

## Coping With ID Theft

Contributed by Martin Sumner  
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Identity theft can be hugely damaging to a victim's credit rating, as their file will invariably be filled with the worst kind of adverse information - unpaid credit bills and bad debts. While prevention is obviously better than cure, and there is plenty of information around on how to help protect yourself against ID theft and fraud, unfortunately many people still fall victim to this most modern of crimes. What should you do if it happens to you?

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The most immediate and urgent step to take is to close all your accounts that you either know or suspect have been compromised, to prevent the thieves making use of them. You should also be sure to tell the providers of the accounts why you're closing them, as the quicker you report ID theft the less your liability will be for any financial damage that results. You could be held liable for any fraud that occurs between discovering your ID theft and notifying your banks, although many major organizations like MasterCard and Visa enforce a maximum liability of \$50.

You should first request closure of your accounts by telephone, speaking to a representative of your bank's security and fraud department, and this will place your accounts on hold blocking any further access until you follow up the request in writing.

Any replacement accounts you open should at the absolute minimum have different account numbers, and should also have different PINs, passwords, and any plastic cards or checkbooks etc should be replaced.

Next, you should place a fraud alert on your credit file by contacting the three major national credit reference agencies - Experian, Equifax and Transunion. This will make it harder for people in possession of your information to commit further fraud. The first kind of alert, an 'Initial Alert' stays on your record for 90 days, and is a way of informing financial companies that there may be a problem either now or in the near future, for example if you've had your wallet stolen.

Having an initial alert on your file will make any credit applications made in your name be subjected to extra scrutiny, minimizing any future damage. You are also entitled to a free credit report from each of major credit reference agencies.

The next kind of alert is known as an 'Extended Alert'. This kind of alert stays on your file for seven years, and is appropriate when you've been a confirmed victim of ID theft. As well as providing longer term protection against further damage to your credit file, an extended alert entitles you to two free reports from each of the three credit reference agencies listed above, which can be

requested within twelve months.

Your details will also be removed from pre-screened credit offers marketing lists for a period of five years, meaning you won't receive any unsolicited offers of credit - and neither will any fraudsters still using your details.

Hopefully these steps will prevent any further fraud being committed in your name, so now it's time to start clearing up the damage. You'll find that banks and other organizations will be very helpful in this, advising you on what forms you need to fill in and what steps you need to take. It's a very good idea to report your case to the police and get a crime number, as this will be needed for most claim forms.

The final step is to report your case to the Federal Trade Commission (FTC) to help them build up better profiles of how ID theft happens and how criminals commit fraud, so making law enforcement agencies better equipped to prevent it happening in the future.

Article Source: [www.webraydian.com](http://www.webraydian.com)

About the author: Martin is a freelance writer currently working for the ID theft information site

<http://www.identity-fraud.org.uk/>