

## Chairman's Corner

by Vernon K. Veal, CPCU, CLU



**Vernon K. Veal, CPCU, CLU**, is chairman of the CPCU Society Senior Resource Interest Group Committee. Recently retired, he worked for 40 years with State Farm Insurance. His career involved underwriting, product development, and project management; and he drafted and implemented original versions of many commercial and personal lines policies in use today.

Veal graduated from the University of Nebraska at Kearney, and received the CPCU designation in 1967. He is a past president of the Central Illinois Chapter, and continues to serve as a member of various committees. He has served the CPCU Society for more than 20 years, including stints as director and regional vice president.

### 2008—Here's to Moving On!

Welcome to 2008 and the many opportunities offered to each of us. In this national political year, we feel the digital age applied to campaigning. People remain the key as technology offers new ways to reach out. This process may be exciting and boring, yes!

How are you doing? My hope is that you are a "maturing adult" volunteering in your community, in your family, and in our CPCU Society. Thank you for being a CPCU Society member and part of the Senior Resource Interest Group.

You are important to us and to all Society members. Many new people may join us as part of the growing number of seniors in our CPCU Society. Please invite them!

How about volunteering? Volunteering drives our CPCU Society along with our life for many of us. Here are some helpful reminders, thoughts, and values on being a volunteer.

**First**—You can contribute positively to your community.

**Second**—You stay socially involved and connected with people.

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# Chairman's Corner

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**Third**—You can grow intellectually, spiritually, and emotionally.

**Fourth**—You serve as a role model for others by helping them see the benefits.

**Fifth**—You may, based on some studies, live longer and have fewer medical issues.

**Sixth**—You can “Get Involved” in life and receive rewards far exceeding expectations.

Volunteering begins early as young people see adults modeling in community. We volunteer during our careers as busy adults and as we raise a family. We make this a priority supporting work activities and our life.

People learn to be an unpaid helper while working and then with retirement, they continue to “do it.” Some thoughts to help point you in the right direction:

**First**—Find what may inspire you even more than before.

**Second**—Plan to offer your career skills to others as an unpaid benefit that also helps you.

**Third**—Explore more time and choices available for your volunteering.

**Fourth**—Use opportunities to travel, speak, write, serve, move, and share financially.

**Fifth**—Learn something new to share with others and that empowers you.

**Sixth**—Bring your wisdom, initiative, and success to new ventures.

What resources do you need? Our society offers many places to learn and grow in your volunteer work. These range from libraries, print, radio and TV media, community organizations, and the digital world, for those who use it or may learn to use it. Yes, the Internet is a fantastic resource. Here are two web sites as examples.

- Corporation for National and Community Service  
[www.getinvolved.gov](http://www.getinvolved.gov)
- AARP (American Association of Retired Persons)  
[www.AARP.org](http://www.AARP.org)

AARP celebrates its 50th anniversary, and the other focuses on getting people to volunteer, especially the baby boomer generation.

We want and need you as members of our Senior Resource Interest Group. Thank you for joining or remaining with us with your dues. Please look at the CPCU Society and our Senior Resource Interest Group web sites and offer input you may have. Newsletters are our major contact with you in paper form and are also available on our web site. Give us ideas you would like included. We work hard to keep your membership a value. Please help us by sharing your thoughts with any of us.

Volunteering helps you to be of service to family, friends, co-workers, and community. Caring and sharing as a helper rewards us and others. Keep smiling and volunteering.

**Words from my chair . . .  
in your humble service! ■**

## Your Help Needed

Yes, we would love to hear from you so we can share with each other. Here are some specific area readers have asked about:

- volunteering experiences
- new careers
- consulting—getting set up, developing clients, and in general how to proceed and succeed, plus advice and tips on the subject
- second homes and/or vacation or holiday facilities, e.g. time shares, clubs, etc.; would like to know advantages, disadvantages, opportunities, cost benefits, inherent problems, advice, etc.

## Did You Know?

The sentence “The quick brown fox jumps over the lazy dog” uses every letter in the alphabet.

