



IDENTITY RECOVERY COVERAGE

Panhandle Farmers Mutual Insurance Company Identity Recovery Coverage Points To Ponder For Home Owners

Points to Make About Identity Theft

Identity Theft is a major problem that cost millions of insureds significant time and money.

Each year Americans spend 300 million hours and incur \$5 billion in personal expenses cleaning up problems caused by identity theft.

Identity theft can be expensive and time-consuming for the victim, particularly in cases where the thief has opened new accounts or created a fictitious identity. In these cases the average costs to victims to correct the problem are:

- 60 hours of personal time;
- \$1,200 in out-of-pocket expenses

Anyone struck by identity theft has to make identity and credit recovery a top priority because:

- Credit ratings can be ruined;
- Victims cannot take out loans or make purchases;
- Victims may be pursued by collection agencies, have their credit cards and checks rejected, or lose a job opportunity;
- Thieves may use personal information to commit other crimes and arrest warrants may be issued in the victim's name;
- Liens can be applied against the victim's assets.

It is not easy for individuals to correct their credit history and identity records because:

- Creditors and financial institutions are focused on collections and may be unsympathetic to victims' troubles;
- Victims are unfamiliar with the correct process and procedures;
- Victims do not know who to contact or call;
- Victims may not be able to prove to the satisfaction of creditors and others that their identity or personal information was stolen;
- The thief may gain control of existing accounts by using a different address or open new accounts in the victims name giving them time to commit multiple acts of fraud undetected that affects numerous records and accounts.

Points to Make About Competitors' "Identity Theft" Insurance

Most so-called identity theft insurance is typically limited to out-of-pocket expenses resulting from identity theft. They make the victim do all the work.

Such limited coverage does little to help victims cope with the confusing and time-consuming process of restoring identity records and correcting their credit information.

Identity Theft victims often say the real cost is the time and stress of spending long hours to re-establish their identity and credit.

Points to Make About Our Identity Recovery Services

Our Identity Recovery Coverage combines personal identity recovery services with identity theft insurance to ease both the expense and aggravation of dealing with identity fraud.

Our identity recovery services assist the victim in correcting identity records and correcting credit history, this includes:

- A toll-free number for policyholders who suspect they may be victims of identity theft. Experienced counselors are available to initiate the insured's identity theft claim and help them start the recovery process.
- When insureds are targeted by thieves who open new accounts or create fraudulent identities, a highly experienced case manager is assigned who can:
 - Assist the victim in identifying and contacting the proper person at creditors and credit bureaus who can help resolve the problem;
 - Help victims order and review credit reports to detect errors;
 - Write letters for the insured to send;
 - Keep detailed records of all steps taken and remaining in the process;
 - Help victims take steps to prevent a recurrence of identity theft.
- The case manager does all the work the law allows a third party to do. We estimate that case manager support will save identity theft victims 70 percent of the work and time they would otherwise do themselves.
- If the insured prefers to manage the process on their own, we provide an identity recovery guide that shows step-by-step how to prevent loss and what to do about it when an identity theft occurs. It includes examples of pre-written letters to creditors and credit bureaus and other information to help the insured through the process.

Points to Make About Our Identity Recovery Insurance

Our Identity Theft insurance reimburses victims for:

- Lost wages as a result of time away from work to correct credit or identity records;
- Cost of credit reports;
- Postage, telephone calls and shipping;
- Fees when reapplying for loans initially declined due to false credit information;
- Certain legal fees related to identity theft.

The Identity Theft insurance limit pays up to \$15,000 a year for each insured person.

- The deductible is \$250 a year.
- Lost wages are covered up to \$250 per day, for up to \$5,000 per year.

The costs that we incur to provide recovery services do not reduce the coverage limit we provide for expense reimbursement.

This is a summary of coverage. Review the actual policy for details on all coverages, terms, conditions and exclusions.