



# Ohio Attorney General's Consumer Advocate Newsletter

MARCH 2013

## Identity Theft: 10 Things You Need to Know

Does a security breach mean an identity theft has occurred? Does most identity theft happen online? Identity theft is a popular topic, but it's often misunderstood. To protect yourself, make sure you understand a few key facts and what to do if your identity is stolen.

1. **The Attorney General offers help for identity theft victims.** The Attorney General's Consumer Protection Section launched the Identity Theft Unit in 2012 to help victims repair and recover from the effects of identity theft. The program can help victims correct a damaged credit report or resolve unauthorized accounts. Visit [www.OhioAttorneyGeneral.gov/IdentityTheft](http://www.OhioAttorneyGeneral.gov/IdentityTheft) to learn more or to get help.
2. **Identity theft doesn't just happen online.** The Internet can make it easier for thieves to obtain your personal information, but avoiding the Internet completely is not a foolproof way to protect your identity. In fact, some major causes of identity theft, such as a stolen or lost wallet, occur offline.
3. **You can get a free credit report at [www.AnnualCreditReport.com](http://www.AnnualCreditReport.com).** You have the right to check your credit reports from each of the three major credit reporting agencies for free once per year through AnnualCreditReport.com. (You probably will have to pay to check your credit score.) Make sure you visit the true website, AnnualCreditReport.com, and watch out for look-a-like sites that will charge you for their services.
4. **Identity theft victims should file a police report.** If you are a victim of identity theft, filing a police report is an important step to take. You will need a copy of the police report to take advantage of certain rights you have as a victim, and organizations may require a copy of the report in order to help you.
5. **You can "freeze" your credit report.** In Ohio, you have the right to place a security freeze on your credit reports. This makes it harder for an imposter to open unauthorized accounts in your name. Each credit reporting agency may charge up to \$5 to place, temporarily lift, or remove the freeze. Identity theft victims can place a freeze for free, as long as they can show they are victims of identity theft.
6. **Children can be victims of identity theft.** Identity theft does not discriminate by age. In fact, identity thieves may be especially interested in a child's identity, because children typically do not try to check or access credit. As a result, child identity theft may go undetected for years. In fact, it may not be discovered until the victim applies for college financial aid, a car loan, or employment.
7. **A security breach does not mean identity theft has occurred.** If your information is compromised in a data breach, you may be at greater risk for identity theft, but you are not a victim of identity theft unless your information is used fraudulently. Nevertheless, you should take steps to protect yourself, such as monitoring your accounts and placing an alert or freeze on your credit reports.

8. **Clicking links in e-mails could be costly.** Even if a message is from someone you know, be very careful about clicking links in e-mails. They could contain viruses or malware that will infect your computer or compromise your e-mail account. Also, be aware that scammers can “spoof” e-mail addresses so that a message that appears to be from a friend is actually from a scammer.
9. **The identity thief may be someone you know.** In many cases, identity theft involves individuals who know each other. For example, a friend or family member may obtain your personal information and use it without your knowledge. It is important to always protect your information — even from people you know.
10. **Lending your credit card is not identity theft.** There is no identity theft if you give a family member or friend permission to use your credit card, even if the person charges more than you expected. Think twice before lending a friend your credit card or giving a family member access to your accounts.

For additional information or assistance, contact the Ohio Attorney General’s Office at [www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov) or by calling 800-282-0515.

## Get Involved in National Consumer Protection Week

National Consumer Protection Week (NCPW) is March 3–9, 2013, and this year Ohio Attorney General Mike DeWine is joining other government and nonprofit organizations in Ohio and across the country to help consumers learn to protect their information and understand their rights.

With so many consumers living on the brink of financial crisis, NCPW is intended to help consumers make informed financial decisions through a coordinated consumer education campaign.

You can participate in NCPW by:

- Attending an NCPW event in your area
- Talking to friends and family about NCPW and what consumer protection means to you
- Sharing consumer protection information on your social networking sites
- Reporting a potential scam or unfair business practice to the Ohio Attorney General’s Office
- Forwarding the *Consumer Advocate* e-newsletter to coworkers, friends, or family members.

Learn more about NCPW and other consumer education programs at [www.OhioAttorneyGeneral.gov/NCPW](http://www.OhioAttorneyGeneral.gov/NCPW) or by calling 800-282-0515.

