

Skimming and Scamming

How to Protect Yourself Against Debit Card Fraud

Recent enhancements have put ATM and debit cards in nearly everyone's wallet. Today, most debit cards have the VISA or MasterCard logo and can be used at millions of locations with a signature or personal identification number (PIN). A purchase at many stores can be like a trip to the bank or ATM, with PIN pads allowing consumers to receive cash back from their purchases. In short, the ease of debit cards makes them extremely popular.

Despite the convenience and popularity of debit cards, there is a risk of fraud. It is important to protect your debit card, just as you would cash, credit cards and checks. Some of the risks associated with debit card fraud are the same as credit cards, so protect your account numbers in your wallet, online and over the phone. However, there is another threat to debit card users that is unique - and it's called "skimming." Skimming occurs when thieves set up a device that captures the magnetic stripe and keypad information from ATM machines and gas pumps.

Fortunately, there are steps you can take to protect yourself from skimming and other forms of fraud (see below). In addition, it is important for you to know that if you are the victim of debit card fraud, your bank will protect you. The Electronic Funds Transfer Act (EFTA) protects consumers from losses due to debit card fraud artists if you report fraud in a timely fashion. Visa and MasterCard have taken the protection a step further for all debit cards that bear their logos, by instituting a zero liability policy. This policy states consumers will not have to pay for any purchases made fraudulently using Visa and MasterCard debit cards, regardless of the time it takes to report the incident.

Make sure you are vigilant when protecting your wallet, cash as well as credit and debit cards. If you do notice something suspicious report it to your bank immediately, whether it's a possible skimming device or an unauthorized charge on your statement.

Consumer Tips

To avoid becoming a victim of debit card fraud, Baltic State Bank offers these tips:

- Check your bank statements immediately. Make sure all payments are yours.
- Periodically check your account balance and transactions, by utilizing online banking, by telephone, or by printing interim statements at the ATM.
- Contact your bank immediately if your card is lost, stolen or subject to fraudulent use.
- Keep a record of card numbers, PINs, expiration dates and 1-800 numbers for banks so you can contact the issuing bank easily in cases of theft.
- Memorize your PIN number. Do not use your birth date, address, phone number or social security number. Never store your PIN with your card, and do not make it available to others.
- Keep your receipts. You'll need them to check your statement. If they have your account number on them, tear up or shred receipts before throwing them away.
- Mark through any blank spaces on debit slips, including the tip line at restaurants, so the total amount cannot be changed.
- Know your limits. Many issuers limit daily purchases and withdrawals for your protection.
- Do not use an ATM if it looks suspicious, it could be a skimming device.
- Be wary of those trying to help you, especially when an ATM "eats" your card, they may be trying to steal your card number and PIN.
- Do not give your PIN number to anyone over the phone, often thieves steal the cards and then call the victim for their PIN, sometimes claiming to be law enforcement or the issuing bank.