've won a prize and all they need is your credit card number for verification. Don't fall for it. Remember the old saying, "if it sounds too good to be true, it probably is."