



PALI NEWS BULLETIN

Fall 2002

The Official Publication of the Pennsylvania Association of Licensed Investigators

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URGENT

PALI Seminar:

Starting Up and Expanding Your Business

PALI's September 2002 Seminar is geared to both the recently licensed investigator starting his business and the more seasoned investigator wanting to expand his offerings unto other areas.

Date: September 25, 2002

Place: The Inn at Reading, 1040 North Park Road, Wyomissing, Pennsylvania 19610, 610-372-7811

Agenda:

- 8:00 AM Coffee
- 8:30 AM General Membership Meeting
Networking.
- 9:30 AM Expanding Into Accident
Reconstruction.
- 10:15 AM Finding Information Electronically
– What's New?
- 10:45 AM Legislative Review
- 11:15 AM Marketing Your Business
Effectively
- 11:45 AM Lunch – will be provided
- 1:15 PM Crime Scene Analysis
- 2:45 PM Surveillance
- 4:00 PM Final Words

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Private Investigations: Legal Constraints in Conducting Surveillance Harassment, Trespass and Invasion of Privacy

by Barbara W. Thompson

First, some housekeeping. *The ideas expressed in this article are not intended to be legal advice that could apply in any particular jurisdiction, claim or lawsuit. If you find yourself in a position in which you are accused of harassment, trespass or invasion of privacy, contact your attorney.*

This brief article does not pretend to adequately cover all the possible interpretations of the law, both civil and criminal, with respect to investigative harassment, trespass, and invasion of privacy. It is assumed that the reader is familiar with the Federal and Pennsylvania laws governing investigators' criminal conduct.¹ This article deals with a few fact patterns that have generated civil litigation against investigators who have conducted actionable surveillance.

The General Rule

There is no arcane lore related to the proper conduct of private investigative activities. The overall principle applied in civil litigation is that what the investigator does must not cause a "reasonable person" to find his² activities highly objectionable. Put yourself in your subject's shoes (not your client's shoes) and decide whether you would consider your investigative conduct offensive.

Courts generally recognize a cause of action for invasion of privacy. "One who intentionally intrudes, physically or otherwise, upon the solitude or seclusion of another in his private affairs or concerns, is subject to liability to the other for invasion of his privacy, if the intrusion would be highly offensive to a reasonable person."³

The invasion may be by physical intrusion into a place in which the subject has a reasonable expectation of privacy, such as his home. It may also be by the use of the senses to oversee or overhear the subject's private affairs, as in listening to his conversations, examining his private bank account, or using forged documents to compel the subject to allow inspection of his personal documents.⁴

There is no liability for intrusion unless the interference with the subject's seclusion is substantial and would be highly offensive to the ordinary reasonable man. Thus, there is no liability for knocking at the subject's door, or calling him on the telephone once or twice. Only when the telephone calls are repeated with such persistence and frequency as to amount to "hounding," are they considered an invasion of his privacy.⁵

Courts have stated that a reasonable investigation is one that is conducted within the limits of decency, is unobtrusive, is limited and calculated to obtain only that information required for the defense or prosecution of the particular case, occurs over a reasonable period of time (several days rather than months), is conducted in public and generally is non-offensive to persons of ordinary sensibilities.⁶ Generally, if the investigator conducts his surveillance in a public place and from a public vantage point in which any passerby could have made the same observation, then his conduct should be considered "reasonable."

Licensed investigators have no special dispensation to engage in unreasonable intrusion simply by nature of the fact that they are licensed. The standard is whether the intrusive behavior would be "highly offensive to a reasonable person."

Trespass

The general rule with regard to trespass in surveillance is don't do it. The investigator should not enter the subject's property to get a better vantage point to videotape him. However, if he absolutely must, be sure that the subject does not know he is being videotaped, and that the activities he is observing could also have been seen by neighbors or passersby.⁷ On the other hand, hiding in an abandoned house near the subject's home but not physically on his property, and using high-powered binoculars to videotape the subject's family moving about inside their home is considered unreasonable.⁸ Remember that a trespass is still considered a violation of the law regardless of whether the surveillance is found unreasonable and unlawful as invading the subject's privacy.⁹

Pretexting

There are some general rules regarding pretexting. Never perform pretext interviews on represented

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President's Message

Dear Members;

It seems that each time I sit down to write to the members, a crisis is upon us. As I started writing this letter, at the end of July, the PA miners were still trapped and tense moments were obvious. Finally, we have had some very good news in a crisis and were blessed with the miners' lives being spared. What an outstanding job by the rescuers!

