

Greetings and welcome to the 101st and final issue of my newsletter. I am retiring February 1. I encourage you to contact Carol to schedule an insurance review with her and Mike Hoppe, who is replacing me. Carol's email is [cbechay@corporatefour.com](mailto:cbechay@corporatefour.com) or you can reach her by phone at 952-896-9536. As usual with the January issue, I'm enclosing an index of all relevant material from 1985 to current.

The following section on protecting yourself from cyber hacking is written by Mike Hoppe. Good news. It is Mike's intention to continue writing client newsletters. Judging by what follows, I think he has a lot of potential and will do a great job.

**CYBER HACKING. HOW CAN I BEST PROTECT MY IDENTITY AND ASSETS?**

We have all heard of the highly publicized Equifax security breach recently or perhaps the Target store breach. If you think you are not vulnerable because you are not high profile, you had better take note. Everyone is a target.

**IS THERE PROTECTION UNDER MY INSURANCE POLICIES FOR STOLEN ASSETS DUE TO CYBER HACKING?**

Very little. Most likely your home or renter's policy will limit you to \$500, and many companies are adding an electronic exclusion to eliminate insurance claims from this ever-increasing exposure. Most home/renters' insurance companies do offer coverage for identity theft. But keep in mind, this will usually only help to coordinate the restoring of your identity and the related costs associated with this process. They are not going to pay for your lost assets. Restoring your lost identity is a burdensome process. We encourage you to have identity theft protection added to your home or renter's insurance policy. Call our office for pricing or if you would like to verify if you have the coverage.

**I OWN A SMALL BUSINESS. HOW ABOUT PROTECTING THAT?**

Business owners can purchase either or both cyber liability insurance or crime policies that would respond to many of the cyber threats. These policies are very specialized in coverage options and require a more in-depth underwriting review. The annual insurance costs for the most basic cyber policy start at \$500. Most policies sold are much more expensive depending on coverage options and the risk exposure.

**WHAT ABOUT SOMEONE FRAUDULENTLY WITHDRAWING FUNDS FROM MY BANK ACCOUNTS?**

This is governed under the Federal Reserve under "Reg E". Keep in mind this is separate and different than FDIC's \$250,000 for depositors at each FDIC insured bank in the unlikely event of a bank failure. Should someone gain access to your accounts and start withdrawing funds, "Reg E" states the bank is responsible if you, the consumer, report the activity timely. If you are not paying attention, you have no recourse after 60 days. Here is the crazy part—"Reg E" only applies to personal accounts and NOT to your business accounts. Again, there is NO protection for your business savings or checking accounts. I surmise this is why you can purchase cyber and crime coverage for your businesses and not for you personally.

**HERE ARE SOME VALUABLE TIPS TO PROTECT YOURSELF FROM THE CYBER BAD GUYS**

1. Shred all personal information, bank statements and the like. Your garbage is still used to obtain your personal information in half of all identity thefts.
2. Put a credit freeze on the three major credit reporting agencies: Equifax, Experian, and TransUnion. I found the following link helpful: <https://www.consumerreports.org/equifax/how-to-lock-down-your-money-after-the-equifax-breach/>.
3. Change computer passwords and consider using a password manager like Roboform: <https://www.roboform.com/security>
4. If you do not personally monitor your account and statements often, consider a service like LifeLock or Identity Force.
5. Use one credit card with a low limit for online purchases.

**BATMAN, SUPERMAN,  
SPIDERMAN AND MORE**

Attention serious comic book collectors! If they're in good shape, they could be worth tens of thousands of dollars. Here are some tips on reducing risk and avoiding some of the homeowners insurance policy gaps. Some insurance policies put a dollar limit on comic book collections (i.e., some as low as \$500). Most don't. Avoid those that do.

**COMIC BOOKS AND WATER  
DAMAGE**

Here's a case where reducing the risk is far better than insuring it. Sealing the books in airtight plastic and storing them off the floor.

**DOCUMENTING YOUR  
COLLECTION PRIOR TO A  
LOSS**

If you are going to collect the full value for your \$100,000 comic book collection, you better bring some good documentation to the table. Nothing beats photographs. Take photos of your whole collection and close-ups of books that have a particularly high value, showing condition and age.

**RAISE YOUR HOUSEHOLD  
CONTENTS COVERAGE**

Make sure that your homeowners contents coverage (Coverage C) is high enough to cover your comic book collection in addition to all the other contents you have.

**UNDERSTANDING HOW  
HOMEOWNERS  
REPLACEMENT COST  
COVERAGE WORKS**

You have a kitchen fire. The replacement cost of the damage is \$30,000. Why do you get a check for less (e.g. \$22,000)? The answer is because you only get paid the replacement cost on building and contents under your homeowners policy if you actually do replace. Until you do replace, your insurance company is only obligated to pay you the actual cash value of the loss (i.e., the depreciated value). Once the insurance company has received the proper documentation that the work has been completed, the amount withheld will be paid you.

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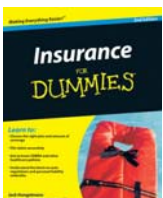
*I'm not renewing my insurance agent license in February. It has been 46 years. A job I believe I was destined for. I took the Strong Campbell interest test in high school and again in college. My number one score each time was insurance agent! I was the only one in the class with that result. "No way, José!" I thought to myself. A few years later, after college, I went to a headhunter for help finding a job and told the guy "I will do anything but insurance!" One thing led to another and here I am!*

*In looking back, I feel proud of several things. I'm proud of the kind of agent I was. I'm proud of these newsletters. I'm proud of Insurance for Dummies. It has sold over 50,000 copies to both agents and consumers! I'm proud of the 40 or so professional articles I wrote for [www.IRMI.com](http://www.IRMI.com) on all different types of personal risk management topics. I'm proud of more than 100 insurance advice columns I wrote for [www.bankrate.com](http://www.bankrate.com). I'm especially proud of the fact that I didn't play the Parkinson's card the past 20 years and continued on, with Carol Bechay's excellent help.*

*I leave after 46 years, knowing that I made a real difference. It doesn't get any better than that! Thank you for all the years of business you've done with me. You have made a difference in my life too.*

*All the best, one last time!*

*Jack Hungelmann*



Insurance for Dummies second edition, authored by Jack Hungelmann. Buy it online at [www.dummies.com](http://www.dummies.com) or [www.amazon.com](http://www.amazon.com).

