



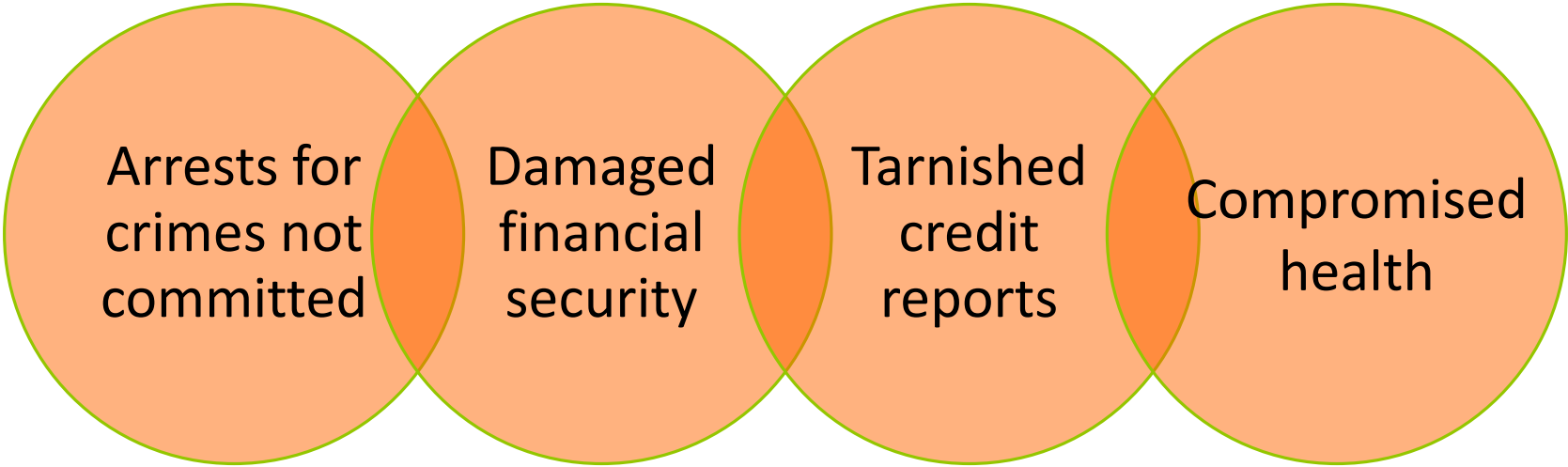
# Protecting Yourself from Fraud

including Identity Theft

Advanced Level

# Fraud

Fraud – an intentional effort to deceive another individual for personal gain



Arrests for crimes not committed

Damaged financial security

Tarnished credit reports

Compromised health

# Common Types of Fraud

## Identity Theft

When another's personal information is used without their permission

## Communications

Occurs via mass marketing, mail, wire, telephone, Internet, etc. to deceitfully get money from people



Identity theft was the largest consumer fraud complaint reported to the Federal Trade Commission in 2010

# Common Types of Fraud

## Credit

Applying for and modifying credit (most common involves mortgages)

## Investment

Investors are deceived by individuals claiming to be financial advisors or have an investment guaranteed to make money

## Tax

Scammers making claims that a person may be exempt from paying taxes



Do you know anyone that has been a victim of fraud?



How does fraud negatively impact financial well-being?



Costs money



Stress



Anxiety



Time

# Solve the Mystery – Act 2



Listen carefully and take notes to help Lucy find the person who stole her identity