The words “racecar,” “kayak,” and “level” are the same whether read left to right or right to left.

“Typewriter” is the longest word that can be made using the letters only on one row of the keyboard.

No word in the English language rhymes with any of the following: “month,” “orange,” “silver,” “purple.”

“Dreamt” is the only English word ending in “mt.”

# Editor's Corner

by James L. Kirschbaum, CPCU



**James L. Kirschbaum, CPCU,** has experience spanning more than 50 years, which has been uniquely varied. He started in accident and health and employee benefits, and was the CEO and chairman of an insurance holding company and two insurance companies. Kirschbaum has served as the director of two major financial services companies, a reinsurance company, an independent agency, a managing general agent, and as a member of three risk management committees, including the United States Olympic Committee.

Kirschbaum served as the 1986-1987 CPCU Society president, and currently serves as the editor of SRQ.

**T**he SRQ is unique among CPCU Society publications. The newsletters for other interest groups usually are directed toward a specific audience and generally address core technical matters or products. The SRQ, on the other hand, usually does not deal with such specifics and functional matters. Further, our audience is as diversified as possible with all kinds of backgrounds, ages, experiences, and interests. The following is intended to remind readers of some of these variables as a prelude to a request for input from readers for information as a base for articles for future issues.

The SRQ endeavors to address:

1. New or changing matters and issues.
  - a. for those approaching career retirement or "senior" status
  - b. for those who are actually embarking on career retirement
  - c. for those who are well into retirement
2. New and changing challenges and concerns including having to make major decisions often with very long-term consequences. Such actions often not only involve self but spouses, parents, and even grandparents, and other family members.
3. Dealing with a host of new demands including additional leisure time, physical, emotional, and even spiritual well being, longevity, increasing financial needs and pressures.
4. Considering a new career or volunteering activities, travel, personal and family histories, new or expanded hobbies, etc.
5. Sharing information about each other and old friends or associates—readers love hearing from and about others.

The aforementioned while lengthy is certainly not all inclusive but hopefully will get the message across as to the areas we attempt to cover and serve as a reminder of how important it is to get your input.

In the last issue, we advised we would be taking two December cruises ending up in San Juan hoping to see Xavier Gonzales. Unfortunately, despite flu shots, we picked up the real flu on the next-to-last day on the ship. Our two days in San Juan were spent real sick in our room at the Marriott Condado. On return home, we were tested then "quarantined" for two painful, frustrating weeks over Christmas. I had no idea how sick the flu could make you. But the worst was yet to come—I developed pneumonia. Five weeks later, doing okay! ■

## Quotes to Live By:

*"Never put both feet in your mouth at once, because then you won't have a leg to stand on."*

*"Wear a smile since one size fits all."*

*"If you just aim for the horizon you'll never reach the moon."*

*"By serving others you are really serving yourself."*

*"Rainbows require both rain and sunshine."*

*"Some mistakes are so interesting and fun they are worth making more than once."*

*"If you don't climb the summit you'll miss the view."*

# Identity Theft: Targeting a Modern Problem with Modern Solutions—Part Three: The Insurability of Identity Theft

by Lynn M. Davenport, CPCU, AIC, AIM, AIS, AIT



**Lynn M. Davenport, CPCU, AIC, AIM, AIS, AIT**, is a claim team manager with State Farm Insurance Companies in Greeley, CO, following eight years in the claims technology and process arena. A member of the CPCU Class of 1999, Davenport currently serves as a CPCU Society governor. She is an active member of the Colorado Chapter, and has served on the Society's Information Technology Interest Group Committee and the Distance Mentoring Task Force. After earning her M.B.A. in knowledge and learning management through Walden University, Davenport has led several process improvement initiatives within a six-state area of responsibility.

**Editor's note:** This is the final installment of an article based on the Senior Resource Interest Group seminar held in April 2007.

## Financial and Non-Financial Losses

Victims incur both financial and non-financial losses from identity theft.

