

Introduction

In November 2007, the U.S. Federal Trade Commission (FTC) established a set of rules for regulating access to private information. These rules target the mortgage, finance, automotive, health care, and insurance industries and are intended to ensure that they put in place reasonable practices to protect their consumers from identity theft.

Consumers will soon be encouraged to protect themselves from potential financial harm by ensuring that the companies they do business with are in compliance with the new rules. What is a *red flag*? A red flag can be any pattern, practice, or activity that triggers the suspicion that identity theft may have occurred.

We offer our Red Flags Compliant™ product to help you with the process of becoming compliant. Detecting and preventing identify theft can be a lot easier and less costly than you may think when you have a clear understanding of what it takes to address the categories defined in the Red Flag section of the federally mandated guidelines, and our product can help you achieve that compliance.

Who must Comply

This applies to *any business or financial institution* that:

- collects and uses confidential, personal consumer information
- interacts with a credit reporting bureau
- maintains accounts for individuals and/or businesses

The ruling includes credit and debit card issuers as well as users of consumer reports, including (but not limited to):

- banks
- credit unions
- mortgage brokers
- auto dealers
- debt collection agencies
- utility companies
- telecommunication companies
- health care companies

Deadline for Business Compliance

The deadline for compliance to the Red Flag (Section 114) and the Reconciling Address Discrepancies (Section 315) guidelines of the Fair and Accurate Credit Transactions (FACT) Act is **November 1, 2008**.

Basic Steps to Compliance

1. Identify the red flags for your business.
2. Establish policies to detect red flags when they occur.
3. Establish procedures to respond appropriately to red flag alerts.
4. Put your plan into action by training your employees.

Take the Steps to Meet Compliance

Not all companies have done the work to achieve compliance and *we're here to help you achieve compliance too*. We offer our Red Flags Compliant™ product to help you with the process of becoming compliant.

The good news is that you probably already have some procedures in place for detecting fraud and we can provide the information that helps your company quickly and easily identify threatening events. This provides your company with the ability to identify and correct potential security concerns with the goal of providing a secure environment in which your customers can do business.

There is a lot to be gained by being ahead of the curve and implementing Red Flag compliance sooner, rather than later. The benefits of implementing comprehensive rules for compliance include:

- reduced fraudulent activity that costs time to investigate
- improved customer confidence and satisfaction
- increased profits

Your customers deserve a safe environment for doing business online with your company let us help you instill that confidence in your customers with Red Flags Compliant™!

Penalties for Non Compliance

Financial institutions that do not comply with the requirements risk highly expensive daily fines and potential civil litigation. While there appear to be no plans to actively enforce organizations to comply, any negative event could trigger such activity. Once proof of non compliance is identified, your company will face fines, future (read expensive and time-consuming) audits, and more. Plus, the gates will be open for civil and state enforcement action to begin. Protect your company by putting in place the right procedures to ensure compliance **before** something happens.

With Red Flags Compliant

You receive:

- directory listing
- jumpstart guide to meeting compliance
- site seal to display on your website
- help desk ticketing system to support potential abuses
- live chat access for your clients/customers
- Red Flags Compliant Certificate to print and display

All of this for only \$499.00/year!

For more information, visit us at <http://redflagscompliant.com>.