One of the most important matters since we communicated last has been the Fair Credit Reporting Act and the problems it presents for us in corporate investigations. Hopefully you have been able, by now, to send your congressman a letter and/or call them to let them know how bad the FTC interpretation was and how FCRA needs fixed. Currently, employers who retain us to conduct inquiries into employee's unlawful acts, subject themselves to the current interpretation and must provide notice before initiating an investigation. Also, the employer must give, upon request, the nature and scope of the investigation. They may even have to obtain the employees written permission. Sound ridiculous? As bad as it sounds we must abide by the FTC ruling and hope that Congress passes the revisions to the Act soon.

Our web page, which has not been up to our standards, is being worked on as you read this and hopefully is near completion within this month. The members have asked for certain criteria which we will have when the site is completed. Thank you for your patience on this matter. We were utilizing the good fortune of a member and keeping the cost to "0", but because of time constraints we had to go to the outside for assistance and obviously pay the price.

Best wishes to you!

Bob Meinert

IN MEMORY

of

FRANCIS X, (Frank) BRADSHAW

08-28-1938 – 07-14-2002

On July 14, 2002, our friend, Frank Bradshaw was called to his maker. Frank was a Charter Member of PALI. He also served as our organization's first treasurer.

Frank was the founder, president and investigator of Bradshaw Investigative and Security Consultants which he ran for the past thirteen years. He was a Certified Fraud Examiner.

Prior to starting his Investigative firm, Frank was employed by the FBI. He served with the Bureau for twenty-three years. Before his retirement from the Bureau he served as a Special Agent and Supervisor. Upon his retirement he received numerous Congressional recognitions for his years of service. Frank was also a veteran of the U.S. Marine Corps.

Frank was a sincere gentleman. His compassion for mankind will always be remembered. He was active with the Knights of Columbus, a member of the Holy Name Society, Friendly Sons of St. Patrick and the Donegal Society. He was involved with the Kiwanis Association, a former Sport's Association President and a Little League baseball coach.

Frank Bradshaw' legacy of kindness, sincerity, unselfness and compassion will continue to live in the hearts of all of us who had the pleasure of knowing him. Frank will be greatly missed by us all.

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Legal Eagle

Information About The Law Written
Expressly For Private Investigators

Relief From Fair Credit Reporting Act Slipping Away

By James J. West, Esquire

We are all aware of the Draconian interpretations that the Federal Trade Commission (FTC) has put on the Fair Credit Report Act (FCRA) that chill, if not totally destroy, the ability of private investigators to conduct effective internal corporate investigations involving sexual harassment, racial discrimination, securities fraud, fraudulent accounting practices, and other matters of high interest to the entire general public and law enforcement community. The FTC's interpretations in the area of prior notice of an investigation, access to the ultimate investigative report, and the disclosure of all information (including confidential sources) would cause anybody about to conduct an investigation into employee misconduct to hesitate, if not stop dead in their tracks.

Ironically, these flaws in the FCRA were recognized not only by Congress but by the FTC itself back in May of 2000 when HR-3408 proposed by Congressman Sessions would have amended the FCRA to eliminate these roadblocks and improve the ability of private investigators to conduct employee misconduct inquiries. This proposed bill would have

added corporate misconduct investigations to the existing statutory list of items that are not encompassed within the meaning of the term "consumer report" as used in the FCRA. I recently checked with Howard Shapiro who is with the Office of Public Affairs at the FTC as well as Claudia Simmons who was involved in the FTC's favorable response to amending the statute and was informed that this legislation died in the 2000 session and that it would have to be reintroduced. This was confirmed by Evon Liang, the staffer in Congressman Session's office responsible for the legislation.

Accordingly, the promised legislative relief from the FCRA is presently totally off the radar scope. Notwithstanding the fact that the FTC itself recognizes that such relief is desirable and necessary to allow for effective investigations of corporate employee misconduct.

