

Simple Steps You Can Take to Protect You and Your Family From Identity Theft

Joe Delaney

I recently had the chance to hear Frank Abagnale speak and share his story at the 2015 BAM ALLIANCE National Conference. Even if you don't recall his name, you'll probably recognize Frank's story. It was chronicled in Steven Spielberg's 2002 film "Catch Me If You Can," starring Leonardo DiCaprio as Abagnale and Tom Hanks as the FBI agent hot on his heels.

The movie, which I had watched previously, chronicles Abagnale's life on the run impersonating various professionals (the short list includes Pan Am airline pilot, doctor and attorney) and cashing bogus checks along the way. The movie ends at the point in his criminal career where he agrees to work with the FBI in exchange for commuting his sentence. Abagnale is now one of the world's most respected authorities on forgery, embezzlement and document security. He has been associated with the FBI for more than 35 years, and has advised and consulted with hundreds of financial institutions, corporations and government agencies around the world. So, when he shared some simple tips on how to protect yourself from identity theft, I perked up and listened.

Here are the top 10 identity and/or credit protection strategies that I picked up from his extremely instructive talk:

- 1. Credit Cards** – Credit cards often come with fraud protection, so why not risk the credit card company's money instead of your own? Consider using a credit card, not a debit card, for online and other purchases. Although Abagnale did not mention this, his recommendation assumes you are always diligent about paying off your monthly balance. Never, ever carry a credit balance.
- 2. Debit Cards** – Unlike credit cards, debit cards generally do not come with liability protection, so you may want to stop or minimize using them for financial transactions. Think of them as a direct line to your bank account (and its balance).
- 3. Credit Monitoring** – Abagnale does recommend using a credit monitoring service, but it needs to monitor all three credit agencies (Equifax, Experian and TransUnion) and provide real-time notice when there is a possible identity intrusion.
- 4. Micro Shredder** – You should get in the practice of using a micro shredder (not a strip shredder) to dispose of your personal documents, including the cover pages of catalogs and pre-approved credit offers that contain personal information about you.
- 5. Social Media** – Be careful not to share too much information on social media. Abagnale said it's his experience that people freely share too much sensitive information. He cited birthdates, birth locations and sharing to the public (as opposed to "friends") as key areas and information to curtail revealing on sites like Facebook.
- 6. Vacation Plans** – Don't share vacation or personal plans with "friends" on social media. That can represent an opportunity for identity thieves or credit card fraudsters. Rather, post it after you have returned.

- 7. Personal Checks** – Be careful when using personal checks. They contain your checking account numbers, name, address and often more personal and identifying information. Again, it's better to pay by credit card.
- 8. Social Security Number** – Take great care with it. Don't carry it in your wallet, don't write it on checks, and don't give it out unless it is absolutely required.
- 9. Computer Security Updates** – Keep your computers up to date with the latest in anti-virus software, firewall protections and security updates.
- 10. If Your Wallet Is Stolen** – The first step should be to notify your local police department and obtain a copy of the police report. While it is unlikely they will be able to successfully investigate, getting a police report confirming the incident is vital to protecting yourself from fraud. You should also send a copy to the credit reporting bureaus and the credit card companies with which you have accounts.

Sadly, identity theft and attempted credit card fraud are likely no longer a matter of if, but of when. Believe it, and start taking some of these common-sense steps to protect yourself now, before you become an identity thief's next victim.

About Joe Delaney, Managing Director, Lifeguard Wealth, San Rafael, CA

Joe Delaney founded Lifeguard Wealth to help others realize their goals and dreams. As a fee-only financial advisor, he is dedicated to putting clients first. Joe has more than 30 years of financial-industry experience as a CPA and CFO; he has held senior positions with institutional investment and wealth management firms. Since 2001, he has focused his career on creating and executing wealth management strategies for individuals and families. He is licensed to provide investment advisory services, and he holds a BA in economics from Stanford University and an MBA in finance from UCLA Anderson.

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