Home Depot Data Breach May Be Cause of Spike in Debit Card Fraud

September 12, 2014 - When home depot announced its recent data breach, the company also stated that the crooks behind the breach hadn't managed to gain access to any debit card PINs. But that may not matter. According to Michael Krebs, the analyst who discovered and announced the breach on his blog (Krebs on Security), the data that was stolen may be allowing the thieves to surreptitiously change PIN numbers for many of the card numbers which they stole. This has resulted in a spike in debit card fraud over the past few weeks.

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Once the criminals behind the breach change a debit card PIN, they have the ability to drain any bank account that the card is linked to. Krebs wrote that one bank "lost more than $300,000 in two hours today to PIN fraud on multiple debit cards that had all been used recently at Home Depot."

The Home Depot incident was caused by malicious software that was very similar to what thieves used to steal data from Target late last year. The software collects debit and credit card numbers, along with user information and then distributes that information to black market websites which sell the data. Anyone who purchases the information can easily make working copies of debit and credit cards that can be used to make purchases or withdraw money.

The Home Depot breach began in April but wasnâ€™t detected until September 2nd. Anyone who shopped at a Home Depot store in the United States or Canada and who used a credit or debit card to make a purchase should consider themselves a potential victim. Those included in this group should call their credit card companies and ask to have new cards issued. The same is true for debit cards. Simply changing your card PIN will not protect you. You should also be closely watching your credit card and debit card statements for fraudulent activity.

Home Depot stores in Mexico were not affected by the breach.
byJim Malmberg
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