PALI's President, Bob Meinert, has provided me with a copy of a recent Opinion captioned *Salazar v. Golden State Warrior*, 124 F.Supp.2d 1155 (N.D. Calif. 2000) in which the District Court created a limited exception to the FCRA for surveillance video tape indicating that it fell within the "transaction and experience" exception in the consumer report definition of the FCRA. In other words, the court held that surveillance video tape was a first hand contact between the employee and the investigator and, therefore, not covered by the Act. Unfortunately, this still doesn't change the FTC's prior interpretations that gathering information from the courthouse or from third party sources and putting it in a report is covered by the Act and, accordingly, the *Salazar* case provides only limited relief in the case of video surveillance.

Bob Meinert informs me that he sent out through the Yahoo PALI Group a notice and a proposed letter to your legislator dealing with reform of the FCRA. This is the best way to address the issue for now. The fact that the FTC itself recognizes that the present interpretation of the FCRA is flawed should be a "no brainer" for Congress in realizing that corrective legislation is direly needed. Moreover, the recent spat of corporate corruption at the highest levels should reinforce the fact that corporate officials need the ability to investigate their employees without telling them that the investigation is going to start and without turning over to them the investigative report with all its confidential sources identified -- actions which could clearly compromise subsequent investigations by law enforcement authorities. I would strongly recommend that every PALI member that has an interest in seeing the FCRA corrected, obtain a copy of the form letter, individualize it to express their own opinions, and send it to your Congressman and Senators. If any member wants to have copies of the FTC press release indicating that they agree that the FCRA should be amended or a copy of the *Salazar* Opinion, they can simply contact my office and they will be provided by either regular mail or electronic mail.

An easy way to contact your elected officials on the FCRA and other vital issues.

Any PALI member wishing to contact their elected officials on the FCRA or other vital issues, can go to the website designated <http://www.congress.org/> and on the home page a box will appear where you enter your zip code. From there you will go to a page which will identify your Senators and Congressman and allow you to e-mail your opinions to them by simply clicking on the e-mail designation under their pictures and names. A short note to them about the impact of the Fair Credit Reporting Act interpretation on your business as well as the impact on the ability of corporations to police themselves could help ensure that if legislation similar to HR3408 is reintroduced it will receive the support it needs for passage.

David Law

December 20, 1965 to July 26, 2002

David Law, beloved Husband of PALI member, Eileen Law, died in her arms at home on July 26th after nearly a two year battle with cancer. He was 36.

David had worked at the Chester County Court House for ten years, and was a Counselor for Children, Youth & Family Services. He and Eileen would have celebrated ten years of marriage on August 30th. He was looking forward to their trip to the Super Conference in New Orleans this month, but had to cancel two weeks ago because of his failing health.

Over 300 people attended the Memorial Service in Kennett Square. David was also part of the CIA, Inc. team. Everyone who knew him always said one thing: he was truly *the* kindest person they had ever met. One of the speakers said of David, "God surely must have needed another Angel in Heaven..." He will be sadly missed by all who knew him...

Welcome New Members

George Allen

US Army
4220 Ridge View Rd., Harrisburg, PA 17112

Joseph Bonacci

St. Moritz Security, Inc.
32 N. Fourmile Run Rd., Austintown OH 44515

Marcie L. Callahan

8 Little Knoll Circle
Collegeville, PA 19426

James Cauley, Jr.

Cauley Detective Agency
5777 Baum Blvd., Pittsburgh, PA 15206

David Eberts

Eberts Investigations & Consulting
PO Box 15, Loysville, PA 17047

David Eberts, Jr.

Eberts Investigations & Consulting
PO Box 15, Loysville, PA 17047

E. Thomas Fry

Fry Investigations, Inc.
528 W. Cumberland Rd., Enola, PA 17025

Sean L. Hall

Focus Investigative
300 S. Progress Ave. Harrisburg, PA 17109

Mary Hostert

Allegheny Energy
800 Cabin Hill Dr., Greensburg, PA 15601

George Hribick

PPL
651 Delp Rd., Lancaster, PA 17601-3034

Samuel Jeffries, III

J3 Investigations
PO Box 167, Scranton, PA 18501

Lawrence Likar

Steel Gate Security & Investigations
10150 Grubbs Rd., Wexford, PA 15090

Patricia Ross

National City Bank of PA
10150 Grubbs Road, Wexford, PA 15090

Thomas Schultz

Allegheny Energy
800 Cabin Hill Dr., Greensburg, PA 15601

Darryl Zdanavage

PPL
4001 Sawmill Rd., Bloomsburg, PA 17815

Richard Shinholt

2050 New Centerville Rd.,
Somerset, PA 15501

Lisa A. Stahl

401 Lockearn Court, Greensburg, PA 15601

Christopher J. Finley

Finley Consulting & Investigations
4885-A McKnight Rd., #300,
Pittsburgh, PA 15237

