



# Protecting yourself against fraud

## Reports on Credit — Issue 8

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You open your credit card bill to find an unpleasant surprise: changes you didn't make totaling hundreds — or thousands — of dollars. Maybe someone stole your card number and is committing credit card fraud. Or maybe you're a victim of identity theft, which means someone stole your personal information and used it to open new accounts in your name. How did this happen? What should you do now?

### **This issue of *Reports on Credit* answers these important questions:**

- How widespread are credit card fraud and identity theft?
- How can you protect yourself?
- What can you do if you become a victim?
- What is Experian doing to protect you?

### How widespread are credit card fraud and identity theft?

Losses to credit card fraud and identity theft are only a small fraction of the total credit card spending in the United States, but that doesn't make it any less overwhelming when it happens to you.

Fraud and identity theft is often committed by family members and friends, but many victims don't know how or why they were targeted. And fraudulent charges to a current account won't show up on your credit report — only on your account's billing statement.

But it's more complex when you become a victim of true identity theft. Even if you're protected financially, you may be forced to spend time and money — filing police reports, gathering information, signing affidavits, etc. — to fight the crime.

And we all pay the costs of fraud and identity theft through higher prices, higher interest rates and increased inconvenience.

### How can you protect yourself?

Here are some things you can do to help prevent fraud:

- Sign your new cards as soon as you get them.
  - Treat your cards like money. Store them in a secure place.
  - Shred anything with your account number or other identifying information before throwing it away.
  - Don't give your card number over the phone unless you initiate the call.
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## Protecting yourself against fraud

- Don't provide credit card numbers, bank account numbers or other identifying information in response to unsolicited email.
- Don't write your card number on a postcard or the outside of an envelope.
- Remember to get your card and receipt after each transaction, and double-check to make sure they're yours.
- Immediately notify your credit card issuer if:
  - Your credit card is lost or stolen.
  - You don't receive your billing statement.
  - Your billing statement is incorrect.
- Request a copy of your credit report at least once a year or subscribe to a credit monitoring service. Your credit report will tell you if someone has applied for credit in your name or used any of your accounts without your knowledge.
- Adding an extended fraud alert to your Experian report  
Keep in mind that having a fraud alert on your report may delay applications for new credit or services as creditors work to verify your identity.
- Instantly analyzing many fraud disputes over the phone so you don't need to supply extensive documentation. If you have a police report, you can block fraudulent accounts from reporting until you can get them resolved with your creditors.
- Resolving most fraud disputes and removing fraudulent information from your credit report within 30 days.
- Removing your name from preapproved offer mailing lists for six months with an initial alert, or five years with an extended alert.
- Automatically sharing your request with the other national credit reporting agencies, Equifax and TransUnion, which will also add a fraud alert to their records. You can then request that they send you a free copy of their credit reports as well.

### What can you do if you become a victim?

In some cases, highly organized, sophisticated fraud rings target specific groups of people. There's not a lot you can do when it comes to that kind of crime — except making sure you're ready to recover if your identity is stolen. Be prepared to complete affidavits and provide information to help creditors determine that an account is fraudulent.

Experian® has specialized fraud services that can help you restore your good credit quickly:

- Providing free reports to credit fraud victims.
- Immediately placing an initial fraud security alert on your credit report. This alert warns potential credit grantors that your identification information has been or is likely to be used fraudulently and asks them to take extra steps to verify any applications made in your name. It also gives you time to determine whether fraud has occurred. The alert is deleted automatically after 90 days.

If you're a victim of identity fraud, visit the Experian credit fraud center online at [www.experian.com/fraud](http://www.experian.com/fraud) to review a copy of your report online or add a fraud alert. You can also call 1 888 EXPERIAN (1 888 397 3742) and follow the prompts to begin the fraud recovery process.

### What is Experian doing to protect you?

- Experian removes your correct Social Security number from credit reports you receive by mail or through the internet.
  - To keep fraudsters from obtaining valuable information, we drop several digits from each of your credit account numbers — or eliminate the numbers entirely — on credit reports we send you. We also eliminate Social Security numbers and account numbers from the reports sold to many credit grantors.
  - To prevent unauthorized access to the credit database, we encourage lenders to use special computer terminals and software that limit access to credit reports. The majority of the credit reports we provide to lenders are obtained through these secured-access terminals or computer systems.
  - Sophisticated software continuously monitors access to the Experian database. When unusual activity occurs, our security and fraud control department investigates immediately. Identity theft is a crime, and we work with law enforcement authorities to catch fraudsters.
  - We build extensive barriers to prevent computer hackers from accessing consumer credit data.
- We offer innovative services to help businesses fight fraud and identity theft by identifying criminals when they apply for credit, including:
    - National Fraud Database<sup>SM</sup> — A database of known fraudulent activity.
    - Fraud Shield<sup>SM</sup> — A service that alerts businesses about discrepancies in credit report identifying information that could signal fraud.
    - Precise ID<sup>®</sup> — A suite of fraud detection and prevention tools businesses use to protect themselves and their customers.

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