

PINELLAS COUNTY CLERK OF THE CIRCUIT COURT AND COMPTROLLER

INSPECTOR GENERAL



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EMV CHIPS DRIVE THIEVES ELSEWHERE

EMV (Europay, MasterCard and Visa) cards are smart cards (also called chip cards or IC cards) that store their data on integrated circuits rather than magnetic stripes. Mitch Strohm of Bankrate.com warns us that since the introduction of EMV chips in debit and credit cards, fraudsters have been taking a different angle---new account fraud. According to a recent report from Javelin Strategy & Research, the switch to EMV chips has driven a 113% increase in this type of fraud.



WHAT SHOULD YOU DO?

- Make sure your mobile device is secure.
- Use strong, unique and regularly updated passwords.
- Put a security freeze on your accounts.
- Sign up for alerts from your credit card company.
- Pay attention to **data breaches**.
- Seek out help as soon as you detect fraud.
- Keep an eye out for international transactions.
- Closely monitor your credit card statements and credit reports for signs of fraud.

What's new account fraud? **IT'S IDENTITY THEFT.**

In this scheme, fraudsters obtain the sensitive personal information of an individual and open up a new credit account in their name. They then have access to an open credit line that they can quickly use up. Indeed, this kind of fraud now accounts for 20% of all fraud losses, notes Javelin.

While the switch to EMV was designed to reduce in-person fraud and counterfeit card operations, it has prompted criminals to refocus their efforts. "Fraud is evolving at a frantic pace although the amount of fraud has been relatively flat over the past 4 years," stated Al Pascual, senior vice president, research director and head of fraud & security, Javelin. "This just shows that when the industry cracks down on one type of fraud, criminals quickly shift their attack vector and area of operation."

How are they getting the information?

Vulnerabilities in mobile devices, data breaches and poor password habits are some of the ways in which scammers are able to obtain sensitive personal information. Another way, might be through bank tellers.

According to a recent story in The New York Times, direct deposits and electronic banking have diminished the importance of tellers' roles to the point that they are low paid, and in some cases, criminal. Some bank tellers and other retail-branch employees have been able to tap into accounts and access consumer information. A teller in White Plains, for example, was sentenced last year for her role in an identity theft ring that pilfered

\$850,000 from accounts, notes the Times. Many other identity theft cases have popped up involving bank tellers.

Along with the tips above, Strohm recommends you pull your free credit report from **myBankrate**.