

# Credit Card Fraud Prevention

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Globally credit card fraud costs card issuers billions of dollars a year in fraudulent use of their cards. Some of this loss is passed back to retailers who failed to comply with the normal processing method for the card. Another part of the loss is insured. Nonetheless, as a cardholder you are potentially liable for any fraudulent use of your credit card. It is, therefore, imperative that you make yourself aware of what the current fraud scams are and how you can help to in the battle of credit card fraud prevention.

To this end, the following are some fraud prevention methods you can adopt:

- \* when using your card, never card out of your sight
- \* if you use the card in an old carbon-copy paper machine, keep the carbon-copy and destroy it later
- \* never use your credit card on an unsecured website
- \* never use your credit card to withdraw money in an ATM

Aside from the above, ensuring that you use certain technological advances with your credit card should also help in any credit card fraud prevention. In this regard, the following are currently popular with card issuers:

- \* identification photos: where your picture is shown on the front of the card
- \* fingerprinting: where a facsimile of your fingerprint is shown on the reverse of your card;
- \* chip and Pin systems: where the card has an encrypted chip containing details about the card and a PIN that ensures the card is a genuine issue. Essentially the chip contains the same information that used to be contained in the magnetic strip on the reverse of the card, but in chip format it is believed to be harder to copy.

Although each of these systems is no foolproof credit card fraud prevention method, with credit card fraud costing more and more each year, you can bet that issuers are going to be tackling this issue head-on: so stay aware of the latest credit card fraud preventions methods and help combat this growing problem.

Joseph Kenny writes for the Loans Store and offer more information on personal loans and other loan topics available on site.

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