

# Identity Fraud Update

REECE MORREL JR, JD ▪ MBA ▪ CPA ▪ CGMA

# Hilda Schrader Witcher - #078-05-1120



# The Most Stolen Social Security Number

- In 1935, the first Social Security numbers were issued
- In 1936, selected U.S. Post Offices were designated as “typing centers”
- In 1938, Douglas Patterson, VP & Treasurer of the E.H. Ferree company decided to promote their wallets that were sold through Woolworth by including a “specimen” of the new Social Security cards
- A sample card printed in red instead of blue, 1/2 the size of the original, and with the words “specimen” printed, he decided to use the Social Security number (078-05-05-1120) of his secretary, Hilda Schrader Witcher

# The Most Stolen Social Security Number

- In the peak year of 1943, 5,755 people were using the number
- In all, over 40,000 attempted to use this number
- As late as 1977, twelve people were still using this number
- <http://www.ssa.gov/history/ssn/misused.html>

# Richard Todd Davis - #457-55-5462

MY SOCIAL SECURITY # IS  
**457-55-5462**

I'm **Todd Davis**, CEO of LifeLock,

and this really is my social security number.\* I give it just to prove how safe your identity can be with LifeLock. All of us, no matter how careful, can become victims of identity theft. In fact, every three seconds another identity is stolen.

Do you ever worry about identity theft? If so, it's time you got to know LifeLock. We work to stop identity theft *before* it happens. We're so confident, we back our clients with a \$1 million dollar guarantee. If for any reason you fall victim to identity theft, we will spend up to \$1 million to hire the finest professionals to repair the damage and restore your good name. Period.

Security, peace of mind, protection – that's what LifeLock provides, along with the added bonus of reduced junk mail and pre-approved credit card offers. Normally it's just \$10 a month, but now you can try us *free for 30 days*. Protect yourself, your family and all you've worked for. Guarantee your good name today.



Here's what LifeLock offers you:

- **Proactive Identity Theft Protection**
- **\$1 Million Protection Guarantee**  
Full details available on our website
- **Reduction of Unsolicited Mail**
- **Reduction of Credit Card Offers**
- **Free Annual Credit Reports**  
We order your annual free credit report for you

**FREE TRIAL**

Use promo code **ADVO1**  
to take advantage of this offer.

LifeLock.com • 877 LIFELOCK (543-3562)

\*No payment, no obligation for 30 days.  
\*After 30 days your credit card will be automatically billed.  
\*You can cancel at any time without penalty.

LifeLock.com  
877 LIFELOCK  
(543-3562)



\*Do not share your Social Security Number or personal information unnecessarily.

# Richard Todd Davis & LifeLock

- CEO & Co-Founder of LifeLock, Inc.
- His identity has been stolen over 13 times between 2007 and 2008
- In 2008, Experian sued LifeLock for fraud & false advertising; Experian alleged that LifeLock placed false fraud alerts on behalf of its clients
- In March 2010, LifeLock, Inc. paid \$12 million to settle claims by the Federal Trade Commission for & 35 states for “deceptive advertising”
- FTC Chairman Jon Leibowitz, referring to the LifeLock TV ad showing the truck, said that "the protection they provided left such a large hole ... that you could drive that truck through it."

# Are We Just Waiting For Our Turn?

**WANTED**  
**BY U.S. MARSHALS**

NOTICE TO ARRESTING AGENCY: Before arrest, obtain warrant through National Crime Information Center (NCIC).  
United States Marshals Service NCIC entry number: (NRC) WJ221660221

NAME: MITNICK, KEVIN DAVID  
AKA(S): MITNICK, KEVIN DAVID  
MORRILL, BRIAN ALLEN

DESCRIPTION

Sex: MALE  
Race: WHITE  
Place of Birth: TAD BUTS, CALIFORNIA  
Date(s) of Birth: 08/06/63; 10/18/70  
Height: 5'11"  
Weight: 190  
Eyes: BLUE  
Hair: BROWN  
Skin/Tone: LIGHT  
Scars, Marks, Tattoos: NONE KNOWN  
Social Security Number (s): 539-39-5495  
NCIC Fingerprint Classification: DQW420PK13D1PM199W9



