

Getting your identity back

**Identity theft can be devastating.
Here's how to restore your name.**



Signing autographs and posing for pictures were all part of the job for Dan Benish. As a defensive lineman for the Washington Redskins in the early 1990s, Benish often made public appearances where he did grip-and-grin meetings with fans. Yet one woman did more with his signature and photos than Benish banked on.

She started posing as his wife.

Armed with the NFL player's signature and a wallet full of doctored photos that made it seem as if they were married, the faux fan purchased cars, secured a mortgage, opened credit accounts and more—all in the guise of Mrs. Dan Benish.

The identity thief eventually got caught and went to jail. And Benish, who was compelled by the experience to become a consultant and identity theft expert, spent years trying to reclaim his identity.

"I was like a lot of victims—I didn't think it could happen to me," says Benish, who now lives in Atlanta, Ga. "But what I've learned is it can happen to anyone at any time. Rich, poor, young or old."

Indeed, while few Americans sign autographs and pose with strangers, Benish's experience exemplifies the many ways that thieves swipe millions of identities each month. The crooks go on lavish spending sprees, tap medical benefits, create fake employment histories, and even commit crimes in the name of someone else. Maybe you.

While thieves are stealing identities at a record clip (32 million in the first six months of 2006 alone), consumers, financial institutions and insurers are fighting back with new safeguards and increased awareness that have reduced the severity of losses. And state-of-the-art identity recovery services help victims piece their credit—and lives—back together.

Who's a target?

Consumers can take action to protect their identities from would-be-thieves. The first step is to clearly understand that—regardless of financial standing—anyone can be a lucrative target for identity thieves seeking anything from medical benefits to a pseudo-identity that offers cover for a crime spree.



**1 in 6
Americans
say they've
had financial
information stolen.**

"I have so many people who tell me, 'I don't buy things online or I don't have a mortgage, so I'm not at risk,'" says Michael McCoy, an identity fraud consultant and co-author of *Who is You? The coming epidemic of identity theft* (The Consortium Books, 2006). "I ask them have you ever been married? Have you ever gone to the doctor? Have you gone to college? Have you applied for a credit card? If the answer is yes to any of those, there's a possibility your data is at risk. And if you're not one of those, then maybe people are going through your garbage or clearing out your mailbox."

Experts recommend shredding all mail and documents that contain personal information. Don't carry Social Security cards or other sensitive documents in a wallet or purse, and use a secure postal box instead of putting bill payments into a roadside mailbox.

"It's amazing how many people still carry all their personal information in their wallet," McCoy says. "I had a young man just call me who had lost his wallet. In it he had his driver's license, Social Security card, medical insurance card and student ID. Someone on the street could easily sell that package for \$3,000." ▶

What you get with identity coverage

Expenses covered with ERIE's identity recovery coverage include:

- Lost wages of up to \$250 per day, not to exceed \$5,000 in total.
- Refiling applications for loans, grants or other credit instruments.
- Certain legal fees, including the expenses for defending any civil suit brought against the insured by a creditor or collection agency or for removing any civil judgment wrongfully entered against the insured as a result of the stolen identity;
- Notarizing affidavits or other similar documents.
- Ordering credit reports, and postage, phone, and shipping fees related to identity theft.

Contact your ERIE agent to add the coverage onto your homeowners policy •

Not if, when

McCoy claims the problem has escalated to the point that it is not a matter of *if* your identity is stolen, it is *when*. Even the most conscientious consumer can be hit. Witness the 26.5 million veteran and active duty military personnel whose names and personal information fell into the hands of thieves last June. The criminals stole a laptop computer and external hard drive from the U. S. Veterans Administration.

Realization that identity thieves will always exist has led to increased emphasis on raising awareness, reducing losses, and establishing identity recovery services that help victims navigate the twisted path to restoring their name and credit.

Some insurance carriers have recognized the potential risk to customers and have responded. Last spring, Erie Insurance began offering identity recovery coverage as a low-cost addition to homeowners policies. If a covered customer's identity is stolen, ERIE works to clear his name and restore his credit.

The endorsement also provides up to \$25,000 for reimbursement of the many expenses that can accumulate in the identity recovery process, such as attorney fees, notary fees and long distance calls, just to name a few. It also includes coverage up to a limited amount for lost wages if it is necessary to take time away from the job.

"It's very important to take the first step and get a policy like the one ERIE is offering," McCoy says. "The best way to get the problem fixed is to have a third party working on your behalf."

