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- Cell Phone Fraud – Part I of II

Stolen or Lost Phone

Stolen or lost phone? Contact your carrier immediately! The convenience of cell phones comes with a cost. And we're not just talking about your average monthly bill. Suppose your phone gets lost or stolen. Did you know that you are actually liable for charges unless you have contacted your phone carrier? These charges can sometimes reach into the thousands of dollars.

Unlike lost or stolen credit cards, whereby banks and issuers will typically absorb most if not all fraudulent charges, calls made on lost or stolen cell phones are usually the responsibility of the account holder. According to a recent report on cell phone fraud in the *San Francisco Chronicle*, a T-Mobile spokesman said "you will be responsible for any charges made prior to reporting the loss or theft." Most wireless carriers follow similar policies. Read the small print in your contract and you will see verbiage stating your liability for unauthorized calls.

That means, the nearly 200 million Americans who are cell phone customers need to keep a close eye on their phones-- even as they get smaller in size and are easier to misplace-- because cell phone companies refuse to make a practice of writing off allegedly fraudulent calls.

What Is Subscriber Fraud?

Another primary type of cell fraud is subscriber fraud. The cellular industry estimates that carriers lose several hundred million dollars per year due to subscriber fraud. Subscriber fraud occurs when someone signs up for service with fraudulently-obtained customer information or false identification. Lawbreakers obtain your personal information and then use it to set up a cell phone account in your name. Resolving subscriber fraud isn't easy for victims. It may take awhile to discover that subscriber fraud has occurred and an even longer time to prove that you did not incur the debts. Call your carrier immediately if you think you have been a victim of subscriber fraud.

This year, over 600,000 cell phones will have been reported lost or stolen. To protect yourself from cell phone theft and paying unauthorized charges, here are five safety tips:

1. Never leave your device unattended. Safeguard your phone like it's your wallet, purse, or laptop.
2. Password protect your device. This way, a thief will be hard-pressed to make unauthorized calls.
3. If your phone gets stolen, start a paper trail. Keep a written record of all your conversations with the carrier. Ask for the customer rep's identification number and an email or written confirmation documenting that the phone was stolen and must be disabled.
4. File a police report. This also provides a written record of the theft; in fact, some carriers may even request this when reporting the loss.
5. You also need to protect your personal information on your cell phone. As these devices become integral to everyday living, from e-mail to storing text messages, you need to be cautious about the kind of personal information that you keep on them. Should personal data like bank information or passwords become compromised, you risk the potential of identity theft.



Prevention Tip - Fraud Alert!

Prevent thieves from stealing your identity and damaging your credit.

If you are a victim of identity theft or believe that your personal information may have been compromised, a fraud alert is an important step in preventing fraudulent accounts from being opened in your name.

A "fraud" or "security" alert is a consumer statement that can be placed on your credit file asking creditors to contact you to verify your identity before issuing credit in your name.

An initial fraud alert is free to all consumers and remains on your credit file for 90 days. To place a fraud alert, contact one of the national credit reporting agencies:

Equifax: 1-800-525-6285
Experian: 1-888-397-3742 or www.experian.com
TransUnion: 1-800-680-7289

Once one of the credit reporting agencies has received and confirmed your fraud alert, they are required to contact the other two agencies and forward on your request. You will also benefit from placing a fraud alert by receiving a free credit report offer from each of the credit reporting agencies after your fraud alert is in place. You have 90 days to accept the free credit report offer.

If you need assistance placing a fraud alert on your credit files, or have questions, please contact Identity Fraud, Inc. at:

1-866-4ID-FRAUD
(866-443-3728)