Consumers are not responsible for most financial losses resulting from identity theft under the majority of laws. But financial losses can be difficult to prove. Some of the potential financial losses from ID theft may include the following costs:

- Thieves take out credit cards in your name, spend money, and you receive the bill (usually a \$50 out-of-pocket maximum for consumer if charges are due to fraud).
- Thieves open new financial accounts and utilities, charging them to you.
- Thieves may set up a mortgage and buy a home with your name and credit record (they can even sell your home out from under you!).
- Thieves commit a crime under your identity, for which you may be charged and fined.
- The cost to clear your credit record can be staggering if you need help from experts.
- Charges to notarize fraud affidavits may be incurred.
- Consumers may incur lost wages due to time off work to prove innocence with creditors.

Non-financial losses can be even more devastating than financial losses. These may include:

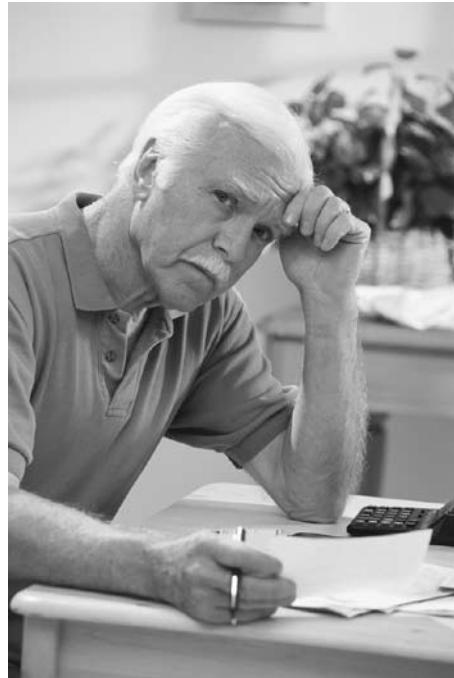
- Time and effort to clear your credit record, responding to credit complaints, and denials of credit.
- Damage to your credit rating and financial reputation.
- Emotional impact and uncertainty over exactly what the thief has done under your ID. The average time to find out that an identity has been compromised is 14 months, which increases the difficulty in fixing the credit or knowing what happened during that time frame. Victims often report feeling dirty, ashamed, embarrassed, and these emotions often result in a strain on marriage and family.
- Time spent in jail—One victim actually went to jail for a crime someone else committed under her identity! So you can see that the non-financial losses can be as difficult as the financial losses.

## Insurability of Identity Theft Losses

Now the question is, is ID theft insurable? The test of insurability from our CPCU courses can be applied here.

- **Large number of homogenous exposure units?** Yes, there are many people with similar risks. Everyone has an identity, and most consumers have financial exposures.

- **Loss must be definite?** For the most part, a dollar amount can be placed on the financial losses as a result of ID theft.
- **Loss must be accidental and fortuitous?** Yes, the theft is unpredictable. No one expects his or her identity or personal information to be stolen and used inappropriately.
- **The potential loss must be large enough that it would cause hardship?** In some cases, yes—it may be difficult for consumers to absorb the cost of clearing their name and time off work. Actual monetary loss may be limited due to credit card fraud laws.
- **The chance of loss must be calculable?** Yes, there are enough statistics in place now to calculate the chance of loss, as evidenced by the Javelin study.
- **The peril must be unlikely to happen to many of the group at the same time?** Due to the individual nature of the majority of ID theft, the peril would be limited to one person at a time. In some cases, businesses may be at risk for mass employee data to be stolen, but typically that data is used to gain account information one person at a time. Someone may steal consumer accounts, but thieves generally sell those accounts to others who use them one at a time.
- **The cost of insurance must be economically feasible?** Coverage for actual out-of-pocket expenses with a maximum limit can be reasonable. ID theft coverage



typically does not include the emotional distress of the event because it would cause costs to rise.

So the answer is yes, ID theft can be insurable! Many companies are starting to offer ID theft insurance, including Chubb, AIG, Travelers, Encompass, and Farmers. Coverage can be endorsed onto an existing homeowners policy, purchased as a standalone policy, obtained through ISO Identity Fraud Expense coverage, or purchased through third-party vendors outside of the insurance world. Many of these policies offer limits of \$15,000 to \$30,000 to cover legal fees, time off work, and expenses to clear your credit records. Typical cost of these policies is \$25 to \$50.

