

When Fraud Strikes

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By Hope Nelson-Pope (*TMF Lucky11*)

It started innocently enough one morning. Each day, I check the balance of my Bank of America ([NYSE: BAC](#)) account and review the most recent transactions, and each day, I'm unsurprised. (Well, not counting the day when the bank accidentally tacked on an extra two zeroes to a quick deposit and added \$10,000 to my account — which was promptly reclaimed. But I digress.)

On this particular morning, though, there was a small but noticeable difference in my final balance to the tune of \$350. Granted, it wasn't a huge figure, but it wasn't the cost of an errant latte, either.

Trust your instincts

At first, I thought that perhaps my husband had purchased a little something special for my upcoming birthday. I almost didn't look for fear I'd spoil the surprise. But I let my curiosity get the best of me and clicked for more information, and there, amid electricity payments and grocery bills, was a bill from "MCI Local Service."

Reasonable enough, right? Except that we don't have local service with MCI. We don't have *any* service with the company. When I called the number to straighten out the whole deal, the phone rang and rang before giving me a "not in service" message. That's when I knew it was larger than a simple clerical error. The likelihood was increasing that I was dealing with a case of identity theft.

Many of us will come face to face with a stolen account number or other form of identity theft within our lifetimes. And once someone has your card or your personal information, it's only a matter of time before he or she taps into it. As soon as you see evidence of such a transaction, you must ...

1. Call your bank immediately. Once I notified my soon-to-be friends at Bank of America, they sent me to their fraud department, where an investigator called the number listed with the transaction. She came back perplexed and gave me a name of another company.

"Ms. Nelson-Pope, have you ever heard of this business before?" she asked. I hadn't. She tried to get in touch with the alleged office. No luck.

Many times, the perpetrator sets up his or her account to make it look like a legit company, with an address and telephone number to match. This way, unsuspecting account holders are unfazed when they catch a glimpse of their bank statement. And truthfully, if I didn't check my account as obsessively as I do, a charge from MCI wouldn't have seemed like *too* big of a deal.

The bank sent me an identity-theft claim form to sign and return and cut the cord to my debit card.



2. Change your debit/credit card number and PIN. Logically, this is a must. But it seems like such a *hassle*. When my husband and I took the scissors to our debit card and waited on the new one to arrive, we trotted out the old checkbook, withdrew some cash from the bank, and reverted to the Old Days. Sure, it was a little bit of an inconvenience, but at least the thieves couldn't get their hands on any more of our money.

So pick up the scissors and take the plunge. Your peace of mind is worth the wait.

3. Keep watch for other inaccuracies. Once you've experienced such vulnerability first-hand, you've gained entry to a not-so-elite group of deputized fraud-watchers. I'm one of them, too — witnessing several hundred dollars float down the drain (albeit temporarily) because of a scam quickly strengthened my account-scouring resolve.

Now what?

After you've got your fraud troubles sorted out, wait a month or two and pull your credit report. Since it takes a little while for your lenders to report any activity, you likely won't find any inaccuracies within the first 30 days, so stay tuned. And, since you've already been hit with a scam, it's a good idea to keep closer tabs on your report in the years to follow — just in case. Even our trusted institutions and government agencies — **ChoicePoint** (NYSE: CPS), the Department of Veterans Affairs, and even Bank of America — have inadvertently let our personal information slip out.

Have you made it through these potential potholes unscathed? Your work's not over yet! When you check your credit report each year, you may not find any more fraud, but other errors can worm their way in as well. (Your creditors are human, after all.) A few minutes of vigilance with your bank statements and your credit report can save days' worth of recovery later.

Want to learn more about how to protect yourself from identity theft and credit fraud? Check out our new [free report](#) that covers this very issue — just [click here!](#)

Hope Nelson-Pope is online coordinating editor at The Motley Fool. Bank of America is a Motley Fool Income Investor recommendation. The Fool has a [disclosure policy](#).

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