Lifting the burden

Indeed, the theft itself is just the beginning for those whose identities have been stolen. It can take months or years to fix the problem for those who attempt to clear their name on their own. Over time, victims can invest more than 60 hours and hundreds or thousands of dollars into the restoration effort.

The process is a tangled maze for consumers. Police are sometimes hesitant to file a report on the theft, which can delay the recovery process. Companies may not follow laws concerning consumer disputes and customer rights. And, on occasion, creditors re-report identity theft after a problem has already been resolved, creating confusion and putting red flags on credit reports.

Coverages like these offered by ERIE allow for managed restoration by a licensed investigator who has expertise in dealing with the many challenges of identity restoration. Once ERIE takes a theft report,



Half of all identity thefts are carried out by friends or family.

an investigator is assigned to the case and works to restore the individual's credit to its pre-theft state.

The case manager connects with a long list of businesses and agencies to clear a customer's name. Among them: financial institutions, collection agencies, retail stores, utility companies and federal regulators such as the U.S. Postal Service and the state attorney general's office.

By granting limited power of attorney, victims allow investigators to represent them to various government agencies or creditors in the restoration process.

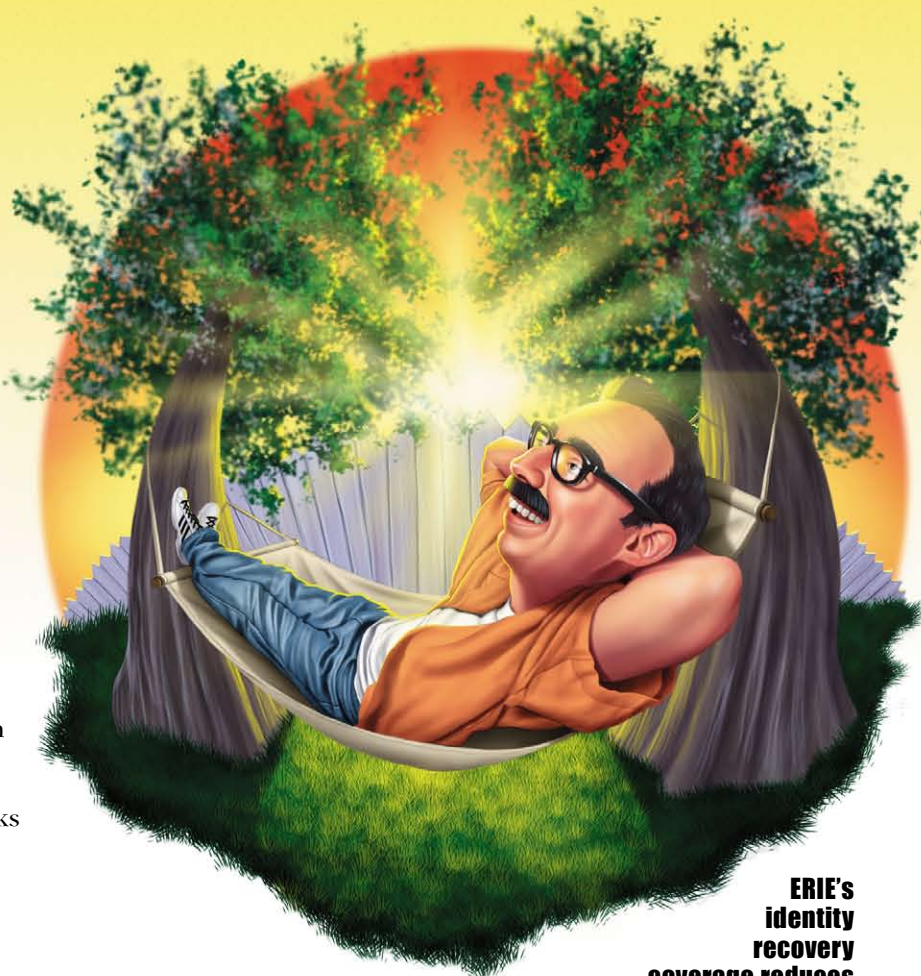
"Granting limited power of attorney is the quickest, cleanest way to really lift the burden of this off the victim," said Eric Cernak, an identity theft consultant who works closely with ERIE on the restoration process. "The licensed investigators know how to work through the headaches and the hassles and how to avoid any roadblocks that might be put up by various financial institutions and agencies."