However, these coverages do not eliminate the hassle factor! Identity theft victims will still have to spend effort and time in clearing

their name. So what can you do to reduce the hassle factor? Protect your personal information and identity through a variety of safeguards outlined by the Privacy Rights Organization at [www.privacyrights.org/identity.htm](http://www.privacyrights.org/identity.htm). Check out the detailed Fact Sheet at [www.privacyrights.org](http://www.privacyrights.org) for information on how to minimize your risk.

## Additional Help for Seniors

Local community programs educate seniors on how to minimize risk by managing personal information wisely:

- AARP Money Management Program
- AARP ElderWatch
- AARP Campaign Against Predatory Lending

## Key Resources

- Federal Trade Commission  
[www.consumer.gov/idtheft/](http://www.consumer.gov/idtheft/)
- Credit Bureaus  
**Equifax**  
(800) 525-6285  
[www.equifax.com](http://www.equifax.com)
- Experian**  
(888) EXPERIAN (397-3742)  
[www.experian.com](http://www.experian.com)
- TransUnion**  
(800) 680-7289  
[www.transunion.com](http://www.transunion.com)
- Annual Free Credit Report  
(Federal Law)  
[www.annualcreditreport.com](http://www.annualcreditreport.com)

Target prevention before ID thieves target you! ■

# Cash Poor . . . Property Rich

A rapidly increasing challenge for retirees and those about to retire is trying to figure if there is going to be enough cash for those Golden Years, especially with ever-increasing life spans. In the absence of a "good" traditional pension and/or a large IRA or portfolio, the most common major asset is one's home. Most of us want to live in our own home as long as possible, hence we are reluctant to sell, although that is certainly an option. Further, even a mortgage-free home is subject to cash drains such as taxes, insurance, and upkeep and repairs.

There are a number of options available such as refinancing, downsizing, home equity loans, and reverse mortgages. We wish to zero in on reverse mortgages at this time; not to imply they are the best alternative but rather to provide some basic information and updates. Every case is unique, hence it is important to review all the alternatives before choosing the one best for a specific

situation. Highly recommended is to get immediate family involved in the analysis and decision making plus one or more "counselors" in whom there has been long-term faith and confidence. Don't be swayed by slick advertising or sales pitches.

Basically, a reverse mortgage is a loan against collateral with the latter being the equity in your home. You must be 62 and own your home, which must be your primary residence. The amount of the loan is primarily based on an appraisal, which typically is conservative. Ages of the borrower(s) are also taken into consideration. On a \$500,000 home, you may only be able to get half.

The proceeds may be taken as a lump sum, monthly payments, or as a line of credit or a combination of these. In addition to possible ongoing transaction fees, everything you take out will cost you in principal and "interest."

There are two types of reverse mortgages available. The first, HECM or Home Equity Conversion Mortgage, is insured by the federal government. The second are private loans that claim to be less restricted and more flexible especially as to amount. Recent and proposed federal legislation promises to help make such loans more accessible. The borrower does not have to repay the loan unless he or she moves or dies. At that time the borrower (in the case of a move) or the heirs will have to settle up with repayment of interest and principal usually requiring sale of the property.

Experts in the field see major changes in the market for reverse mortgages with many more options and lower costs. Currently the biggest rap results from very high costs resulting from large processing fees and charges coupled with high interest. This still may be a viable option but only if long term is anticipated. ■

## CPCU Travel Program

What in the world is the CPCU Travel Program? The CPCU Travel Program, sponsored by the Senior Resource Interest Group, was first established in 2004 to provide an opportunity for CPCUs like yourselves to travel and to associate with each other in a relaxed, casual setting. It was designed to bring CPCU professionals of all levels, ages, and disciplines together for exciting travel adventures around the world.