Daniel W. Hitlan

Hidden Valley Resort
One Craighead Dr., Hidden Valley, PA 15502

Richard W. Jeffries

Forensic Scientific Investigations
PO Box 7604, Lancaster, PA 17604

Private Investigations: Legal Constraints

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claimants or individuals with privileged relationships. Do not impersonate well known people or those known to the subject, or members of actual organizations. Never impersonate police, fire, clergy, or any other position protected by law, and always perform investigations keeping in mind the need for good faith and fair dealing.

There is little case law as to when pretext interviews may be appropriate. Bad faith, however, implies some type of fraud, misleading or deception of the subject, a neglect or refusal to fulfill a duty or obligation, or intentional wrongful conduct.

Insurance Investigation

The latitude given a private investigator in conducting an investigation is partly a function of the nature of the investigation. Courts have established that an investigator conducting an investigation with a high degree of "social utility," as an insurance claims investigation, will be given greater freedom in his investigative activities, since it is in the best interests of society that personal injury claims be valid and that fraudulent claims be exposed. Further, the claimant, by placing the claim, knows that his allegations will be investigated and thereby has given implied consent to the investigation.

If the detective conducts the investigation in an offensive, objectionable, or unreasonable manner, both he and his insurance company client could be liable for invasion of privacy, intentional infliction of emotional distress, or trespass. This depends on the relationship the investigator has with his client: whether the investigator is an employee or subcontractor. Also, investigators working for attorneys should know that surveillance tapes are generally not considered attorney work product and may not be given any protection under this doctrine.¹⁰

If the investigator conducts an investigation in a malicious manner that is not limited to obtaining information needed for analyzing or defending a claim, or deliberately conducts an investigation so as to intentionally torment or frighten the subject of the investigation, the investigator may be liable for wrongful intrusion. The investigator should not use fraudulent means to obtain information, harass, intimidate or frighten the subject.¹¹ Stay away from the purely private affairs of the subject that could not be readily ascertained by the causal observer. Do not conduct obtrusive surveillance designed to make the claimant and the public aware of the surveillance ("rough shadowing"). And by all means, be very aware of the federal and state wiretapping and tape recording laws! Pennsylvania requires the consent of all parties to the conversation before a recording may be made.¹²

In 1963, the Pennsylvania Supreme Court ruled that if the investigative activity occurs in a public place, then there is no reasonable expectation of privacy.¹³ Also, the offensive conduct must be "substantial" in order for it to be actionable.¹⁴ Courts have found the following activities to be unreasonable: peeping, snooping, shadowing, tailing and eavesdropping.

An unreasonable surveillance was found where the surveillance was conducted over a six month period during both day and night; involved shadowing on public streets; peeping in the plaintiff's windows; eavesdropping on conversations; coming to the plaintiff's door pretending to be someone else; trespassing on the plaintiff's property; and continuing after reasonable requests were made for the surveillance to be stopped.¹⁵

In another case, the investigator deceitfully befriended and willfully enticed the plaintiff to conduct herself in a manner beyond her physical capabilities ("duping the subject"). The investigator invited the plaintiff to an amusement park, where his accomplice filmed her engaging in physical activities that further injured her existing conditions.¹⁶ The Court reasoned that this was analogous to an entrapment defense in a criminal case in that, but for the deliberate, deceitful actions of the investigator, the subject's behavior would not have occurred. This particular activity has been ruled by some courts to be so beyond reasonability as to subject the investigators to damages for intrusive and willful conduct.¹⁷

A similar activity, called "roping," involves a setup designed to encourage the subject to engage in physical activity. The subject, out of work because of a physical injury, is offered temporary work such as garden maintenance. The work is done at a location where the subject's physical activities can be photographed over a two or three day period. This technique, which includes deception and misrepresentation, has resulted in a finding of "unreasonable investigation."

