

## **Red Flag Policy Statement**

Identity theft is a serious problem in the United States today. To combat the problem, as part of the Fair and Accurate Credit Transactions Act of 2003 (the FACT Act), the Federal Trade Commission and several other federal agencies have issued rules requiring creditors (including municipalities under certain circumstances) to develop, adopt and implement written Identity Theft Prevention Programs. The Programs must be in place by May 1, 2009. The rules are often referred to as “Red Flag” requirements and apply to financial institutions. Although municipalities are not “creditors” in the traditional sense, the Federal Trade Commission has confirmed that the Red Flag Rules apply to municipalities that provide utility services and/or other services for which payment is made in arrears. It is the provision of services on a deferred payment basis that makes a municipality a “creditor” as defined under the Red Flag Rules.

The City of Guthrie adopted a policy to help protect consumer identity and fight theft of customer account information, and provide procedures that identify, detect, and respond to possible signals of identity theft known as Red Flags.

**Effective immediately, the following list of security enhancements will be enforced to ensure the security of customer information:**

- 1) Only allow application for service to be made in person;
- 2) Require new customers to provide challenge questions and answers;
- 3) Verify the identification of existing customers if they request information in person, via telephone, via facsimile, or via email;
- 4) Verify the identification of existing customers when requesting to transfer service, change account status, change mailing address, or to terminate service; and,
- 5) Require proper identification when a customer presents a Credit or Debit Card for payment if the name on the card is different from the name on the utility account.

We apologize for any inconvenience this may cause and hope that you understand that the extra questions you may be asked is to protect and secure YOUR identity.