

Identity Theft: A Survivor's Guide

Identity theft is a crime with many faces: from the pickpocket who steals your wallet and uses your credit cards, to the acquaintance who assumes your persona and opens accounts in your name. Unfortunately, rectifying identity theft damage can be like untangling a wet knot. You can do it - but it will require patience and perseverance.

To start, commit yourself to becoming and remaining organized. Since you will probably be communicating with a lot of people, you will need to keep track of who said what, and when. Keep copies of all letters and maintain a verbal correspondence log. File paperwork right away and store everything in a safe and accessible place.

Step One: Creditors and Financial Institutions

If accounts have been used or opened illegally, contact your creditors immediately. Ask for fraudulent transaction documentation as you may need it to file a police report. Add "non-guessable" passwords to replacement cards and all existing accounts.

If a collection agency attempts to collect on a fraudulent account, explain (in writing) that you are a victim of identity theft and not responsible for the debt. Ask that they confirm in writing that you do not owe the balance and that the account has been closed.

For checking account fraud, contact your financial institution to place stop payments on any outstanding checks that you did not write. Report the crime to check reporting agencies. It is also a wise idea to cancel your checking and savings accounts and obtain new account numbers and passwords. Monitor all future account statements carefully for evidence of new fraud.

Step Two: Legal and Government Agencies

Report the crime and file a report with either your local police or sheriff's department or the police where the

identity theft took place. Request a copy of the report and keep the phone number of your investigator handy. For additional documentation you may also pursue a Consumer Financial Protection Bureau investigation.

Notify your local postal inspector if someone else has used your address. If your social security number has been fraudulently used, alert the social security administration.

Step Three: Credit Reporting Bureaus

The most arduous task in this process may be ensuring that your credit report lists only factual information. To know what is being reported, you will need to obtain a credit report from each of the three major credit bureaus (if you are married, your spouse should also check his or her report).

Even if the fraudulent information hasn't yet appeared on your reports, be proactive and report the crime now. In a letter to each bureau's fraud department (include copies of the report with the fraudulent activity clearly highlighted), request that a "fraud alert" be entered on your file for seven years instead of the average 90-180 days. No new credit should be granted without your explicit approval.

Write a victim's report - a brief statement describing the details of the crime - and send it to the bureaus to be added to your report. Ask if the fraud alert and victim's report to one will automatically apply to the others. It may, and if it does, can save you a step. The first reports with the fraud alert are free and will be sent to you automatically. After that, check your credit report every three months to ensure accuracy.

Healing the wounds of identity theft will take time and work. However, the sooner and more aggressively you deal with the problem, the faster you will see results.