



Safeguarding Your Financial Security

How to Protect Your Privacy and Safeguard
Against Credit Card Fraud and Identity Theft

Bank of America.



A Fresh Look at Financial Security

What does financial security mean to you? A well-funded retirement plan? Good health insurance? An income sufficient to meet your living expenses? Well, sure, financial security has always meant those things. But today it also means protecting your privacy and knowing that you are guarded against crimes that could rob you of your money, your good credit rating and even your identity.

As science has spawned new and exciting technologies, from online shopping to cell phones the size of playing cards, it also has opened up new opportunities for scams and swindles, from computer hacking to identity theft—the fastest-growing crime in America. Each year, consumers and financial institutions lose hundreds of millions of dollars to credit card and debit card theft by persons pretending to be legitimate users of their cards. While it may not be possible to stop this fraudulent activity entirely, it is possible to protect your privacy and, by doing so, dramatically lessen your chances of becoming a victim.

It All Begins With **Privacy**

Most Americans take privacy for granted; it is ingrained in our culture. But most of our nation's privacy laws protect us against intrusions by the government, not business—which is where many of today's challenges to our privacy originate. Retailers, lending institutions and even manufacturers collect information about where we live, what we eat, how often we travel and, yes, how we pay for our lifestyles. Many routinely sell this information to other companies, universities, charitable organizations and even entities that aggregate and re-sell the data. And contemporary consumer spending habits help to make it all possible: we pay for goods and services over the telephone using credit card numbers, we join “frequent flyer clubs” and other loyalty programs that require us to share information about ourselves and we divulge, in a host of other ways, telling details of our personal and financial lives. With so much information floating around, it's a wonder we have any privacy left at all.

Unfortunately, it isn't just legitimate organizations that make use of our personal information; criminals are only too happy to misuse it when the opportunity presents itself. The good news: you can protect yourself. By understanding how financial fraud and identity theft occur and by working with businesses and financial institutions that respect and safeguard your privacy, you can enjoy financial security and the peace of mind that goes with it.

Helping Business Help You **Protect** Your Privacy

As we've already noted, many companies routinely sell customer information to other organizations. However, federal law requires that financial institutions, including banks, brokerage firms and insurance companies, disclose their policies for sharing this sensitive data and give customers the opportunity to “opt out” of data-sharing activities with nonaffiliated third parties. Because financial security today revolves around protecting your personal privacy, you should be sure

to read the policies of each financial institution with which you do business. You'll find material differences from institution to institution, with important consequences for your privacy. In the banking industry, for example, some banks openly concede that they routinely share nonpublic customer information with nonaffiliated third parties, while others never do.

You should also review what these privacy policies say about guarding your data from fraudulent use—from the company's use of firewalls, antivirus programs and encryption technology in its computer systems to how it governs employee access to customer data. And you should adopt good privacy protection practices of your own. Do not share identification numbers, passwords or PINs with other people, for example, and if you shop or bank online, be sure to change your passwords regularly, sign off of Web sites when you have finished using them and only transact business over Web sites that provide a secure connection.

Preventing Card Fraud and Identity Theft

U.S. consumers use their cards millions of times each day to pay for goods and services worth billions of dollars. And why not? Cards are safer than cash and more convenient than checks. But they aren't foolproof. Thieves can steal cards and use them to make in-person purchases. They can steal card numbers by reclaiming sales slips from the trash or watching over your shoulder when you use your card—and then make fraudulent purchases online or over the telephone. With a stolen number, thieves can create fake, or "white," cards, which have no bank insignia or printing on them but can be run through a card imprinter with the cooperation of an unscrupulous merchant. Thieves also obtain card numbers by stealing credit card statements from the mail, or by posing as telemarketers who tell consumers they've won a prize they can claim simply by providing their card number. Some criminals steal consumer information by placing fraudulent return addresses on credit card applications, so the applications are returned to them instead of a legitimate

financial institution. With the information on the application, thieves can then apply for a card in the applicant's name and have it sent to the address of their choice—a common form of identity theft. There's even a black market for people who buy and sell stolen credit card numbers.