Courts frown on aggravating the subject into a "statement of activity." The investigator(s) deliberately deflate the subject's tires by either slashing, puncturing or letting the air out, then conceal themselves and film the subject performing the strenuous activity of changing the tire. This opens the investigator up to liability for trespass, vandalism, and property damage.¹⁸ A similar technique is to throw a sticky substance on the subject's windshield, and then film the subject cleaning it off, demonstrating his

The common law as it relates to surveillance, trespass, and invasion of privacy in the insurance

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Private Investigations: Legal Constraint

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physical capabilities.¹⁹ Or, the investigator obstructs the driveway, porch or other area at the subject's home, in a place where it must be removed immediately in order to access the house. The investigator films the subject's physical activity while removing the object.²⁰

Conclusion

The common law as it relates to surveillance, trespass, and invasion of privacy in the insurance context allows broader restrictions on investigators than when they are working in other situations. But regardless of the circumstances, the investigator should not be liable if he follows the above recommendations.

Courts have stated that surveillance must be performed in a reasonable manner. There must be an established need for surveillance based on the issues in the case. The right of privacy should be annulled only upon a showing of practical need within the parameters of the nature of the investigation. To avoid an action for invasion of privacy:

1. Do not enter onto the subject's property.
2. Refrain from photographs or videos of the subject in a home, apartment or other building where privacy is expected. Photographs or video of the subject outside in the yard or in public areas are acceptable.
3. Do not record private discussions, even those that occur in public places, since one can have a private discussion in a public place.
4. Do not follow the subject into a doctor's office or hospital or any place of worship. Such places may give rise to evidentiary privilege.
5. If you have to think twice about whether the surveillance would be offensive, then avoid it. While the surveillance may not rise to the level of an invasion of privacy, it could engender contempt on the part of the jury and damage the underlying case.

Barbara W. Thompson is a former attorney, and currently a partner in The Worldwide Investigative Network, L.L.C., and the Director of its Research & Analysis Division. For more information please visit the website at www.twinllc.com.

¹ If not, please feel free to contact me and I will try to get you started.

² Throughout this article, all references to the male gender include the female.

³ Restatement (Second) of Torts §642B, Intrusion Upon Seclusion

⁴ Id. comment b (1977).

⁵ Id., Comments and Illustrations.

⁶ Pinkerton National Detective Agency, Inc. v. Stevens, 108 Ga. App. 159, 132 S.E.2d 119 (1963)

⁷ McClain v. Boise Cascade Corp., 533 P.2d 343 (Or. 1975)

⁸ Alabama Electric Cooperative, Inc. v. Partridge, 225 So.2d 848 (Ala. 1969)

⁹ Unruh v. Truck Insurance Exchange, 7 Cal. 3d 616, 498 P.2d 1063, 102 Cal. Rptr. 815 (1972)

¹⁰ See Annot. 19 A.L.R. 4th 1236 (1983); see generally 4 J. Moore, J. Lucas & G. Grotheer, Moore's Federal Practice 26.63 at 310 (2d ed. 1984)

¹¹ Pinkerton, 108 Ga. App. 159.

¹² Pa.C.S.A. §5704(4)

¹³ Forster v. Manchester, 410 Pa. 192; 189 A.2d 147; 1963 Pa. LEXIS 587 (1963).

¹⁴ Chicarella v. Passant, 494 A.2d 1109 (Pa. Super. 1985).

¹⁵ Pinkerton, 108 Ga. App. 159

¹⁶ The investigator had the plaintiff walk across an expansion bridge, which he caused to shake and sway in an attempt to detect the extent of her injuries.

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Insurance Coverage

My name is Robert (Bob) Yergey and I work with Yergey Insurance Agency, Inc. out of Manassas, VA. Since 1989, our agency has specialized in providing insurance coverages for firms that operate in the Private Investigative and Security industries. This article is the first of a series of articles that should help to offer some insight to your membership regarding the various facets of insurance as it relates to your day-to-day operations.

If your firm has renewed any insurance coverage over the last twelve months, you no doubt have experienced a change in your program or possibly a rate increase. There are many factors that have caused this change, but a couple of those factors carry the most weight. These major factors include a significantly growing loss rate, higher exposures due to the many of the terrorist and financial events of the last twelve months, and the unwillingness of reinsurance companies to allow carriers to offer certain types of insurance. Most general liability and errors and omissions policies in all industries have seen 20-50% or even higher rate increases as companies try to keep up with huge losses and extremely sub-par investment and underwriting results.