Each year, the most popular destinations are identified and evaluated, and one is selected for the subsequent year's trip. The selection is based on the location, the length of the trip (one to two weeks max), and the cost. The 2008 Danube River trip "The Old World—Prague & Vienna" will travel through Hungary, Slovakia, and Austria.

For more information, feel free to call Dick Vanderbosch, CPCU, at (970) 663-3357 or send him an e-mail to [rbosch@aol.com](mailto:rbosch@aol.com).

### Take Your Next Trip With Us!

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*Aboard the private Grand Circle river ship M/S River Aria*

**March 25–April 5, 2008**

12 days from only \$2,395\*

*\* There are also pre-trip and post-trip options to extend your trip.*

**Also note:** Outside cabins with upgraded picture windows have been preselected for this trip.

#### Reserve Your Space Today!

Call (800) 597-2452 Option #2

*Have this information on hand to give the travel agent:*

**Service code:** GG83319

**Trip name/code:** Old World Prague and the Blue Danube/EDR

**Departure date:** March 25, 2008

# Yours, Mine, and Ours: Estate Planning for Second Marriages

by Cynthia J. Crass

**Cynthia J. Crass** is a shareholder with the law firm of Callister Nebeker & McCullough in Salt Lake City. Her practice focuses on business, estate planning, fiduciary law, and probate administration. Visit her at [www.cnmlaw.com](http://www.cnmlaw.com).

**Editor's note:** This article was featured in the November/December 2007 issue of *Zions Bank's Community* magazine, and is reprinted with permission.

SRQ readers should be aware that this article is based on Utah law (and to Idaho law to a limited extent), and that not all state laws are the same.

**A**re you in a second marriage? Do you have stepchildren? If so, you know the complexity of the emotional issues involved. However, are you aware of the complex financial and planning issues that can arise upon the death of one of the partners in that second marriage?

The failure of couples who have been married before to address, resolve, communicate, and document what happens to property upon the death of one partner can strain often already fragile family ties. This failure can also cause unintended consequences that can't be fixed. If you care about the welfare of your second spouse and your children from a previous marriage, and want them to remain amicable after your death, then read on.

The following is what happens to the surviving partner in a second marriage when both have children from a prior marriage and when the first spouse to die has:



- **No Will.** The surviving spouse has rights to more than half of the deceased spouse's intestate estate, which rights are superior to the rights of the children from the prior marriage.
- **A Will That Predates the Marriage.** The surviving spouse has rights against the children of the prior marriage unless the will has specific language stating otherwise.
- **A Will That Names the Surviving Spouse as a Beneficiary.** If the surviving spouse is unhappy with the will's provisions, the surviving spouse has a right to elect against the will for approximately one-third to one-half of the estate. Absent a waiver of this right, neither Utah nor Idaho law allows the disinheritance of a spouse.
- **Retirement Benefits Such as a 401(k).** The surviving spouse is automatically the beneficiary unless the surviving spouse's rights were waived after the marriage. This is true of some other pension and widow/widower benefits. This is not true of an IRA.
- **A Home in His/Her Name Alone in Which the Couple Resides.** The surviving spouse will have no specific rights in the home even if he/she contributed to the mortgage or improvements. This means that

the surviving spouse can be evicted by the deceased spouse's children from the prior marriage. This is also true of recreational property the couple may have enjoyed together.

- **A Home in Joint Tenancy with Rights of Survivorship.** A deed naming husband and wife as the owners of real estate is presumptively owned as joint tenants. This means that upon the death of a spouse, the surviving spouse will own the home outright with no ownership in the home going to the children from the prior marriage.
- **Personal Property Brought Into the Subsequent Marriage and Personal Property Acquired During the Marriage.** Who knows what property came into the marriage and what property was acquired after marriage? If these facts are not known, then determining who gets what can be very complicated. What property of the prior marriage goes to the children of the prior marriage? What property is intended to stay with the surviving spouse? What happens to that property when the surviving spouse dies?
- **Bank Accounts, CDs, Brokerage Accounts, Etc. in Just One Spouse's Name.** A surviving spouse generally will have no specific rights in accounts that are just in the other spouse's name unless the deceased spouse's will leaves these accounts to the surviving spouse.