Working as a team

While the case managers handle "the heavy lifting," it is also essential that the victims work closely with investigators to provide necessary information when needed, Cernak says. Case managers will often ask victims for important records or documents to expedite the restoration process. Cernak says it is best to have a good system in place for storing documents and sensitive data before an identity theft occurs.

The bulk of the restoration process typically takes three to six months. The licensed investigator works to restore the victim's identity until it appears that all the issues have been addressed. A thorough credit and identity check is then performed 120 days later to make certain there hasn't been anymore suspicious activity. If no problems are detected, the case is considered closed. If there are more red flags, the entire process begins again.

"Generally speaking, the situation gets under control," Cernak said. "Unfortunately, once your identity is out there, you're never quite sure where it has traveled on the dark recesses of the globe. It's a matter of being cognizant and vigilant about what is going on with your credit and personal information on a regular basis."



**ERIE's
identity
recovery
coverage reduces
restoration time invested by a
policyholder by up to
75 percent.**

'I got my life back'

Mari Jo* of Fairfax, Va., experienced the benefit of identity recovery services like those provided by ERIE. The 34-year-old waitress was paid by direct deposit one Friday afternoon last year. On the following Tuesday, she called to check her account balance only to learn the account had been emptied out. Over the next few days, thieves wrote 13 checks on her account, totaling an additional \$3,500.

"I tried to handle the situation myself for the first few days," she said. "I didn't get very far."

Mari Jo soon connected with a licensed investigator who started unraveling how her identity had been stolen. He quickly determined that the thief had duplicated her checking account and then printed counterfeit checks using her account number, routing number, name and address. ▶

**Last name removed to protect her identity.*

Two months later, the thieves struck again, using her identity to obtain a credit card and run up a \$5,000 debt.

The investigator contacted more than a dozen retailers who had accepted the phony checks or credit card and successfully worked to clear Mari Jo's name and credit.

"He totally resolved the check fraud issue and is in the process of correcting the credit card issue," she said. "I could not imagine going through this alone and uneducated. I got my life back."

Peace of mind

Getting people's lives back is what ERIE's identity recovery coverage is all about. And it offers something else as well—peace of mind.

"No two of these cases are alike and some are very complex," Cernak says.

Former footballer Dan Benish wishes he would have had the benefit of identity recovery

services when he was piecing his identity back together several years ago. He took on the time-consuming task of contacting all the agencies and clearing up his credit reports.

"When I went through this I had no guidance at all," Benish says. "It was a very uneasy feeling. People need to know that even if you do all the right things, you can't be 100 percent sure that your identity won't be stolen. You have to monitor your credit and make sure you have some type of managed identity recovery coverage." •

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Illustrator James Shepherd lives with his wife, two boys in the town of Muskego, WI. His work is generally found on packaging for high energy toys for kids, or high energy snacks for kids.



Phil Friday's Identity Theft Prevention Tips

Phil Friday, ERIE's feisty fraud-fighter, usually spends his days cracking capers involving crooks.

But when Phil isn't working the fraud beat, he's trying to get the word out about how to avoid getting scammed. One of your most precious assets is your good name. Here are tips on how to keep it and prevent others from traveling to Tahiti on your dime.

■ **Protect your Social Security number.** Don't carry your Social Security card or anything bearing the number with you. Store it in a safe place. If a business asks to use it for something, request that they use another number instead.

■ **Protect your mail.** Outgoing bills should be mailed from post office collection boxes, not your home mailbox. A locking mailbox or a P.O. box will help protect incoming mail.

■ **Protect your PINs.** Choose your PINs carefully—no birth dates, names of pets, or consecutive numbers. Do not use any part of your Social Security number or anything that could be easily guessed. Memorize your PINs.

■ **Destroy sensitive documents.** Never just throw sensitive material into the trash. Shred everything that contains personal information. This includes ATM receipts, insurance forms, credit card bills, bank statements and pre-screened credit offers.

■ **Shop online with caution.** Use a credit card, not your debit card, when shopping online. Set aside a special card with a low limit to use just for online shopping. The lock symbols at the bottom of your browser window will tell you if a site is secure.

■ **Beware of solicitations.** Unless you are the one who initiates the contact, do not give out any personal information over the phone, online, or through the mail. Thieves may pose as banks, credit card companies or anything else.

■ **Check your credit.** You now have the right to three free credit reports per year, one from each credit bureau. You can access your credit report through www.annualcreditreport.com. Check your credit regularly and be on the lookout for any suspicious activity. Investigate anything that appears suspicious on your credit report. •