## Beware of Flood-Damaged Cars

Be careful when purchasing used cars. Flood-damaged vehicles from areas ravaged by Hurricane Sandy may be making their way to Ohio and other areas.

Flood-damaged cars can enter out-of-state markets when individuals sell cars online without disclosing flood damage or when dealers purchase cars at auction without realizing that they were damaged in a flood or “totaled” by an insurance company.

To help protect yourself, check vehicle history reports and have the vehicle inspected by an independent mechanic. In January, CARFAX announced it would offer free flood-damage checks. To use this service, prospective buyers must enter the car's vehicle identification number, or VIN, at <http://flood.carfax.com/>. You also can search the VIN with the National Insurance Crime Bureau, [www.nicb.org](http://www.nicb.org), to help determine if the car was stolen or declared a salvage vehicle. The National Motor Vehicle Title Information System, [www.vehiclehistory.gov](http://www.vehiclehistory.gov), is another source of vehicle history information.

History checks may not show the complete background of a vehicle, so be sure to have the vehicle physically inspected for flood damage.

Look for these common signs of water damage:

- Stains — Look in the trunk and pull up carpet to see if there is mold, rust, or odor.
- Odors — A musty smell is a strong indicator of water damage. Also, be aware of strong cleaning odors or air fresheners, as these scents can cover up musty odors.
- Dirt — Inspect areas of the car that may be hard to clean, such as the trunk, glove compartment, or dashboard. If you find dirt or rust in these hard-to-reach spots, the car may have been flooded.
- Brittle wires or electrical problems — Problems such as an ignition that does not start or lights that appear foggy or do not work may indicate water damage, especially in conjunction with brittle wires.

For more information, or to file a complaint, visit [www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov) or call 800-282-0515.

## Cash or Credit?

When making a purchase, consumers often face a choice of whether to use cash or credit. What is the difference between these payment methods, and how do they affect the real cost of the items you buy?

Credit cards can have several associated costs or fees. Some have membership fees that you pay every year for access to rewards or cash back. In addition, credit card providers charge interest on unpaid balances.

Now, you may face new fees for credit card payment processing. A settlement in an antitrust lawsuit involving Visa and MasterCard went into effect Jan. 27, 2013. Prior to this lawsuit, brought by merchants, businesses could not pass on payment-processing fees to consumers. (These generally are fees merchants must pay when a credit card is accepted for payment. The fee usually totals 1 to 4 percent.)

Because of the settlement, merchants now can choose to pass along the payment-processing fees to customers, though it is unlikely that many merchants will do so. If a business does charge the fees, it must post a sign on the entrance saying it will charge the payment-processing fee, and the fee percentage must be disclosed before the transaction takes place. For online retailers, these disclosures must be made before customers enter credit card information and complete the transaction.

Despite the possible fees, you still may want to use a credit card in certain situations because credit offers protections that cash does not. For example, if you book a photographer for baby or

engagement photos but never receive the finished pictures, you can dispute credit card charges with your provider and may get the charges removed.

On the other hand, if you had prepaid with cash, you would not have a built-in dispute process and may have a harder time recovering your money, especially if the photographer goes out of business. Cash does not provide the same guaranteed protections as credit.

Nevertheless, paying in cash is fairly straightforward. For example, when you go to a clothing store to buy a \$25 shirt using cash, you pay \$25 (plus tax) and receive the shirt. The transaction is complete. There are no bills at the end of the month, interest charges, or yearly fees.

Paying in cash also may help lower costs for some businesses. When their customers pay in cash, merchants avoid payment-processing fees. Some may even offer a discount to customers who pay in cash.

Ultimately, you will have to decide which payment method is best for you and your lifestyle. Credit cards often have high interest rates, some have annual fees, and now, some merchants may charge payment-processing fees. Cash has no hidden fees or charges, but has limited protections.

No matter what method of payment you use, remember that the Ohio Attorney General's informal dispute resolution process ([www.OhioAttorneyGeneral.gov/ConsumerComplaint](http://www.OhioAttorneyGeneral.gov/ConsumerComplaint)) may help to recover disputed amounts.



For more information, contact Ohio Attorney General Mike DeWine's Consumer Protection Section at **800-282-0515** or **[www.OhioAttorneyGeneral.gov](http://www.OhioAttorneyGeneral.gov)**.