# Four Suspects...



The inspector has identified  
4 suspects in Lucy's case

**Colonel Mustard**

Searched through  
Lucy's outgoing mail

**Mrs.**

**Peacock**

Guessed Lucy's  
PIN number

**Mrs. White**

Searched through  
Lucy's discarded mail

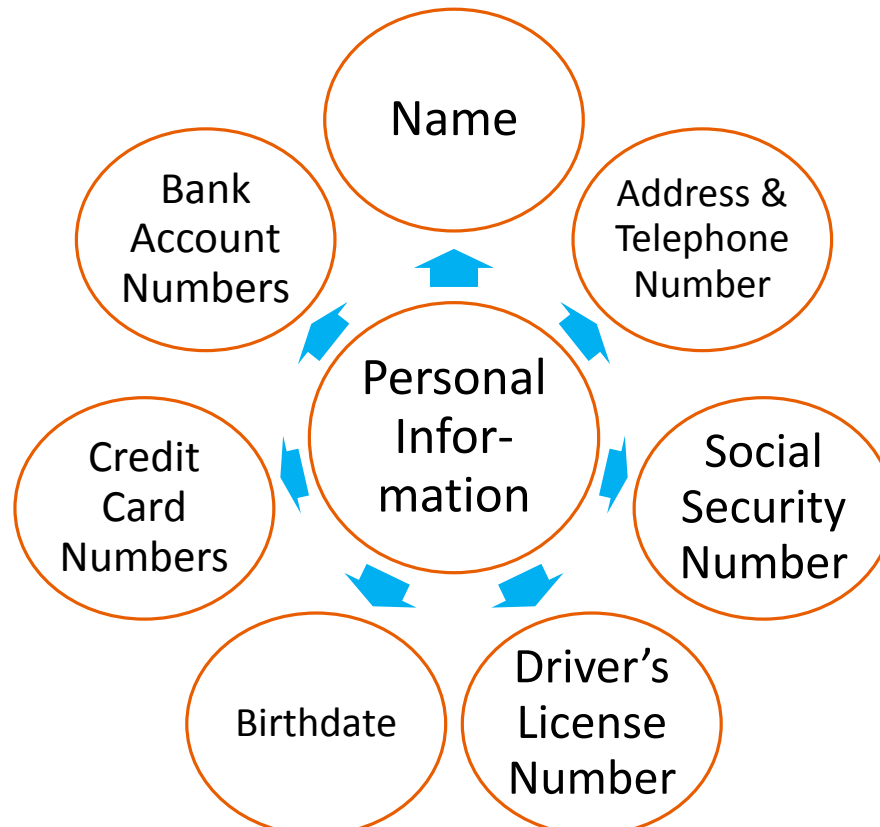
**Professor Plum**

Searched Lucy's online  
banking website



Which type of fraud has been committed against Lucy?

# How Does Fraud Occur?



What can a scammer do if they gain access to your information?



# Personal Information



Search your purses,  
wallets and  
backpacks.  
What are you  
carrying with you  
right now that  
reveals personal  
information?

Drivers  
license

Debit &  
credit cards

Electronic  
devices

Identification  
cards

# How Thieves Access Personal Information

- Stealing a purse, wallet, financial records, mail, etc.
- Diverting mail
- Skimming credit and debit card information
- Phishing for personal information via email
- Hacking a computer to install spyware

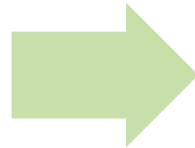


How did the scammer access Lucy's information?

# Protecting Yourself From Fraud

You are better off in a community than by yourself.

- Government creates and manages agencies designed to protect you from fraud



But, you are also responsible for yourself.

- The best way to avoid fraud it to be alert to the risk and protect yourself

# Protect Your Personal Information

- Don't carry your Social Security Card
- Sign credit and debit cards with signature and "Please See ID"
- Memorize and use difficult PIN numbers
- Shred personal documents before discarding them
- Keep personal records in a secure location
- Deposit outgoing mail in a secure post office collection box
- Be careful of what personal information is posted on the Internet

## Check Your Credit Reports

- Immediately dispute errors

## Evaluate Situations

- Verify sources requesting information

## Monitor Financial Information

- Consistently monitor information such as credit statements, depository institution statements, etc

# Be Careful When Using the Internet

Look for  
“https” or a  
picture of a  
lock



Keep  
usernames  
and  
passwords  
safe

Use a credit  
card when  
making online  
purchases

Search for  
your name

Once  
information is  
posted online,  
it can't be  
taken back!

