

April 1, 2006

Welcome to the first edition of the Watermark Insurance Services newsletter. I hope to publish items of interest to you several times annually, and look forward to hearing your feedback on my choices, as well as suggestions regarding items of interest on which you'd like to hear.

I'll try to keep it brief and simple.....but for those of you who know me well, that's not always so easy for me!! Here goes:

## **IDENTITY FRAUD**

This is a hot topic amongst many of you today, so I'll take a minute to give you some facts and figures, as well as ways you can protect yourself. Finally, I'll outline what insurance coverage is available to you.

### ***Facts and Figures***

Identity theft is occurring at the rate of 7 million occurrences per year. (For you statistics fanatics, that's 19,178/day, 799/hour and 13.3 people/minute).

The average recovery time invested in an identity theft is 600 hours....3 years ago, that was only 175 hours.

The average lost income because of lost time is \$16,000, plus \$1,400 in out of pocket expenses.

Only 15% of identity thefts are discovered because of a proactive event (like ordering a credit report).....that means 85% are discovered because of a negative event!

### ***Who is Doing the Stealing, and How are they Doing it?***

The arrest rate for identity theft is only 5%, because it's too costly to prosecute (\$11-20,000)....so the potential for repeat offenders is huge.

You are more likely to experience identity theft from someone you know than a stranger. This can include stealing records on the job, employees bribing/hacking/conning, statement theft, dumpster diving, ordering reports or having access through regular sources, stealing credit card info thru skimming your wallet, completing change of address forms, or from your home e-mail.

The most common methods of thefts are Phishing, Shoulder Surfing, Spyware, Cookies, Dumpster Diving, "Free" Credit Reports, Phone Scams (including calls claiming to be the IRS!), Internet Shopping, and Mail Theft.

### ***How can I Protect Myself?***

Check your credit report from all three credit sources 1 time annually. Go directly to each of the agencies (Experian, EquiFax, and TransUnion). Do not respond to unsolicited offers for “free” reports. You are entitled to one free report per year from each of these agencies.

Guard your social security number. Don’t put it (or your drivers license number) on checks.

Watch for eavesdroppers.....Guard your personal information.....Be suspicious of phone solicitors.....Delete suspicious e-mail without replying.

Call 888-5OPTOUT to reduce unsolicited credit card offers that you receive in the mail.

### ***What Should I Do if I Experience Identity Theft?***

Notify Authorities. This includes local police, state authorities, and the Federal Trade Commission.

Place a fraud alert on your credit reports. You can put a 90 day initial alert (for things like a stolen wallet or phishing) and get 1 free credit report; or if you are a victim, place an extended alert (7 years), which offers you 2 credit reports every 12 months, plus removal for 5 years from marketing lists.

Close any accounts that have been tampered with (for you grammar fanatics, I know, dangling participle)

Have a plan.....write down all the names contacted along with the date....follow up in writing.....keep copies of correspondence....keep all originals.....set up a filing system for your accounts.....keep old files.....

### ***Key Websites***

Not enough detail for you? There’s much more information out there if you want it. Some of the websites are:

[www.consumer.gov/idtheft](http://www.consumer.gov/idtheft)  
[www.ftc.gov](http://www.ftc.gov)

[www.identitytheft.org](http://www.identitytheft.org)  
[www.idtheftcenter.org](http://www.idtheftcenter.org)

[www.fightidentitytheft.com](http://www.fightidentitytheft.com)  
[moneycentral@msn.com](mailto:moneycentral@msn.com)

### ***What About Insurance?***

Mastercard, Visa, and most other major credit card companies only hold you accountable for \$50 no matter how much or how long stolen.

The loss is really in your time and costs to recover your identity. Coverage is available that will provide limited (\$5-15,000) offset for the expenses you incur. This includes things like lost wages for your time, attorney fees, notary costs, mailing costs, loan application fees, and long distance phone calls. The coverage forms vary by company, so be careful to read the form to be sure you know what you’re buying.

Annual cost for coverage starts at around \$25 and the identity theft must occur during the policy period in order to be considered for coverage. If you’d like to add coverage to your policy, just give me a call.

***But on a brighter note.....***

Well, that was cheerful, wasn't it? I thought I'd offer a few positive notes about some of my clients to brighten things up:

- Michael Lyman has been named Director of Sales and Marketing for the new JW (Marriott) being constructed downtown.
- Suzette and Henry Jaskie have just moved to Ada from Wisconsin. Suzette is the new Executive Director of West Michigan Heart.
- Steve Samson has just been recognized as one of Kendall College's 2006 Distinguished Alumni for his Community Service work.

***And if you're looking for.....***

- ✓ A Hair Stylist.....Todd Barnhill at Hotel Venus (456-6604) is the best.....but don't forget owner Kathy Johnson, too!
- ✓ A Private Banker.....Karen Olson VanHorn at Fifth Third (653-5006) combines knowledge, responsiveness and a great personality.
- ✓ An Interior Designer.....be sure to call David Weston of Rock Kauffman's Urban House (774-9200). Not only stylish and creative, but a great English accent to boot!

***And Don't Forget.....***

Your referrals are the lifeblood of my agency. I continue to appreciate the confidence you have placed in me. Please keep sending me your friends, family and associates, and I'll continue to provide both you and them with "concierge level" service and competitive prices.

All the Best,

Sheila E. Braciak