With all this in mind, insurance protections are certainly still available and in most cases the price is not unbearable. The Private Investigation side market has many players even with the situation and minimum premiums run as low as \$750-\$800 in some cases. The security industry has seen its share of higher premiums and loss of coverage, but markets are still willing to consider new business that does not have large claim history.

For this first article I would like to concentrate on the general principles of the insurance policies available and what to look for when you are searching for a new contract. The areas include limits of liability, deductibles, claims-made versus occurrence forms, and exclusions. While many other factors are involved, these areas seem to receive the most attention.

Limits. How much is enough? Darn good question. If only we knew... Your limits of liability are essentially the amount of money available for settling a claim. Most clients choose to ask that you carry \$1,000,000 per occurrence limits. This is relatively standard in most industries. Higher limits are available and are usually not overly costly. We feel that clients asking for in excess of \$2,000,000 per occurrence are being overly aggressive. The exception to this is in the case of high security guard or access situations.

Insurance policies will include language that determines whether the limit of liability includes defense costs or that defense costs are covered outside the limit of liability. This is an important distinction. This determines whether you have a million dollars of coverage or a million dollars of coverage minus whatever defense costs are produced by your claim settlement. In severe cases, defense costs can eat up to $\frac{1}{4}$ or $\frac{1}{2}$ of your total available limit of liability. This significantly reduces your protections.

Deductibles. First dollar or high deductible? Deductible levels can have a large impact on your premium dollars paid. By simply accepting a deductible of \$1,000 versus \$500 you can reduce your premium by up to a possible 10% or more! Since the deductible only applies when a claim is filed, most firms can save this 10% for many years without having to pay out the additional \$500 of claim expense. Deductibles in the \$2,500 to \$5,000 range are more common these days and can certainly produce some savings for each year's premium.

A second item to mention about deductibles is that most include claim expenses. Even if you win your court case and the company pays no loss, you will still be asked to pay the claim expense up to your deductible level.

Claims-Made versus Occurrence Form. Which is better? In most cases, neither. The coverages, limits, deductibles, and defense on either policy should not be any different if the policy language is the same. The key here is *when* the claim is reported. Under an occurrence form policy it does not matter when a claim is reported as long as the claim occurred during the policy term and coverage was in force at the time the loss occurred. This of course is subject to statute of limitations and policy specific issues, but that applies to both types of policies. Under a claims-made form of coverage, a policy that extends coverage back to the date of loss must be in force at the time the claim is *reported*. Again, the loss must have occurred during the time of coverage.

Due to this difference, a claims-made policyholder must be aware of their options upon cancellation of their policy. There are four major options at that time. First, the insurance company can offer a no charge extension of the claims reporting period to the insured. This is very rare and usually only available for long-time policyholders. Second, the insurance company can offer this extension at a one-time premium cost to the insured. This is the most common avenue for those that are not moving on to a new policy. The charge ranges from 100-200% of the final year premium and will extend the period that claims can be reported and covered for losses that occurred during the policy period by anywhere from 12 months up to forever. Third, the insured can purchase a new policy from another carrier that offers to extend their policy back over the period of coverage from the previous carrier. This retroactive coverage thereby puts the new carrier on the hook for all claims reporting during their policy term including claims that occurred during the previous carriers' policy terms. The last option is to not extend the policy reporting period and essentially all coverage will disappear and not apply to any claims reported after the policy expiration.

Exclusions. What's not covered? Therein lies a question that cannot always be answered in full. It is important that upon entering a new policy agreement that you are aware of all of the exclusions on a policy. Most exclusion is standard, such as pollution or terrorism or lead paint claims. Others hit closer to home and include specific exclusions that might be very close in nature to your activities or anticipated activities. A policy might include coverage for undercover surveillance but exclude matters relating to shoplifting in a retail store during business hours. A second example would be a policy that includes guard coverage for apartment complexes but excludes low income or subsidized housing areas. These need to read carefully and understood to avoid claims that might involve any exclusion on your contract.

Obviously, there are more items to consider when selecting a policy for your firm. In future articles I will coverage these facets and any topics that are important to your firm. Should you wish to suggest a topic for an article or discuss any issues in this article, please contact me at bob@yergeyins.com or call me at 800-683-1226.

