

HVHS Credit Union – Education Series

Identity Theft & Check Fraud

The HVHS Credit Union contributes to the financial success of our members.

Sources:

2005 Identity Fraud Research Report, Javelin Strategy & Research, 2005

Federal Trade Commission, www.ftc.gov

Copyright 2005 HVHS Credit Union

Agenda

- Welcome & Introduction
- Overview
- Background
- What is Identity Theft and Check Fraud?
- How does it Occur?
- How to Protect Yourself?
- What to do if it Happens to You?
- Putting it All Together
- Question & Answer

Welcome & Introduction

- The HVHS Credit Union is proud to sponsor this event to better educate members and non-members alike on the sources of identity theft and check fraud and how you may protect yourself
- Paul Fero is the CEO of the HVHS Credit Union and is also part of the Adjunct Faculty of Robert Morris University, LaRoche College and the University of Phoenix teaching in areas of Economics and Finance.

Overview

- Identity theft and check fraud occur from known and/or unknown persons implementing complex and/or simple means to “steal” your identity and/or “steal” your money
- Having a general understanding and taking some simple precautions can save you time and money
- In the end, it’s not about the money (mostly)...it’s about the time and hassle to clear it all up

Background

- In 2004, an estimated 9.3 Million people became victims at a cost of \$54 Billion and 1 in 3 persons have been a victim at some point
- Average per theft value was \$5,700 and while 67% of victims had no out-of-pocket costs, time spend to resolve credit, fraud and other problems as a result of the theft amounted to averaged 28 hours

What is Identity Theft and Check Fraud?

- Identity theft and check fraud is a process of misrepresentation of an individual generally for the benefit of another individual
- These may be one time or on-going occurrences, typically involving living persons but also of deceased persons which may not be readily apparent that it has occurred

How does it Occur?

- Family members, relatives, friends and neighbors constitute over 50% of all fraud
 - As a result, these occurrences tend to lead to greater out-of-pocket costs and more time to resolve
- Over 68% of incidences occur “offline”
 - Lost or stolen wallet, checkbook, or credit card - 29%
 - Friends/acquaintances/relatives with access to information - 11%
 - Accessed as part of an offline transaction - 9%
 - Stolen paper mail/ fraudulent change of address - 8%
 - Taken from garbage - 2.6%
- Online occurrences about 10%
 - Spyware (5%), Computer virus/hacker (2%), and Phishing (2%)

How to Protect Yourself?

- Shred, Shred, Shred – Don't use strip cut shredder
 - Shred everything that has your name and address on it
- Store all “sensitive” information securely
 - From receipts, statements and blank and used checks
- NEVER give personal information to anyone who calls/e-mails you...call the institution back
- Limit use of personal checks and credit / debit cards – use a gift card whenever in doubt
- Be careful of use of personal checks / credit cards in retail outlets – plenty of opportunity
- Have Broadband internet? – You must have a personal firewall and change IP address often

What to do if it Happens to You?

- Notify institutions immediately and block / close accounts
- Visit www.ftc.gov – Invaluable resource for consumers with tons of information in PDF format

Putting It All Together

- If identity theft or check fraud hasn't happened to you yet...you're lucky...take the necessary precautions to prevent it from happening – Being paranoid in this area, isn't a bad thing
- Review your credit report from the three primary reporting agencies (Equifax, Experian, TransUnion) about twice a year – (Daylight Savings Time, for example) to ensure that nothing fraudulent has occurred
- Review every line item of all your statements, at least monthly if not weekly

The End

Q & A