

# Crisis: Identity Theft

*Solution: The Hartford's three-component Identity Recovery Coverage is now included in Spectrum® and Spectrum Xpand® for small commercial customers.*





Identity theft is the fastest-growing crime in America today. Nearly 10 million Americans were victims in 2002, according to the Federal Trade Commission – 41 percent more than the prior year – with a hefty \$53 billion price tag for the U.S. economy. And the problem continues to grow. The Hartford is putting its strength to work for you with identity recovery coverage that helps protect your small commercial clients from this growing threat at no extra cost – and offers you a tremendous sales opportunity.

#### **What is Identity Theft?**

Identity theft refers to crimes in which someone wrongfully obtains and uses another individual's personal information to commit fraud or other crimes. The thief will often obtain personal information by:

- Stealing wallets/purses
- Stealing mail, including bank statements, credit card statements, pre-approved credit offers, new checks and tax information
- Completing a "change of address" form to divert mail to another location
- Rummaging through trash for personal data
- Posing as a landlord or employer

- Sending bogus e-mails that look like they are from legitimate companies asking for personal or credit card information
- Stealing information from workplaces through bribery or computer hacking
- Intercepting cell and mobile phone calls when people are making purchases
- Devising elaborate telemarketing scams

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The thief can create an entirely new, fictitious identity to make purchases, receive loans, withdraw funds and commit crimes – doing massive damage to a victim's credit and reputation. Business owners or partners are especially attractive targets because identity thieves believe they have abundant assets.

#### **The Facts for Small Business Owners**

On average, it takes victims of identity fraud 60 hours of their time and \$1,200 of their funds to correct the problem – and in many cases, the cost is much higher.

While merchants, banks and financial institutions absorb most of the fraudulent charges, they do not pay the victims for the expenses they incur to correct their

credit, identity records and reputation. And victims are responsible for the many hours it may take to correct the problems caused by identity theft.

Most business owners cannot afford to divert their time from running their company to correct personal credit and identity records. And damage to the personal credit of a business owner can negatively impact the credit rating of their business.

The Hartford's new Identity Recovery Coverage is specially designed to address both of these issues with three main components:

- An Identity Recovery Help Line
- Case Management Services
- Expense Reimbursement Insurance

Most insurers do not include this identity theft coverage in their business-owner products. So the Hartford's Identity Recovery Coverage with its integrated approach can give you a significant competitive selling advantage. In fact, our recovery services can cut the time it takes for identity theft victims to recover by 70 percent.

### **Component One: Identity Recovery Help Line**

Policyholders who suspect they may be victims of identity theft can take the first step toward recovery by calling our dedicated toll-free number. Our **Identity Recovery Help Line 1-888-772-1798** connects insureds with professionals who will answer their initial questions, provide information about identity theft and send a guide designed to advise them about the next steps to take. Insureds who are confirmed identity theft victims are then referred to an Identity Recovery Case Manager.

### **Component Two: Identity Recovery Case Manager Service**

Policyholders who are identity theft victims will find the assistance of our specialists invaluable. Identity Recovery Case Managers can speed the recovery process and are skilled at gaining the cooperation of the right individuals at credit bureaus, creditors and financial institutions. Case Managers will also guide claimants through all the steps needed to correct their credit history or identity records, such as:

- Working with credit bureaus, creditors, financial institutions and others to identify errors and help claimants correct their records
- Enrolling victims in an electronic credit monitoring service
- Requesting a fraud alert with credit bureaus when warranted
- Preparing communications for claimants to send to the Social Security Administration, state Department of Motor Vehicles and other government entities
- Providing legal referrals for help with court appearances and legal entanglements
- Working with claimants to check for a recurrence of identity theft problems
- Keeping detailed records of the steps accomplished and remaining in the recovery process

### **Component Three: Identity Recovery Insurance**

The third component of The Hartford's Identity Recovery Coverage is reimbursement insurance up to \$15,000 above the policy deductible. This coverage reimburses victims for covered expenses arising from a defined identity theft event, including:

- Costs for obtaining credit bureau reports
- Credit fees when reapplying for loans initially declined due to falsified credit information
- Postage, phone and shipping fees
- Certain legal fees caused by identity theft
- Notary and filing fees

### **A Practical Solution to a Real Problem**

Our innovative program provides small business owners with a practical solution to a growing problem that more and more Americans confront each year. Identity Recovery Coverage further enhances our industry-leading small commercial products, helping you to retain renewal customers and win new business. Use this value-added benefit to show your customers that you and The Hartford are constantly reviewing coverages to ensure they meet the needs of small business owners and provide comprehensive protection against the latest risks in the marketplace.

### **For More Information**

For more details on our Identity Recovery Coverage, please contact your Hartford representative.

This brochure provides an overview of coverages and services. Coverages may differ in availability by state. All coverages are individually underwritten. For a complete description of all coverages, terms and conditions, refer to the insurance policy. In the event of a conflict, the terms, conditions and exclusions of the policy prevail.