



Kansas Insurance Department

Sandy Praeger, Commissioner of Insurance

FOR IMMEDIATE RELEASE

Dec. 19, 2007

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CONSUMER ALERT: Don't Let Identity Thieves Steal Your Holiday Spirit

*Kansas Insurance Commissioner Sandy Praeger
Encourages Consumers to Take Necessary Precautions*

TOPEKA – It might be the season of giving, but a new survey shows a majority of Americans are worried about what might be taken from them.

According to new research by the National Association of Insurance Commissioners, of which the Kansas Insurance Department is a member, 57 percent of U.S. adults say they are concerned about being a victim of identity theft during the holiday season, and 66 percent believe they are more at risk when making purchases online.

“Identity theft is one of the fastest-growing crimes in the United States, affecting consumers of all ages,” said NAIC President and Kansas Insurance Commissioner Sandy Praeger. “It’s critical for consumers to know how to protect themselves and reduce the risk of becoming a victim.”

According to the Federal Trade Commission, 8.3 million Americans were victims of identity theft in 2005. Every year, victims of identity theft struggle to recoup financial losses and repair damages to their credit standing.

Understanding the Basics of Identity Theft

Identity theft, sometimes referred to as identity fraud, is a crime that involves someone using your personal information — such as your name, Social Security number, credit card number or other financial account information — without your permission to commit fraud and/or other crimes.

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Identity theft occurs in many forms. It can be someone using your stolen personal information to apply for loans, purchasing items using your credit card number or any number of other fraudulent activities.

There are also simple precautions everyone should take to avoid becoming a victim, Commissioner Praeger said.

* **Know what's in your wallet.** Avoid carrying your Social Security number in your wallet or purse. This number provides access to personal information, and it should be stored in a safe place. In addition, only carry the credit cards you need. This practice limits access to your accounts in the event that your purse or wallet is lost or stolen. It's also a good idea to periodically photocopy your cards and keep a record of the customer service phone numbers associated with your financial accounts, to speed up the process of canceling credit cards, if needed.

* **Shred, shred, shred.** Open all mail and read it carefully — even the items that might appear to be junk mail could contain personal offers. Any items with personal information, such as pre-approved credit offers, bank statements or utility bills, should be shredded before being discarded.

* **Be suspicious of solicitors.** You should never give personal information or your Social Security number to someone unless you have verified the person is trustworthy. This advice applies to sharing information over the phone, in store or online.

* **Monitor your revolving accounts and credit score.** Check your bank, credit card and other financial account information along with your credit score once a year to reduce the risk of unauthorized charges or credit applications. If you see a suspicious charge, immediately contact your financial institution.

* **Take action against unauthorized actions.** If you notice a new account has been opened in your name without your permission, immediately contact one of the three major credit bureaus — Equifax, Experian or TransUnion — and ask that a “fraud alert” be placed on your record. Once the alert is placed, the other two bureaus will be notified, and creditors will be required to contact you directly before opening new accounts or making changes to existing accounts. In addition, file a police report and submit a complaint to the Federal Trade Commission. You also might consider enrolling in paid services that monitor your credit report and alert you when someone applies for credit in your name, or account information is altered.

* **Surf the Internet safely.** Millions of people are online at any given time, and some of them are thieves looking to steal your identity. These hackers collect information from unsuspecting “pop-ups,” surf unsecured networks or hack into retail Web sites. Be sure to always use a secured network, and frequently update firewall protections on your computer. Also limit the amount of personal information you post on networking Web sites.

* **Consider purchasing identity theft insurance.** Several insurance companies offer identity theft insurance. Although it cannot protect you from becoming a victim of identity theft, this insurance provides coverage for the cost of reclaiming your financial identity, such as the expenses of placing phone calls, making copies, mailing documents, taking time off from work without pay and hiring an attorney. As with any insurance policy, make sure you understand what you are purchasing and compare prices, coverages and deductibles among multiple insurers.

The NAIC's national survey, which polled a nationally representative sample of 500 adults from Nov. 16-22, 2007, also shows:

* If seeking insurance coverage for identity theft, 38 percent of respondents said they would look to insurance companies, 34 percent said they would look to credit card companies, and 27 percent said they would look to banks.

* 32 percent said they were victims or knew someone who had been a victim of identity theft in the past five years. Of those consumers:

--46 percent said their identity theft exceeded \$1,000.

-- 42 percent said it took three months or longer to resolve the problem.

“Repairing the damages caused by identity theft can be a lengthy, financially straining process,” Commissioner Praeger said. “Taking precautions can save time, money and stress during the busy holiday season, as well as year-round.”

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To order credit reports, contact Equifax—www.equifax.com or 800-685-1111; Experian—www.experian.com or 888-397-3742; and TransUnion—www.transunion.com or 800-916-8800.

The Kansas Insurance Department, established in 1871, assists and educates consumers, regulates and reviews companies and licenses agents selling insurance products in the state. More about the department is online at www.ksinsurance.org.

ABOUT THE NAIC

Headquartered in Kansas City, Missouri, the National Association of Insurance Commissioners (NAIC) is a voluntary organization of the chief insurance regulatory officials of the 50 states, the District of Columbia and five U.S. territories. The NAIC's overriding objective is to assist state insurance regulators in protecting consumers and helping maintain the financial stability of the insurance industry by offering financial, actuarial, legal, computer, research, market conduct and economic expertise. Formed in 1871, the NAIC is the oldest association of state officials. For more than 135 years, state-based insurance supervision has served the needs of consumers, industry and the business of insurance at-large by ensuring hands-on, frontline protection for consumers, while providing insurers the uniform platforms and coordinated systems they need to compete effectively in an ever-changing marketplace. For more information, visit NAIC on the Web at www.naic.org/press_home.htm.