Protecting yourself from identity theft

It could be a call from a creditor for a loan you never took out, unexplained purchases on your credit card or an unpaid income tax bill for work you haven't done—identity theft can take many forms. Regardless of how criminals choose to use your name and I.D., the results are usually the same: a major loss of money, time and energy trying to restore your good name and credit history.



Before you fall prey to identity theft, protect yourself by:

Shredding personal documents before throwing them out. The recycling of paper has become a blessing for "dumpster divers" who scour recycling bins looking to grab personal information—including your name, address, phone number, banking and credit card information and social insurance number—which can be used to open an unauthorized bank account (so they can write bad cheques), line of credit or even to secure a job. The small investment in a document shredder has the potential to save you a lot of money and hassle down the line.

Getting a lock for your mail box or installing a mail slot that feeds directly into your home. Similar to dumpster divers, many crooks will swipe your mail to gather your information. Some will even go as far as using this data to get new I.D. and then will fill out a change of address form so that mail is diverted away from your current address and sent to the fraudster instead. A direct mail slot into your home is one of the best ways avoid these "mail box muggers" altogether.

Keeping passports and social insurance numbers under lock and key. These days break and enter thieves and pickpockets are stealing more than cash and fancy watches—they may also try and walk away with a piece of you. Though you may need to keep a driver's license in your wallet, any unnecessary pieces of I.D. should be stored in a safe place until needed. If your wallet is lost or stolen, be sure to call the credit card company as soon as possible to put a freeze on transactions and stop a criminal shopping spree in its tracks.

***Not* responding to online requests for personal information** such as bank account numbers or your social insurance number. One of the most common scams online includes the need to verify your banking information for a system "update" or because of a security breach. CAUTION! Your real bank would **never request this information via e-mail or a pop-up.** Other hints it may be a scam: spelling errors in the text or odd language. If in doubt, call your bank directly (not using any phone numbers in the e-mail) and **do not** visit the linked site in the e-mail.

Making online passwords and personal identification numbers (PIN) difficult and changing them frequently. Don't use online passwords that are easy to guess—e.g., your mother's maiden name or partner's name—and be sure to include a mix of capital and lower case letters as well as a number or two to make it more challenging for would-be thieves to guess. When entering your PIN in public, cover the keypad to avoid "spying eyes" picking up your code.

Give only the required information. You might have noticed that a lot of retailers these days are asking you for your phone number, postal code or other unnecessary information. Remember, for the most part you are not required to give out this information which is usually used for marketing purposes, so be selective about the information you share.

Only give credit card information to trusted, well-known online shops that offer secure transmission of information. If in doubt, buy in-person or use the PayPal option if it's available.

Checking your bills and credit card statements for unusual activity. If you're receiving bills for things you didn't buy or are getting calls from creditors for loans or purchases you haven't made, *call the police and file a report immediately*. The police can advise you on the steps you should take to undo any damage caused by the thieves including: closing accounts, cancelling credit cards and contacting credit report companies to note identity theft on your credit history.

Most experts agree that identity theft is becoming a growing problem and that the culprits are becoming more and more sophisticated. Arming yourself with the latest preventative strategies and remaining cautious about how you share personal information can go a long way in ensuring your financial life and identity remain your own.