The key to stopping this type of fraud is to stop criminals from stealing your card or card number and other personal information. To do that, practice these simple but effective suggestions endorsed by the Consumer Federation of America.

6 Steps You Should Take **Right Now**

- Sign the back of your credit and debit cards. Do this as soon as you receive a new card. If you have any unsigned cards, sign them now.
- Memorize your PIN. Do not write your PIN on your card or carry it in your wallet or purse.
- Destroy cards you no longer use by cutting them in half and making sure the number is not recognizable.
- Keep a list. In a safe place in your home, maintain a list of your credit card account numbers and the telephone numbers to call if they are lost or stolen.



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- Secure your mailbox. Remove incoming mail promptly. Avoid putting bill payments in your mailbox for pickup by a postal carrier, unless it is a locked box; drop outgoing payments in Postal Service collection boxes instead.
- Review your credit report and correct any errors—and do it again each year at this time. Ideally, you should check your report with each of the three major credit bureaus, Equifax, Experian and TransUnion.

6 Precautions You Should **Always** Take

- Share personal information cautiously, including your Social Security number, driver's license number and credit card numbers. Don't give out information unless you know the party with whom you are dealing.
- Report lost or stolen cards immediately to the bank or other financial institution that issued them.
- Match your receipts to your billing statement each month to make sure you have not been billed for fraudulent purchases. If you spot any suspicious transactions—charges you don't recognize, or duplicate charges—contact your card issuer immediately. Also contact the issuer if your monthly statement does not arrive on schedule.
- Discard card applications that have a sticker for a return address—unless you first verify the address with the financial institution.
- Store card receipts and other important documents you keep in a safe place, including cancelled checks, new checks and account statements. When it is time to throw them out, shred them first. Also shred offers for preapproved credit cards before discarding them.



Report lost or stolen cards immediately to the bank or other financial institution that issued them.

- Practice safe ATM use. Have deposit forms and your card ready when approaching an ATM. If you see anything suspicious, come back later. Keep your car engine running and your doors locked while using drive-up ATMs. When your transaction is complete, pocket your card and any cash and count it later in the safety of your locked car or home.

How to Contact the **Major Credit Bureaus**

Equifax
800.685.1111
www.equifax.com

Experian
888.397.3742
www.experian.com

TransUnion
800.888.4213
www.tuc.com

5 Things You Should **Never** Do



Never lend your card to other people. You are responsible for your own card.

- Do not leave your card in plain view of strangers—on a restaurant table, at a cashier’s stand, or even on the desk in your hotel room.
- Never lend your card to other people. You are responsible for your own card.
- Do not give your card number or its expiration date to anyone offering you a prize or gift, either over the telephone or through the mail.
- Do not carry, on a routine basis, important documents you do not need on a daily basis, such as your Social Security card, passport or birth certificate. If lost or stolen, they could be used by an identity thief. Carry them only as needed.
- Do not imprint your driver’s license number or Social Security number on personal checks.

If you think you have become a victim of identity theft, the nonprofit Privacy Rights Clearinghouse in San Diego advises that you do the following:

- Contact the three major credit bureaus. Have them send copies of your report to you for review, and ask them to place a fraud alert on your credit report.
- Contact your local police department. Insist that they file a report and give you a copy.
- Contact all creditors who have opened fraudulent accounts in your name. Inform them that the account was opened fraudulently, ask them to close it and ask that they send you copies of the account application and any other account transactions.

While it is impossible to guarantee that you will never become a victim of financial fraud, following the commonsense advice in this brochure will tilt the odds in your favor. Your financial security is worth it.

Bank of America is a recognized leader in protecting the privacy of its customers and is committed to promoting financial security for all consumers. For more information, visit Bank of America's privacy Web site at

www.bankofamerica.com/privacy

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