PALI 2002

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By James J. West, Esquire

To date, the target of these FTC sting operations have been private investigative services that maintained websites that advertised that they could obtain non-public, confidential, financial information for fees ranging from \$100 to \$600 depending on the information sought. In implementing this “sting” operation, the FTC would establish dummy bank accounts in the names of cooperating witnesses and then contact the advertising private investigative agency themselves using pretexting, i.e., indicating that they wanted to obtain financial information concerning a “fiancé’s” bank account and hiring the agency to contact the bank, identify themselves as the fiancé and ask to have their balance checked. When the investigative agency provides the requested information, the FTC goes to court, gets an injunction and freezes the agency’s assets.

While the FTC has only brought civil injunctive cases to date, it should be pointed out that the Gramm-Leach-Bliley Act makes it a federal crime, punishable by up to five years in prison, to obtain or attempt to obtain private customer financial information through fraudulent or deceptive means, i.e., pretexting. It also provides for an increased penalty for up to ten years in prison in “aggravating circumstances”. The statute also makes it a crime to request someone to obtain customer information if you know it will be obtained by pretexting. If anyone wants a copy of the relevant portions of the statute, please feel free to contact my office.

Meet PALI Members

WALTER L. YARNALL



I would like to take this opportunity to introduce Walter L. Yarnall, the founder and president of Walt Yarnall & Associates, Inc., located in Cheswick, PA, a suburb of Pittsburgh (Allegheny County).

Walt is a Charter Member of PALI and currently holds the positions of Director at Large and Chairman of the Compliance / Non-License Holder Committee.

In January, 2002, Walt entered into his 36th year of law enforcement / investigative services. Beginning as a Military Police patrolman at Ft. Bragg, NC, in 1967, he retired from military service in 1985 after serving the last 12 years as a Special Agent / Accredited Criminal Investigator with the U.S. Army Criminal Investigation Command (USACIDC). His last duty station was in the Republic of Panama, but also served tours of duty in Europe, Southeast Asia and multiple assignments in the United States.

Upon his military retirement (at the ripe old age of 37), Walt used his investigative, logistical, and surveillance expertise to enter the world of private investigations, being hired by a large Harrisburg-based company. He could have easily handled criminal cases with his years of experience, accumulated mostly by working on the "blood and guts" (violent crime) teams, but he chose insurance fraud investigations. He confessed, "I needed a break".

After working first as a field investigator, then a senior investigator, he climbed the ladder of his "new home" and finally was awarded his own regional office in Monroeville, PA, in 1988. After 5½ years working for this corporation, Walt departed and developed *Walter L. Yarnall Investigations* in April, 1991, first out of his home in Oakmont, PA, then to his current location at 1411 Pittsburgh Street, Cheswick, PA. As work increased and he started dabbling in other related areas, *Walt Yarnall & Associates, Inc.*, was formed in the latter part of 1994.

Walt Yarnall & Associates, Inc., currently has a team of highly experienced investigators. Since the meager beginning on the dining room table, Walt has conducted and overseen thousands of investigations and inquiries involving Personal Injury Verifications, saving the insurance industry, feasibly, millions of dollars.

Walt has borrowed his motto, "*We do what has to be done*" from his Army days in USACIDC. He boasts that his company has a solid reputation in the area for timely and thorough investigations at a reasonable rate. "We also take pride in our dedication to detail; professionalism in obtaining the evidence required; and, our *reader friendly reports*," he adds.

On the personal side, Walt has been married to his German-born wife, Margit, for over 34 years. They have three grown children and four grandchildren, all of whom still live a short distance away. Besides the grandchildren, he enjoys hunting, and maintaining a vegetable garden, mostly on his property in Butler County. He also loves to "drown worms" wherever and whenever he can, in addition to Deep Sea Fishing. He notes that there is a distinct difference in the sports of Fishing and Catching.

Walt can be contacted at his office at 1-800-861-1839 or visit his web site at www.YarnallPI.com.

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Tech Notes

The controversy of digital versus Analog Cameras has been a hot topic in many fields, including private investigating since the introduction of the first CCD chip camera. The current trend seems to point that digital will eventually overtake Analog in every aspect of production and use. But, consumers in today's market need to weigh many facts before choosing the camera that best fits them.

