



The Basics

10 ways to stop identity theft cold

The reformed thief who wrote 'Catch Me If You Can' offers insights into the prevention of a crime that's easier to commit than you would think. One tip: Don't think it can't happen to you.

By Bankrate.com

Identity theft again tops the list of consumer complaints, according to a new report from the Federal Trade

Commission. Frank W. Abagnale, a reformed thief, is a respected authority on identity theft and other forms of fraud. His book, "Catch Me If You Can," which details his criminal escapades, is the latest Steven Spielberg movie and stars Leonardo DiCaprio as Abagnale. Frank Abagnale wrote this commentary for Bankrate.com.

Identity theft is one of those things you're probably not very concerned about if it hasn't happened to you. But, in my career, I don't know of any crime that's easier -- and easier to get away with -- than identity theft.

In 2001, there were approximately 500,000 identity theft victims; that's people who actually filed a police report. It cost banks and credit-card companies about \$5 billion because they ultimately pick up the tab.

But the consumer doesn't get away scot-free. The average victims will spend \$1,374 and 175 hours cleaning up their credit

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reports. That's a great deal of time and money out of their own pockets.

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It's so simple to assume someone's identity today. If you go to the grocery store and write a check for \$52, the check has your full name and address, and maybe your phone number. It also has the full name and address of the bank where the check is drawn, as well as your account number. Maybe the clerk asks for your driver's license number, which in 19 states is your Social Security number.

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So, they write your Social Security number on the face of the check, then they ask for a date of birth and a work phone number. Now they can call and find out where you're employed.

Hundreds of eyes

Hundreds of people can see this check: people at the grocery store and the check-clearing house. Then it goes back to the payee bank, and if you don't get your checks in your statement, it goes to a company that shreds them. (We hope they get shredded and don't make copies.) So much information on just that little piece of paper, and that's just one way.

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ID theft started years ago with, "If I can get enough information, I can apply for a Visa. I'll use the card for two weeks and throw it away." But now it's, "If I can get enough information, I can get a cell phone, I can get a car, a mortgage, I can go to work for a company under contract labor and have somebody else pay the taxes."

Criminals realize it's the simplest scam in the world. No one has to see your face or know who you are.

Equifax
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Only amateurs hack into computers; pros hack into people. If I want a database in a bank, I'm not going to break into their database when all I have to do is sit in front of a bank where people are smoking, walk up to someone and ask where they work in the bank. Then I say, "How would you like to make a lot of money? Give me this information off the screen and I'll give you \$5,000."

If you did that to 10 people 25 years ago, two would say yes and eight would report you. People had more ethics and character then. Now, if I can do it and get away with it, it's OK. It's a lot easier to approach someone and get the information than break into the database.

We live in a time when if you make it easy to steal from you, chances are someone will.
Consumers have to be much smarter.

10 tips to prevent identity theft

Identity thieves rob more than 500,000 Americans every year. These steps will help you reduce your risk of identity theft.

1. Guard that Social Security number

The most important step is to guard your Social Security number -- it is the key to your credit report and banking accounts and is the prime target of criminals. Do not print your Social Security number on your checks. After applying for a loan, credit card, rental or anything else that requires a credit report, request that your Social Security number on the application be truncated or completely obliterated and your original credit report be shredded before your eyes or returned to you once a decision has been made. A lender or rental manager needs to retain only your name and credit score to justify a

decision.

2. Monitor your credit report

Credit reports can alert you to activity in your financial records. A monitoring service, such as [Privacy Guard](#), will notify you whenever someone applies for credit in your name or checks your credit history. You then can be proactive; call the person and ask, "Why are you checking my credit?" It might be a landlord or employer; it might be legitimate.

3. Buy a shredder and use it

Identity thieves may use your garbage to obtain personal information. Shred all old bank and credit statements, as well as "junk mail" credit-card offers, before trashing them. Use a crosscut shredder -- they cost more than regular shredders but are superior.

4. Remove your name from marketing lists

The three credit-reporting bureaus -- [Equifax](#), [Experian](#) and [TransUnion](#) -- all maintain marketing lists that may contain your information. Contact the agencies to remove your name from the lists. You also should add your name to the name-deletion lists of the [Direct Marketing Association's](#) Mail Preference Service and Telephone Preference Service used by banks and other marketers. Removing your name from these lists reduces the number of pre-approved credit offers you receive.

5. Watch what you carry in your wallet

Do not keep your Social Security card in your wallet or carry extra credit cards or other important identity documents except when needed. These documents can give thieves ready access to your accounts.

6. Keep duplicate records

Place the contents of your wallet on a photocopy machine. Copy both sides of your license and credit cards so you have all the account numbers, expiration dates and phone numbers if your wallet or purse is stolen.

7. Mail payments from a safe location

Do not mail bill payments and checks from home. They can be stolen from your mailbox and washed clean in chemicals. Take them to the post office.

8. Monitor your Social Security activity

Order your [Social Security Earnings and Benefits statement](#) once a year to check for fraud.

9. Monitor your credit-card activity

Carefully examine your credit-card statements for fraudulent charges before paying them. If you don't need or use department-store or bank-issued credit cards, close the accounts.

10. Know who you are talking to

Never give your credit-card number or personal information over the phone unless you have initiated the call and trust that business.

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