

What to Do If You Are a Victim of Identity Theft

The recent data breach at Equifax, the credit bureau, could affect millions of people across the United States and the globe. It has also highlighted the dangers of identity theft in our increasingly digitized world.

Identity theft is the fastest-growing type of fraud in the United States. Even though we have been much more diligent about protecting our personal information, there are still more than 12 million cases of identity theft in the United States a year, costing in excess of \$21 billion. If you have been the victim of identity theft, there are a few steps you should take immediately to limit any damage to your finances, credit history and reputation, according to Federal Trade Commission, the nation's consumer protect agency.

Immediate Steps

1. Place an initial fraud alert
2. Order your credit reports
3. Create an identity theft report

It is important when you begin the process to also keep a record of all the steps you have taken in case any of your claims are disputed. Some things to keep in mind when creating and keeping your log:

Telephone Calls: Log all telephone calls. Record the date of each call and the names and telephone numbers of everyone you contact. Prepare your questions before you call and write down the answers.

Postal Mail: Send letters by certified mail. Ask for a return receipt.

Documents: Create a filing system. Keep all originals. Only send copies of your documents and reports.

Make a timeline: List important dates, including when you must file requests, a company must respond to you, or you must send follow-up.

Placing an Initial Fraud Alert

When you detect fraud, call one of the three credit reporting companies that keep records of your credit history and ask them to put an initial fraud alert on your credit report. You must provide proof of your identity. The company you call must tell the other companies about your alert. The three companies that keep records of your credit history are:

- Equifax 800.525.6285
- Experian 888.397.3742
- TransUnion 800.680.7289

An initial fraud alert makes it harder for an identity thief to do more harm. An alert on your report means that a business must verify your identity before it issues credit in your name. The initial alert stays on your report for 90 days. It allows you to order one free copy of your credit report from each of the three credit reporting companies.

Ordering Your Credit Reports

After you place an initial fraud alert, the credit reporting company will explain your rights and how you can get a copy of your credit report. Here are the steps:

- Contact each credit reporting company.
- Explain that you placed an initial fraud alert.
- Order your free copy of your credit report.

Creating an Identity Theft Report

An Identity Theft Report helps you deal with credit reporting companies, debt collectors and businesses at which accounts were opened in your name. You can use the report to:

- Get fraudulent information removed from your credit report
- Stop a company from collecting debts that result from identity theft
- Place an extended fraud alert on your credit report
- Get information from companies about accounts the identity thief opened or misused

The 3 Steps to Creating an Identify Theft Report

- Submit a complaint about the theft to the FTC, at www.ftc.gov. When you finish writing all the details, print a copy of the report, which is called an Identity Theft Affidavit.
- File a police report about the identity theft, and get a copy of the police report or the report number. Bring your FTC Identity Theft Affidavit when you file the police report.
- Attach your FTC Identity Theft Affidavit to your police report to make an Identity Theft Report.

Keep in mind when disputing claims that some companies want more information than the Identity Theft Report includes, or want different information. The information you need to provide depends on the policies of the credit reporting company and the business that sent the information about you to the credit reporting company.

Next Steps

Review Your Credit Reports

After you get your credit reports, check for any fraudulent transactions or accounts you aren't already aware of. Also check all key information, including your name, address, Social Security number and employers. If you see errors on the report, like accounts you didn't open or debts you didn't incur, contact the credit reporting companies and the fraud department of each business that reported an error.

Dispute Errors with Credit Reporting Companies

If you find mistakes when you review your credit reports, send letters explaining the mistakes to:

- The three credit reporting companies
- The fraud department of each business that reported a fraudulent transaction on your existing accounts
- The fraud department of each business that reported an account fraudulently opened in your name

If the errors resulted from identity theft and you have an Identity Theft Report, ask the credit reporting companies and businesses to block the disputed information from appearing on your credit reports. The credit reporting companies must block transactions and accounts if you are an identity theft victim.

Other Considerations: Requesting a Credit Freeze

You may want to contact the credit reporting companies to place a freeze on your credit file. A freeze means potential creditors cannot get your credit report. That makes it less likely an identity thief can open new accounts in your name. The cost to place and lift a freeze depends on state law. In many states, identity theft victims can place a freeze for free, but in others, victims must pay a fee, which is usually about \$10. If you have a police report, you may be able to place or lift a freeze for free.

Putting a credit freeze on your credit file does not affect your credit score. But it does mean that your credit history can't be checked. So if you want a business, lender, or employer to be able to review your credit report, you must ask the credit reporting company to lift the freeze. You can ask to lift the freeze temporarily or permanently. You may be charged a fee to lift the freeze.

Source: U.S. Federal Trade Commission

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