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# **Yours, Mine, and Ours: Estate Planning for Second Marriages**

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- **Bank Accounts, CDs, Brokerage Accounts, etc. in Joint Name.** Joint accounts presumptively go to the surviving spouse.
- **Life Insurance with the Children of the Prior Marriage Named as Beneficiaries and Not Changed After Marriage.** The surviving spouse has no specific rights to the policy proceeds paid out at the death of the first spouse.
- **An Ex-Spouse That They Don't Trust Handling Money for Their Minor Child.** The surviving natural parent of a minor child is his/her presumed guardian unless shown unfit. A guardian is responsible for the physical well being and care of the minor child. However, the natural parent of a minor child does not necessarily need to be the conservator of that minor child's inheritance. A conservator is someone who handles financial matters for a minor child.

- **Used the Unlimited Marital Deduction, Which Causes the Surviving Spouse to Incur Estate Tax at the Death of the Surviving Spouse.** The children of the surviving spouse could end up paying estate taxes, and the children of the first spouse to die may escape paying any estate tax.
- **The Desire to Leave an Inheritance to Stepchildren (or Step Grandchildren) as Well as to Natural Children (or Grandchildren).** Unless a will or trust specifically provides for this, or unless they are adopted, stepchildren are not the same as and will not be treated like natural children for estate planning purposes.

All of these concerns can be easily resolved with forethought and planning. A pre- or post-marriage agreement is often useful; however, the agreement needs to cover death issues as well as divorce issues.

Individually tailored wills and trusts are essential. Without these you will be left with the default state laws. Ignoring these issues is a recipe for surprise, disappointment, and family conflict.

Discuss them with your heirs—your second spouse and the children of your prior marriage. Make conscious and clear decisions, manage expectations and communicate them to your family. Visit your lawyer to make sure your wishes are clearly documented so they can be carried out upon your death and you can truly rest in peace. ■

*Please note: The preceding article is offered for informational purposes only, and should not be construed as legal advice or as pertaining to specific factual situations. Consult an attorney concerning your own needs and circumstances and to obtain any legal advice with respect to the topics discussed in the article.*

## **Heard From . . .**

**E**d and Kathryn Overman sent Christmas greetings and told how much they enjoy their new retirement facility. It is in West Chester, PA, not too far from their previous home in Wayne, and not too far from the Malvern campus.

**Bernie Daenzer, J.D., CPCU**, wished to thank everyone who contributed to the Casa Pro Vita project reported in our last issue. This is an activity he has spearheaded with the South

Florida Chapter. Contributed funds have made possible the construction of another building.

**J.L. Jerden, CPCU**, reports all is well with him and his wife Jane. Having sold his interest in the agency four years ago, he is semi-retired handling a couple of accounts. J.L. is active in his church, a director of Rhodes College in Memphis, and a director of the organization that is responsible for the local PGA Tournament. He

and Jane have four grandkids, and their last son is getting married this spring.

J.L. reports **Bill Pritchard, CPCU**, and his wife, Beverly, sold their home and are now living in a retirement unit. J.L. and Bill meet for lunch monthly as a group of six retired insurance types. One (or more) of the group claims: "I don't do anything! It takes me all day to do it! That's the way I like it!" ■

# Among the Polar Bears . . . An Exceptional Trip to Hudson Bay by Your Editor

by James L. Kirschbaum, CPCU

**I**t was a fast but very rewarding experience since the trip not only gave me an opportunity to see these magnificent animals in the wild but to also learn much about them from numerous experts. Since no one else I knew was interested, I went alone. Amazingly on my return the same people all wished they had gone.

There are many restrictions on tour operators but several can be found on the Internet. I opted for Canadian Classic Tours of Calgary, Alberta. Their primary attraction for me was the fact that the tundra experience was one day. In hindsight I am very glad I chose this route since a longer tour would not really add that much for me.