- Meet Kevin Mitnick, a former computer hacker, fugitive and now a security consultant
- At a recent conference, he demonstrated that someone's identity can be stolen in less than 2 minutes using only their name
- Using legitimate websites (\$0.50 per name), he can retrieve 20 years of addresses, driver's license, birth certificate and more

# IRS Scam Phone Calls

- Frequent telephone calls & messages from “IRS” demanding immediate payment or you will be arrested or worse
- One friend, paid the caller over \$1,000; several days later they called back thanking for her assistance in the undercover “sting” operation and wanted more money to assist in prosecution
- <http://www.irs.gov/uac/Newsroom/IRS-Warns-of-Pervasive-Telephone-Scam>
- <http://www.irs.gov/uac/Newsroom/Scam-Phone-Calls-Continue;-IRS-Identifies-Five-Easy-Ways-to-Spot-Suspicious-Calls>



# IRS vs. Scammers – 5 Telltale Signs

1. Call to demand immediate payment, nor will we call about taxes owed without first having mailed you a bill.
2. Demand that you pay taxes without giving you the opportunity to question or appeal the amount they say you owe.
3. Require you to use a specific payment method for your taxes, such as a prepaid debit card.
4. Ask for credit or debit card numbers over the phone.
5. Threaten to bring in local police or other law-enforcement groups to have you arrested for not paying.

# Phishing (aka Social Engineering)

- Definition - the attempt to acquire sensitive information such as usernames, passwords, and credit card details (and sometimes, indirectly, money), often for malicious reasons, by masquerading as a trustworthy entity in an electronic communication
- Need to reset password, reenter user information, etc.
- The email address has an “official” sounding name i.e. Customer Support, but the actual address is from somewhere else
- Embedded pictures link to the “correct” website, but the links take you to other different websites (i.e. the “Reset Password Now” button)
- Look for TLD names from other countries i.e. .cn, .ru, .ro

# Phishing (continued)

- Common “trustworthy” entities include:
  - Banks
  - People that have previously sent you emails
  - Credit card companies
  - Internet vendors, i.e. Amazon
  - Email providers: AOL, Google Gmail, Microsoft Outlook, and Yahoo!
- Not limited to email, now calling!
- Farrell Ramsey, my father-in-law, received repeated calls from a “Microsoft” employee; claimed his computer was misbehaving and needed access to his computer

# Phishing (continued)

- Sometimes legitimate; Personally received a telephone call from Bank of America; Representative had a thick foreign accent and demanded to know my Social Security number in order to verify my identity;
- I politely refused
- They persisted
- I impolitely refused
- They gave me an “1-800” to verify; and I hung up
- I called the “1-800” and again they wanted my Social Security number
- I called a “1-800” I had, and they said every thing was fine
- It wasn't; my auto-draft payment had expired

# How Protect Yourself?

- Don't panic
- Independently verify the claims
- Don't let browsers remember your passwords
- Don't let vendors remember your credit card information
- Vast majority of government agencies, and companies will not send emails requesting username and passwords; if ask to reset, don't click on the provided link; type in the appropriate website URL directly
- Be discreet with whom you share your information
- Monitor your credit reports
- Use LLC's for sole proprietorships

# Tom Mabe's Solution to Phishing



- You've called a murder scene
- <https://youtu.be/-7OgWcwgb50>
- Tom Mabe is also known for attending an event at which telemarketers gathered in Washington D.C. with the hopes of discouraging new laws that would prevent telemarketing. Mabe booked a room in the same hotel in which they were staying and called the telemarketers in their rooms at 3 a.m. to pretend to sell them sleeping pills
- <http://www.tommabe.com/>

# REECE MORREL JR

8177 S Harvard Ave Ste #717

Tulsa OK 74137

[reecejr@morrel.com](mailto:reecejr@morrel.com)

918-408-8087

<http://www.reecemorreljr.com>