



**Federal Deposit Insurance Corporation**  
550 17th Street NW, Washington, D.C. 20429-9990

**Financial Institution Letter**  
**FIL-64-2006**  
**July 18, 2006**

## **IDENTITY THEFT RED FLAGS AND ADDRESS DISCREPANCIES**

### **Joint Notice of Proposed Rulemaking**

**Summary:** The federal bank, thrift and credit union regulatory agencies and the Federal Trade Commission are requesting public comment on the attached proposed regulation to implement sections 114 and 315 of the Fair and Accurate Credit Transactions Act of 2003 (FACT Act). The proposed regulation would require financial institutions and creditors to adopt reasonable policies and procedures to indicate the possible existence of identity theft and to validate addresses under certain circumstances. Comments are due by September 18, 2006.

**Distribution:**

FDIC-Supervised Banks (Commercial and Savings)

**Suggested Routing:**

Chief Executive Officer  
Chief Information Security Officer  
Compliance Officer

**Related Topics:**

Interagency Guidelines Establishing Information Security Standards, 12 CFR part 364, Appendix B

**Attachment:**

Joint Notice of Proposed Rulemaking: Identity Theft Red Flags and Address Discrepancies under the Fair and Accurate Credit Transactions Act of 2003 (71 FR 40786, July 18, 2006)

**Contact:**

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**Note:**

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**Highlights:**

The federal bank, thrift and credit union regulatory agencies and the Federal Trade Commission have published the attached notice of proposed rulemaking to implement sections 114 and 315 of the FACT Act. The proposed rule would establish:

- Guidelines for financial institutions and creditors in identifying patterns, practices and specific forms of activity that indicate the possible existence of identity theft;
- Regulations requiring financial institutions and creditors to establish reasonable policies and procedures for implementing the guidelines, including, where applicable, a provision requiring credit and debit card issuers to assess the validity of a request for a change of address under certain circumstances; and
- Regulations requiring reasonable policies and procedures that users of consumer reports should employ upon receiving a notice of address discrepancy from a consumer reporting agency.