Late October and early November is the window of opportunity as the bears after a summer of not eating (and they don't hibernate) trek north to the ice flows. It's on the ice they excel at capturing their favorite meal—a ring seal. An adult bear will consume about 50 of these seals per season. The winter gorging lasts them through the summer.

I opted for a tour beginning in Edmonton, Alberta. Others leave from Calgary or Winnipeg. One reason for my choice was to again visit the West Edmonton Mall, which is not only huge but a major North American tourist attraction. Even "seeing" is hardly believable.

With a 4 a.m. wakeup we shuttled off to the airport for a 6 a.m. departure on an Air North Boeing 737 on which breakfast was served. All 120 passengers were our group for the day. About three hours later we arrived

at Churchill, Manitoba, the Polar Bear Capital of the World. It was still dark, snowing, and a chilly minus four degrees. We were loaded on school buses for a short ride to the Tundra Buggy Terminal.

Churchill has a population of about 900, and really looks frontier. Around World War II the United States had a base there but it's long gone. There are no roads in—basically accessible only by air or train. The latter carry Canadian wheat to a mammoth terminal from which hundreds of thousands tons of grain are shipped around the world. The local economy is based almost entirely on tourists.

Our first stop after leaving the airport was the Polar Bear Hotel (formerly called jail). The bears are very curious and attracted to the town by food odors. Needless to say, they are not only a nuisance but also very dangerous. In the past, they had to be shot, but today they are tranquilized and taken to the hotel where they are isolated and carefully cared for until the ice forms enabling them to be airlifted on to the ice.



We were loaded onto tundra buggies, which are huge vehicles with giant tires and very flexible and mobile wheels. The government only permits 18 of these vehicles in total to two

tour operators. Each will carry 18 to 20 passengers with a small rear outside deck. We were warm and cozy but the tundra is such that the ride itself is up and down, and side to side so pictures were only possible when stopped.

Hooray! Hooray! Our first bear was spotted only minutes after leaving town. They are even larger when seen in the wild, and except for checking out the buggies, totally ignored us. Cameras clicked all day long and I was very pleased with my results. Hot and cold beverages, soup, sandwiches, and dessert made for a great lunch while our four-legged friends went about doing whatever.



Despite the cold, the tundra was not yet fully frozen. While plenty of pristine fresh water flows into the area, the salt water from Hudson Bay stalls the freeze. Contributing to the bleakness of the area is the fact the tide is generally very low and out.

After a better-than-expected day, we headed into town for a short shopping stop then back to the airport. Our plane was awaiting us all warm and snug after sitting there with crew for the day awaiting our return. The day ended with a nice dinner on the plane

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# Among the Polar Bears ... An Exceptional Trip to Hudson Bay by Your Editor

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and a refreshing nap. We arrived back at the hotel around 11 p.m.

One unexpected bonus was the quality and number of experts available to provide information. There was a zoologist from Edmonton, a semi-retired Calgary lawyer who was a renowned expert, and a young lady from the Rochester, NY Zoo responsible for its polar bears, plus being a representative of Polar Bears International. Our buggy driver was incredible—driver, navigator, expert, food and beverage steward, treat for the eyes for the ladies, and we couldn't even wildly guess his background. We were stunned to discover he was a retired United Airlines captain from Seattle.

**Important:** Because of rapidly escalating interest in seeing the bears, reservations months or even a year in advance are essential. 2008 will be even more interesting since it is officially *The Year of the Polar Bear*.

Classic Canadian Tours can be reached at:

- [www.classiccanadiantours.com](http://www.classiccanadiantours.com)  
(866) 460-1415

Other sites are:

- [www.tundrabuggy.com](http://www.tundrabuggy.com)  
(800) 663-9832
- [www.greatwhitebeartours.com](http://www.greatwhitebeartours.com)  
(866) 765-8344
- [www.travelmanitoba.com](http://www.travelmanitoba.com)  
(800) 665-0040

Another possibility is through your local zoo. In view of the special year, many are organizing group tours directly or in combination with other zoos. The photos used throughout this article are actual pictures I took! ■

