



DEBIT CARD FRAUD

SPOTTING FRAUDULENT TRANSACTIONS

What is debit card fraud?

Debit card fraud is when someone else obtains your card details and makes transactions on your card without you knowing. If you report a fraudulent transaction on your card, your bank should deactivate your card to prevent the person from making any more transactions.

You should always check your statement and account to make sure all the transactions listed are legitimate. This will help you identify any unusual activity.

Types of debit card fraud

- There are several different ways a fraudster could get your debit card information:
- 1. Skimming device.** The scammer can attach a skimming device to an ATM, gas pump or anywhere else you swipe your card and steal information from your cards magnetic strip.
- 2. Hacking retailer's online system.** Hackers can gain illegal access to companies you've shopped at in the past and steal your information. They can also steal this information if you shop online at sites that do not have a secure connection.
- 3. Stealing your physical card.** A stranger, family member, disgruntled employee, or anyone else could steal your physical debit card when you're not looking and use it for purchases.
- 4. Phishing.** This happens when a fraudster tricks you into thinking you have received a legitimate email from someone you trust, so you provide personal information.
- 5. Intercepting mail.** Scammers could steal you debit card out of your mailbox – before you've even had time to realize it's there- and use it to make fraudulent purchases.

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How to protect yourself from debit card fraud

- 1. Check your online banking.** Review bank transactions at least once a week to look for any unusual activity.
- 2. Set up account alerts.** Get notified each time you make a transaction over a certain limit, so you can catch illegal activity right when it happens.
- 3. Check for card skimmers.** When you are out and about, check any card readers you're about to use. If there are any loose parts or hidden cameras, don't use it.
- 4. Make sure your network is secure.** When shopping online, look for a green padlock symbol next to the URL. This ensures you're using a secure site, which encrypts your data and lowers your chances of having your information stolen.
- 5. Sign-up for electronic statements.** If you still get paper statements, sign-up for electronic statements to avoid someone getting access to your account information.
- 6. Have an emergency fund.** A separate emergency fund ensures you still have some funds available in the event your main checking account information is compromised.
- 7. Protect your card.** Keep your debit card close and ensure it's always in a safe place. Check to see that it's with you when you're leaving stores and restaurants. You should never write your PIN on the card, and you should consider placing a sticker over your CVV.
- 8. Never give out information over the phone.** Be wary of any merchants who call and ask for your account information.
- 9. Monitor Bank Activity on monthly E-statements:** Utilize your bank's mobile and online banking options to carefully monitor your account.
- 10. Report Fraud ASAP:** If you do notice any suspicious activity, report it to your bank immediately. Since thieves will likely keep using your card until it's frozen, time is of the essence. The sooner your bank is aware of the situation, the sooner they can freeze your account and start the investigation process.

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Pros of Debit Cards

Just because fraud can happen doesn't mean debit cards should be avoided. There are still plenty of positives that come from favoring your debit card for purchases including:

- 1. Avoid the need for Cash.** By far the biggest benefit is being able to spend with a debit card allows you to not have to worry about carrying cash with you.
 - 2. Avoid Debt.** Arguably one of the biggest advantages of debit cards is the fact that you can spend without worrying about going into credit card debt.
 - 3. Limited fees.** No annual or late fees-since the money from debt card transactions come directly out of your checking account, there is never a monthly payment.
 - 4. Easy to get.** With a debit card, if you have a checking account with the bank, you simply fill out a form and you get a card.
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