

AMERICAN RELIABLE INSURANCE COMPANY

IDENTITY FRAUD EXPENSE COVERAGE

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

DEFINITIONS

With respect to the provisions of this endorsement only, the following definitions are added:

1. **"Identity fraud"** means the act of knowingly transferring or using, without lawful authority, a means of identification of an **insured** with the intent to commit, or to aid or abet another to commit, any unlawful activity that constitutes a violation of federal law or a felony under any applicable state or local law.
2. **"Expenses"** means:
 - a. costs for notarizing affidavits or similar documents attesting to fraud required by financial institutions or similar credit grantors or credit agencies.
 - b. costs for certified mail to law enforcement agencies, credit agencies, financial institutions or similar credit grantors.
 - c. lost income resulting from time taken off work to complete fraud affidavits, meet with or talk to law enforcement agencies, credit agencies and/or legal counsel, up to a maximum payment of \$50 per day. Total payment for lost income is not to exceed \$1,000.
 - d. loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information.
 - e. reasonable attorney fees incurred as a result of **identity fraud** to:
 1. defend lawsuits brought against an **insured person** by merchants, financial institutions or their collection agencies;
 2. remove any criminal or civil judgments wrongly entered against an **insured person**; and
 3. challenge the accuracy or completeness of any information in a consumer credit report.
 - f. charges incurred for long distance telephone calls to merchants, law enforcement agencies, financial institutions or similar credit grantors, or credit agencies to report or discuss an actual **identity fraud**.

PHYSICAL DAMAGE

The following is added to **YOUR ADDITIONAL COVERAGES**:

IDENTITY FRAUD EXPENSE

We will pay up to the limit of liability shown on the Declarations for **expenses** incurred by an **insured person** as the direct result of any one **identity fraud** first discovered or learned of during the policy period. Any act or series of acts committed by one or more persons, or in which such person or persons are aiding or abetting others against an **insured**, is considered to be one **identity fraud**, even if a series of acts continues into a subsequent policy period. This coverage is additional insurance. We will pay only that part of the loss that exceeds \$100. No other deductible applies to **identity fraud** expense coverage.

PHYSICAL DAMAGE DOES NOT PROVIDE PAYMENT FOR

The following additional exclusions apply to this coverage:

We do not cover:

Loss, associated with **identity fraud**, arising out of or in connection with a **business**;

Expenses, associated with **identity fraud**, incurred due to any fraudulent, dishonest or criminal act by an **insured person** or any person aiding or abetting an **insured person**, or by any authorized representative of an **insured person**, whether acting alone or in collusion with others;

Loss, associated with **identity fraud**, other than **expenses**.

WHAT TO DO WHEN YOU HAVE A LOSS

Under **WHAT TO DO WHEN YOU HAVE A LOSS**, the following paragraph is added:

Send to us, within 60 days after our request, receipts, bills or other records that support your claim for **expenses** under **identity fraud** coverage.

All other terms, conditions, exclusions and agreements of the policy shall remain unchanged.