# New Credit Card Scam

**Editor's note:** This was passed on to us from a reliable source, and is real. Please take a few minutes to read through this. It's important!! The bad guys are always trying to get free stuff by using your credit. Snopes.com says this is true. Check it out at <http://www.snopes.com/crime/warnings/creditcard.asp>

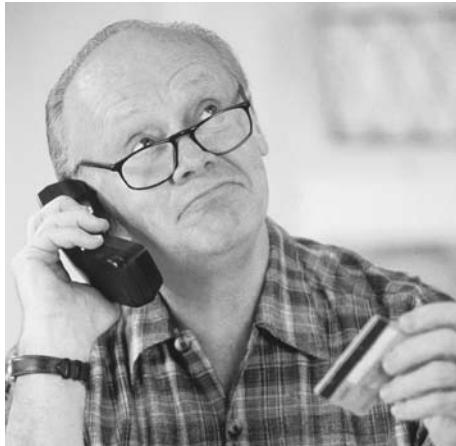
**T**his one is pretty slick since they provide **you** with all the information, except the one piece they want.

Note, the callers do not ask for your card number; they already have it. This information is worth reading. By understanding how the VISA and MasterCard telephone credit card scam works, you'll be better prepared to protect yourself.

One of our employees was called on Wednesday from "VISA," and I was called on Thursday from "MasterCard."

The scam works like this: Person calling says, "This is (name), and I'm calling from the Security and Fraud Department at VISA. My badge number is 12460. Your card has been flagged for an unusual purchase pattern, and I'm calling to verify. This would be on your VISA card, which was issued by (name of bank). Did you purchase an anti-telemarketing device for \$497.99 from a marketing company based in Arizona?"

When you say "No," the caller continues with, "Then we will be issuing a credit to your account. This is a company we have been watching and the charges range from \$297 to \$497, just under the \$500 purchase pattern that flags most cards. Before your next statement, the credit will be sent to (gives you your address), is that correct?"



You say "yes." The caller continues, "I will be starting a fraud investigation. If you have any questions, you should call the 1-800 number listed on the back of your card (1-800-VISA) and ask for security.

You will need to refer to this control number. The caller then gives you a six-digit number. "Do you need me to read it again?"

Here's the **important** part on how the scam works.

The caller then says, "I need to verify you are in possession of your card." He'll ask you to "turn your card over and look for some numbers." There are seven numbers; the first four are part of your card number, the next three are the security numbers that verify you are the possessor of the card.

These are the numbers you sometimes use to make Internet purchases to prove you have the card. The caller will ask you to read the three numbers to him. After you tell the caller the three numbers, he'll say, "That is correct, I just needed to verify that the card has not been lost or stolen, and that you still have your card. Do you have any other questions?" After you say, "No," the caller then thanks you and states, "Don't hesitate to call back if you do," and hangs up.

You actually say very little, and they never ask for or tell you the card number. But after we were called on Wednesday, we called back within 20 minutes to ask a question. Are we glad we did! The **real VISA** Security Department told us it was a scam and in the last 15 minutes a new purchase of \$497.99 was charged to our card.

Long story short—we made a real fraud report and closed the VISA account. VISA is reissuing us a new number. What the scammers want is the three-digit PIN number on the back of the card. Don't give it to them. Instead, tell them you'll call VISA or MasterCard directly for verification of their conversation.

The real VISA told us that it will never ask for anything on the card as it already knows the information since it issued the card! If you give the scammers your three-digit PIN number, you think you're receiving a credit.

However, by the time you get your statement, you'll see charges for purchases you didn't make, and by then it's almost too late and/or more difficult to actually file a fraud report.

What makes this more remarkable is that on Thursday, I got a call from a "Jason Richardson of MasterCard" with a word-for-word repeat of the VISA scam. This time I didn't let him finish. I hung up! We filed a police report, as instructed by VISA. The police said they are taking several of these reports daily! They also urged us to tell everybody we know that this scam is happening.

Please pass this on to all your family and friends. By informing each other, we protect each other. ■

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