



Personal Risk Insight

Complete Exposure Assessment is First Shield Against ID Theft

Many people do not realize just how easily criminals are able to obtain personal data without ever having to break into a home.

Whether it's sifting through trash bins for bank account and credit card statements, looking over a victim's shoulder to glean sensitive information off their mobile devices, or through high-tech methods such as phishing, identity theft is committed in many different ways.

In 2014, there was a new identity theft victim in America every two seconds as identity thieves lifted a total of \$16 billion from 12.7 million consumers, according to a study by Javelin Strategy & Research.

While credit monitoring and protection systems are helping to catch and deter criminals, identity theft and fraud remains widespread although underreported. Indeed, many new ID theft cases are not reported and more than half of victims do not realize until years later that their personal information has been stolen.

Preemptive Solutions

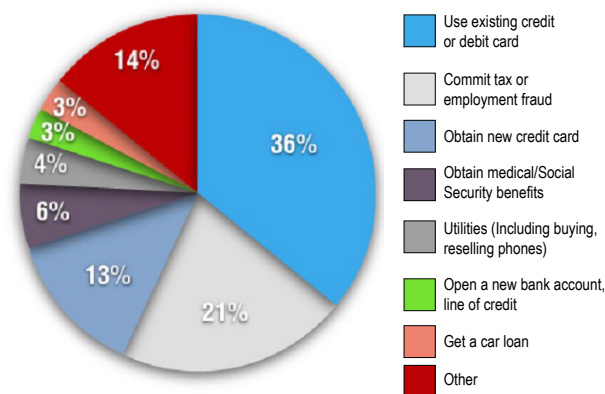
Many types of identity theft can be prevented. One way is to continually check the accuracy of personal documents and promptly deal with any discrepancies.

At USI Insurance Services, personal risk specialists have developed aggressive and comprehensive processes to tackle identity theft risks. Drawing on years of experience, USI consultants work with individual clients to assess their financial exposure to identity theft as well as the ID theft exposures of household members.

If needed USI assists clients to obtain ID theft coverage for a nominal additional premium. Benefits of this coverage include:

- Consultations on minimizing your risk to identity theft
- Access to identity theft monitoring services
- An advocate to assist throughout the identity restoration process

What Thieves Do With Your Stolen Identity



Source: Travelers

Continued on page 2

Continued from page 1

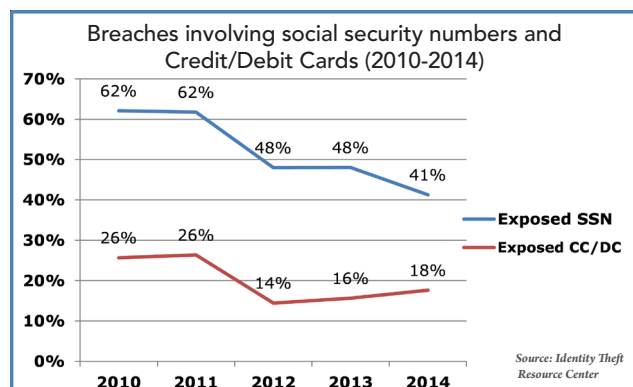
Financial Impact

Identity theft affects victims in many different ways, including financially and emotionally. The financial impact can be both direct and indirect. The amount stolen from a victim's bank account or credit card is a direct loss resulting from the identity theft. The indirect losses, which sometimes can be more costly, include bounced check fees, computer system repairs, phone calls, postage, legal fees, credit monitoring and other costs related to the crime.

The emotional toll on a victim, which may stem from anxiety over personal security, reputational damage within the community, countless stressful hours spent resolving issues with debt collectors and credit bureaus, and undesired credit-related hardships is much harder to quantify.

Altogether, the cost to restoring what was yours can be both time-consuming and expensive. In fact the FTC estimates victims spend anywhere from 175 to 600 hours to restore their identity. This loss of time is not insurable.

What is insurable, typically, is the amount of direct assets stolen that is not recoverable by the financial institution plus cost of restoration and other expenses such as fees and higher deductibles due to loss of financial history and credit. Coverage from a homeowners' or standalone identity theft insurance policy will reduce the amount.



USI Case Studies

Identity theft cases vary. One notable event involved a financial advisor who received an email alert from a credit card company about several attempts to charge \$3,000 on a card. The advisor, who frequently monitors his assets, reached out to his bank and learned that \$80,000 had been transferred from his valid account to five newly established fraudulent checking accounts.

Eventually this advisor, who had obtained a USI-negotiated ID theft coverage, was able to recover all the stolen funds. In addition, through the coverage, he was able to work with an advocate to restore his credit, including completing identity theft affidavits, notifying the Federal Trade Commission and IRS and reviewing current credit reports to identify every piece of fraud to dispute. This client avoided more than \$106,000 in potential out-of-pocket expenses as a result of the coverage.

This case study is one of many success stories shared by USI's Personal Risk Services' clients. To learn more about USI's ID theft and other personal insurance solutions contact your local USI office.

To analyze our client's personal exposures and challenges our personal risk team leverages USI ONE®, a fundamentally different approach to risk management. USI ONE integrates proprietary business analytics with a networked team of local and national experts in a team based consultative process to evaluate the client's personal risk profile and identify targeted solutions to address those risks. Clients then receive tailored recommendations for more efficient investment of premium dollars through customized personal insurance risk management programs that enhance coverage and manage rate control.