

When You Aren't Really You

Take Steps Now to Protect Yourself from Identity Thieves

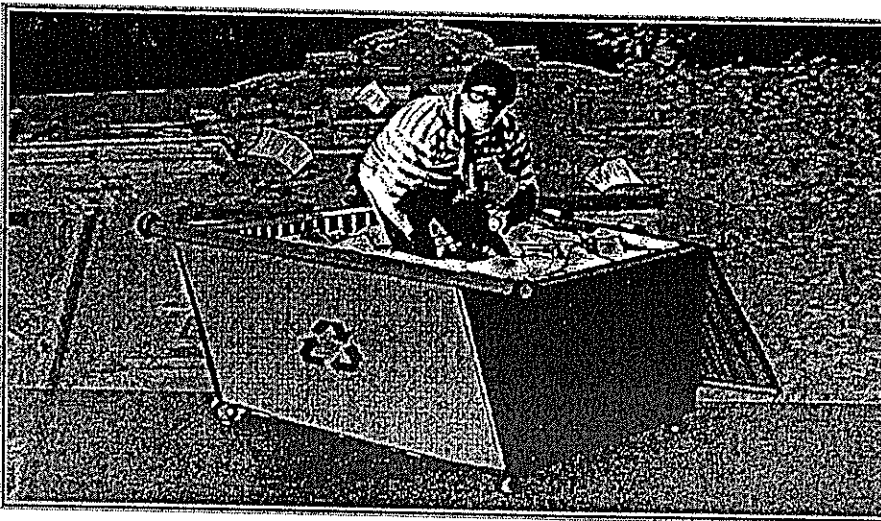
By GINA M. BARRY, Esq.

You may feel that no one could be like you. You may feel, rightfully so, that your identity is unique. Nonetheless, an identity thief may be masquerading as you and wreaking havoc with your finances.

Identity theft is on the rise. This occurs when someone appropriates your personal information, without your knowledge, to commit fraud or theft. Many people in business, sports, and entertainment have fallen victim to identity thieves, including those considered financially savvy, and the number of victims is growing.

According to Timothy J. Muris, chairman of the Federal Trade Commission, as reported on the commission's Web site, identity theft was the number-one consumer fraud complaint received by the commission in 2001, and 2002 was certainly shaping up to be equally frightening.

Although many people feel that they adequately safeguard their personal information, identity theft is increasing. This surge in complaints is no surprise, because identity thieves are cunning and devious. They may steal wallets and purses containing identification, credit, and bank cards, or they might steal personal mail, targeting bank and credit card statements, pre-approved credit offers, telephone calling cards, and tax information. They may complete a "change of address form" to divert mail to another location. They may access business or personnel records, find personal information shared on the Internet, or obtain personal information from applications for goods, services, or credit. They may even fraudulently obtain credit reports by posing as a



landlord or an employer. Finally, they may rummage through personal trash, or the trash of businesses, looking for personal data in a practice known as "Dumpster diving."

Once an identity thief has obtained your information, he or she generally calls your credit card issuer and, pretending to be you, requests a mailing address change on your credit card account. The thief then charges on your account, with no intent of paying the bill, and since the bills are being sent to a fraudulent address, it may take some time before you realize the problem.

Using your personal information, identity thieves may open a new credit card account or take out an auto loan in your name, then neglect to pay the bills. The delinquent account is then reported to the credit reporting agencies, which causes severe problems for you. Identity thieves may also establish telephone or wireless service in your name or open a bank account and write bad checks on it. They may even file for bankruptcy under your name in order to avoid paying the debts that they have incurred under your name, or to avoid eviction.

There are several things to keep in mind to help prevent iden-

tity theft. Before revealing any personally identifying information, find out how it will be used and whether it will be shared with others. Do not give out personal information on the phone, through the mail, or over the Internet unless you have initiated the contact. Remember that legitimate organizations with which you do business have the information they need and will not ask you for it. Be aware that often identity thieves may pose as representatives of banks, Internet service providers, and even government agencies to get you to reveal personal information. Don't allow yourself to be fooled.

Steps should also be taken to guard your mail from theft. Be sure to deposit outgoing mail in post office collection boxes or at your local post office, rather than leaving items in your mailbox. Also, you should always promptly remove mail from your mailbox after delivery, and if you are planning to be away from home, arrange to have the U.S. Postal Service hold your mail.

With regard to credit accounts, you should maintain a record of the billing cycles. If your bills do not arrive or come late, follow up with the creditor. A missing credit card bill could mean an identity

thief has taken over your credit card account, including changing the billing address as previously described.

Better still, sign up for online payment of your credit cards and stop delivery of paper statements. In addition, passwords should be established regarding credit card accounts, as well as bank and phone accounts. When selecting a password, avoid using easily available information or a series of consecutive numbers. It is also

wise to minimize the number of cards you have to what you actually need.

Be cautious about where you leave personal information in your home, especially if you have roommates, employ outside help, or are having service work done. A fireproof safe is recommended to safeguard the storage of personal information at home.

Thwart a "Dumpster diver" by shredding charge receipts, copies of credit applications, insurance forms, physician statements, bank checks and discarded statements, expired charge cards, and credit offers you get in the mail. Basically, you should destroy everything that includes your name or an account number when you throw it out, including catalog covers.

It is good to make a habit of ordering a copy of your credit report from each of the three major credit reporting agencies every year to ensure that it is accurate and includes only those activities you've authorized. Massachusetts residents are entitled to one free credit report per calendar year. It is easiest to maintain a form letter that you can mail each year with your request. Make a habit of doing this with each passing birthday to

avoid forgetting.

Sometimes, even the most cautious person finds himself or herself the victim of identity theft. If this happens to you, immediately contact the fraud departments of each of the three major credit bureaus to report the theft, and request that a "fraud alert" be placed on your file. Such an alert will notify credit companies that they should verify any new credit applications with you prior to their approval. Contacting the three major credit reporting companies is relatively simple. Their names and telephone numbers are as follows:

Equifax: (800) 525-6285

Experian: (888) 397-3742

Trans Union: (800) 680-7289

For any accounts that have been fraudulently accessed or opened, you should contact the security department of the appropriate creditor or financial institution, report the activity, and close the account. You should then file a report with the police and retain the report number for future proof of the crime. You should also contact the Identity Theft Clearinghouse toll-free at (877) ID-THEFT (877-438-4338) to report the theft. Counselors there will record your complaint and advise you on how to deal with the credit-related problems that could result from identity theft.

Finally, you should complete an ID Theft Affidavit. This form

is used to report information to multiple companies, thereby simplifying the process of alerting companies where fraudulent accounts were opened. Developed by the Federal Trade Commission in conjunction with banks, credit grantors, and consumer advocates, the ID Theft Affidavit is accepted by participating credit issuers, retailers, banks, and other financial institutions, simplifying the notification process.

Identity theft is real, and its effects are extremely destructive. This is a serious crime, and preventative measures offer the best consumer protection.

Faithful adherence to these measures is the best insurance to prevent someone from pretend-

ing to be you. Be sure that you keep a close eye on your accounts, and regularly solicit and carefully scrutinize a copy of your credit report. But if the worst happens and you fall victim, be sure to take prompt action to curtail the damage that an identity thief can inflict. ♦

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