

adding identity theft protection to your current insurance policy. Your agent can explain the options available.

How Identity Theft Can Affect You

The consequences of identity theft can be staggering. Correcting your credit takes time and money. Some thieves use your information to:

- *open new credit accounts in your name*
- *set up services (phone, utility, etc.) in your name*
- *apply for loans, apartments, and mortgages*
- *print counterfeit checks*
- *access your existing accounts*
- *use your credit to make down payments for cars, furniture, etc.*
- *file for government benefits including unemployment insurance and tax refunds*

Unfortunately, thieves often use a stolen identity again and again. It is very common for victims to learn that thieves have opened and accessed numerous accounts, often over a long span of time.

How Identity Theft Happens

Four out of five victims have no idea how an identity thief obtained their personal information. Among those who think they know what happened, many

believe the identity theft occurred when their purse or wallet was stolen or lost. Here is a list of the many ways identity theft can happen.

1. Your wallet or purse is stolen.
2. Thieves steal identities from the trash (“dumpster diving”).
3. Mail can be stolen from your home mailbox, from a drop-box, at businesses and even directly from postal workers.
4. Home computers can be infected with viruses that transmit your data to thieves.
5. Group identity theft occurs at places keeping records for many people, including stores, schools, hospitals, and other workplaces.
6. “Pretexting” is when thieves approach you on the pretext of gathering information, posing as a real person working for a business or agency.

Victims of identity theft often find that someone they know has committed the crime. Roommates, hired help, and landlords all have access to your home, and it is possible for them to access your private information. Sadly, identity theft within families is common and causes difficulties if victims are reluctant to tell the authorities or press charges. *People are especially vulnerable when ending relationships with roommates and spouses.*

Identity theft often goes undetected. Within a month of being committed, half of the crimes still remain unnoticed. One in ten crimes remain hidden for two or more years. Identity thieves may change “your”

address on an account so that you won't ever receive bills with fraudulent charges on them. They will often pay the minimum balances on accounts they have opened to avoid calling attention to the account. They may even use the identities of children or persons who are deceased so that the crime is less likely to be noticed.

Steps to Prevent Fraud

Think about taking care of your identity on a regular basis just like you take care of your health. Please take the following steps *immediately* to protect your identity:

1. Change Your Daily Routine At Home

Keep personal information safe, especially if you have roommates or are having any work done in your home. Don't keep your Personal Identification Number (PIN) near your checkbook, ATM card, or debit card. Choose a PIN that is hard to guess.

2. Shred Any Papers with Confidential Information

Always shred papers before you throw them away, even the junk mail. Anything with an account number on it can be used in identity theft, including cancelled checks, bank statements, expired credit cards, etc.

3. Carry Few Cards with Identification and Personal Information

Since many identity thefts are traced to having a purse

or wallet stolen; carry as few cards as possible. Don't take your social security number and bring as few credit cards as you can. Put passwords on your accounts and have photos put on your credit and debit cards.

4. Beware Mail, Phone, or Internet Requests for Information

Requests like these could be "pretexting." Unless you initiated the contact with a business, don't give out any confidential information such as your credit card number, social security number, PIN, birth date, or even your mother's maiden name. Watch for unexpected emails that look as if they are from a real company asking you for information on a linked website. Sometimes phony websites can look real. *Make sure your family members also know not to give out any information to others.*

5. Check Your Bank and Credit Statements Quickly

Review your statements in a timely manner to make sure there is no unexplained activity. Keep track of the day of the month each of your bills usually arrives. If a bill does not arrive on time, call the company to make sure no changes have been made to your account. Often, identity thieves will change the address of a bill so that it will take you longer to notice the theft.

6. Be Smart When Shopping

When you sign a credit card slip, avoid putting your address, telephone number, or driver's license number on it. Also, *be sure to take your receipts with you to shred*

at home because “dumpster diving” is very common at large retail areas, such as malls. This will help to minimize how much personal information about you is floating around out there.

7. Beware When Giving your Social Security Number

Few institutions have any reasonable cause to know your social security number, even if they are businesses granting you credit, employers filling out tax forms for you, or government agencies. However, a business may refuse to serve you if you do not give them the information they request Don't have your SSN printed on anything!

8. Check Your Credit Report

Make sure you carefully check your credit reports regularly. *Your credit reports are important tools for limiting the amount of damage a thief can cause.*

What to Do If You're a Victim of Identity Theft

There are several steps you should take to protect yourself if you are a victim of identity theft. These steps are listed below:

1. Document your actions

Keep copies of correspondence and documents related to the theft including the time and money you must spend.

2. Immediately call the police to file a report locally

If your identity was stolen when you were away from home, you will also need to contact the police in that jurisdiction.

3. Contact the credit bureaus

Get all three agencies to flag the accounts with a “fraud alert.” Have each credit bureau send you a copy of your report.

4. Contact your credit card companies

Close any affected accounts, get new account numbers, and protect the accounts with passwords. Request a letter documenting the actions taken.

5. Inform your banks if your wallet or purse was stolen.

Cancel your checking and savings accounts and open new ones, stop payments on outstanding checks, and get a new ATM card, account number, and PIN or password.

6. Contact the Government Authorities.

The Federal Trade Commission (FTC) runs the ID Theft Hotline and the ID Theft Clearinghouse (www.ftc.gov/idtheft). Report to the Social Security Administration if your Social Security Number has been compromised. If any of your mail was used in the fraud, contact the U.S. Postal Service.

7. Identity Theft Insurance

For added peace of mind, you can obtain Identity Theft Insurance from your insurance agent. Talk to your agent about adding an ID Theft policy to your homeowners or property insurance. Many homeowners' insurance policies offer this coverage with limits up to \$5,000 or maybe even \$25,000. **For around \$30 per year, you can get help to restore your good name.**

Some insurance companies require a deductible sometimes as high as \$500 for protection, while others have no deductible. Talk to your agent about the Identity Theft policy available from your insurance company.

The coverage includes reimbursement for:

Attorney fees: If you need to hire an attorney to defend you if lawsuits are brought against you by merchants or collection agencies, if you need help to remove criminal or civil judgments wrongly entered against you, or to challenge information contained in your credit report.

Lost wage recovery (up to \$250/day with a \$5,000 cap): This will help cover wages or salaries you may lose if you need to take time of work to complete affidavits or meet with law enforcement agencies, financial institutions, credit grantors, credit reporting agencies, or attorneys.

Loan reapplication fees: This covers your expenses if you need to reapply for loans denied you solely

because the lender received incorrect information due to identity theft.

Other expenses: This coverage takes care of other expenses involved in restoring your identity, such as mailing costs, notary expenses, and long distance phone calls.