



## Registered Investment Advisor Firm

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### DATA BREACH

A few weeks ago, we were informed that potentially 143 million Americans had key identifying information (names, Social Security numbers, birth dates, address and driver license numbers) stolen through credit reporting company Equifax.

Equifax responded by saying they will offer a one-year “credit monitoring” service and then tried to upsell their premium service. Since they are responsible for the breach, this should not reassure anyone.

Furthermore, one year of monitoring is inadequate. Do you think thieves are only going to try to gain information for only the next 12 months? And promise to never use it again? I don’t think so.

Given this, what to do?

1. Thoroughly read and scrutinize your bank and credit card statements every month, especially if you are online – no hard copies. If you see something that

does not look right, contact the institution immediately.

2. Use credit cards instead of debit cards. If someone has hacked into your accounts, a credit card offers a grace period in which you can review your statement before payment is due. If your debit card is hacked, the burden is mainly on you. If you have bank payment auto-drafting, overdrafts will be a nightmare to correct.

3. Once you have determined a fraud has occurred, put an alert in your credit reports and send a copy of the ID Theft report ([consumer.ftc.gov/articles/pdf-0094-identity-theft-affidavit.pdf](http://consumer.ftc.gov/articles/pdf-0094-identity-theft-affidavit.pdf)) to all the credit reporting companies. This may sound like closing the barn door after the horses are out, you want proper documentation that you have reported this and are working with the authorities.

4. Monitor credit reports closely. It is a good habit to see what accounts have been opened in your name as well as report errors that can hinder your ability to get credit. This service is available for free on an annual basis: [annualcreditreport.com](http://annualcreditreport.com).

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5. Evaluate a credit freeze. This offers serious protection. It freezes the ability for anyone, including you, to open new credit of any kind in your name or Social Security number. It can be a burden to undo. If you plan to finance a car or apply for a mortgage, allow yourself at least a week to lift the freeze once you have submitted the necessary information. Remember, a credit freeze does not stop someone from accessing an existing account and using it. If you decide against a credit freeze, consider placing a fraud alert on your files.

6. Contact the police and the Federal Trade Commission (FTC) to obtain their official reports. These reports must go in your credit files. It is necessary for your protection and helps law enforcement track and catch criminals.

7. Change passwords and be careful of where you access Wi-Fi. If there has been a breach, determine what accounts are affected and immediately change those passwords. To reduce vulnerability, do not use public Wi-Fi because they allow keystrokes to be more easily monitored, allowing easier theft of information.

8. Contact the Social Security fraud hotline ([oig.ssa.gov/report-fraud-waste-or-abuse](http://oig.ssa.gov/report-fraud-waste-or-abuse)). Some victims have had their Social Security numbers used for fraudulent purposes. Sometimes they have had to prove their innocence and apply for a new number.

9. File your taxes early, as soon as you have all your tax information, before a scammer can. Tax identity theft happens

when someone uses your Social Security number to get a tax refund or a job. Also, respond right away to letters from the IRS.

Remember, the IRS only initiates contact via mail, not emails or phone calls.

10. Consider signing up for “credit monitoring” like LifeLock. They can help you monitor around the clock and for more than a year.

I think we have only seen the tip of the iceberg relative to the Equifax breach. As such, be proactive and remain vigilant to prevent being a victim. If you need more information on how to proceed or phone numbers or websites, contact Bob Davis at DIG for more information.

#### *FED Watch*

At the September meeting -no change – no surprise. However, they announced they would begin to reduce the \$4 trillion Balance Sheet starting in October and it would be on autopilot. They also implied that the December meeting will be the next rate increase as long as the economy can withstand the hike, the third one this year. They also implied that next year will also see 3 rate hikes again depending on the economy. As of now, there is a 20% chance of March being the first increase of the year.

Next meeting:  
October 31<sup>st</sup> and November 1<sup>st</sup>.

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If you have questions or would like further information on this month's topics or any other financial or investment related subjects, including Social Security claiming strategies, please contact me by phone or through my email address at:  
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