Use privacy  
settings on  
social  
networking  
sites

Use updated anti-virus and anti-spyware software

Practice electronic device safety

Do not click on links found in pop-up advertisements or suspicious email

Watch for strange actions that may indicate spyware

# Credit and Debit Cards

## Credit Cards

Maximum liability is \$50

No liability if a lost card is reported before being fraudulently used

No liability if the card number is used, but not the card itself

## Debit Cards

Liability depends on how quickly the card is reported and depository institution policies

Ranges from \$0-unlimited!



Use a credit card instead of a debit card for online purchases!



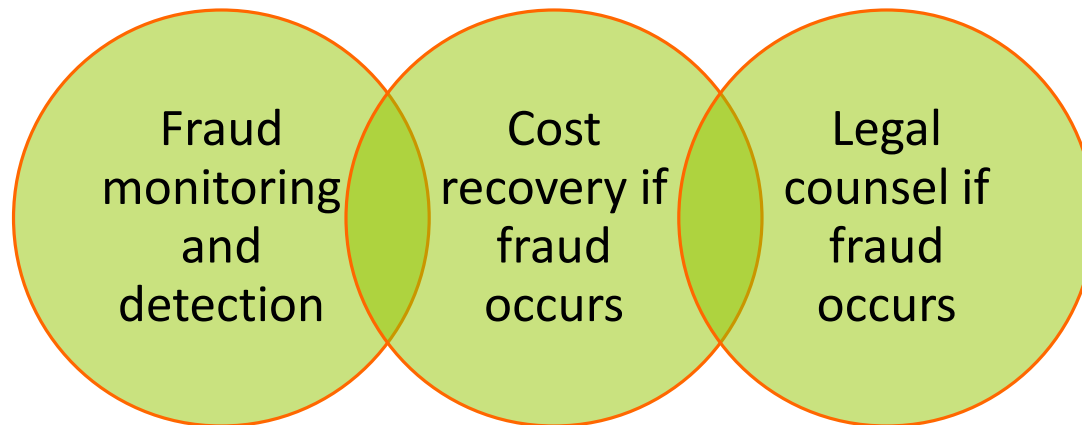


What could Lucy have done to minimize her risk?

- Mail her documents from a secure post office location
- Use a PIN number that is not easy to guess
- Shred documents that contain personal information
- Use secure websites and computers
- Use privacy settings on social networking sites
- Never give personal information out via email

# Fraud Protection Services

Companies may offer various types of services including:



**You are your best advocate!**



Closely evaluate services to know what is covered, fees and company reputation

# Recognize Fraud Early

Act Immediately if...

A business that has taken your money  
won't return your calls

Unfamiliar or unrecognizable charges

You are denied credit

Mail is missing

Errors in your credit report



Could Lucy have recognized the theft earlier?

# If You Are a Victim

Act  
Immediately

Keep  
detailed  
records

File a report  
with your  
local law  
enforcement

Report to the  
appropriate  
federal  
agency



The Stop Fraud website will tell you which agency to report to and provide specific tips depending on the type of fraud



What steps should Lucy take?

# Most Common Government Protection Agencies

Federal Trade Commission

Prevent business practices that are anticompetitive, deceptive or unfair to consumers

Consumer Financial Protection Bureau

Makes markets for consumer financial products and services work for Americans

Federal Drug Administration

Protects the public health

Federal Communications Commission

Regulates interstate and international communication

# Most Common Government Protection Agencies

US Securities  
and Exchange  
Commission

Protect investors and maintain fair, orderly and efficient financial markets

Internal  
Revenue  
Service

Enforce tax laws

Federal  
Bureau of  
Investigation

Protects the United States and its citizens



# Solve the Mystery

Answer Questions Correctly to Earn Clues!

# Who is Lucy's Scammer? – Act 3



Make Your Guess!



**Colonel Mustard**

Searched through  
Lucy's outgoing mail

**Mrs.**

**Peacock**

Guessed Lucy's  
PIN number

**Mrs. White**

Searched through  
Lucy's discarded mail

**Professor Plum**

Searched Lucy's online  
banking website