Basic understanding of the scientific differences will help a consumer in today's market. The science of Analog can best be described by thinking about waves. Ocean waves, light waves, sound waves, any types of wave, all have infinite variations. These variations include a repetitive pattern of crests and lulls, peaks and valleys. Our eyes take light waves and our ears take sound waves and interpret them as variations from light to dark and the difference between quiet and loud, respectively.

Analog cameras "see" light waves and "hear" sound waves. These cameras then convert the waves' variation into electrical signals representing a spectrum from light to dark and quiet to loud. This is a problem because electrical interference can distort the sound and light information as it goes through the camera. Digital cameras do not have this problem. The information in a digital system is written in a binary language. Binary language consists only of a combination of ones and zeros. There are no variations with ones or zeros as with analog waves. The differences between these two systems create many functional differences.

For one, the digital camera (at 500 lines of horizontal resolution) is capable of producing twice the resolution of a common VHS Analog camera. However, due to its nature, the digital camera has poor picture quality once it is enlarged more than 5" x 7". This is only a problem to a select few percent of the population. To the every day man or woman who wants to video record or photograph Junior's 5th grade graduation, this will probably not make a difference. The idea of better editing and special effects that come with digital cameras may not be that important.

The bigger difference for them will probably be in the fact that analog camcorders cost around 40 to 50 percent less than digital models. Also the digital tapes cost more and are shorter in length. The popularity amongst most consumers will keep better and more affordable models coming to the market. Eventually the problem of "generation loss" may even be fixed. This is when the quality of a picture deteriorates every time someone makes a copy. Today, this problem is beginning to be solved, with the ability to load your analog video into a computer and making a digital file. They are becoming so good today that it is difficult to notice the difference. But, one needs to purchase an additional device to load your video; these devices are not expensive. Camcorders probably will not see such a dramatic shift, as still photographs will.

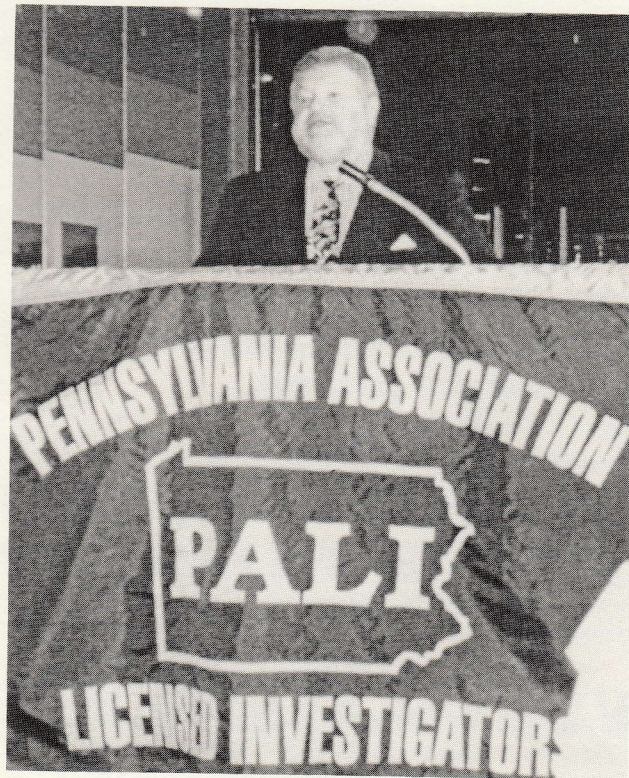
There are a number of reasons for this. One is the time and money that is saved on developing pictures. Digital cameras can be loaded directly into one's computer and saved. Whereas regular cameras need to have the pictures taken to a developer and developed at considerable cost. This is very important for those who need their pictures very fast. Also it is very easy to edit these pictures with digital to increase brightness and/or color. Increasing brightness is important because the acetate film used in a normal 35mm camera can capture more light information than a 2-mega-pixel camera.

The controversy between Analog and Digital cameras is long from being solved, as is another similar controversy, digital sound recording versus tape recording. This controversy may be shorter lived than the former, however. This is due to the massive movement of sampling technology which is advancing as fast as computer development. Sampling technology allows for a new way of storing sound in a computerized format. WAV files, as they are called, use all digital sound sampling. This makes for better sound in digital camcorders.

Although soon there may not be much of a controversy, there are a few problems with digital sound. For one, the sound quality depends entirely on the tonal quality of the "synthesizer" sound that one uses to play them. One needs to have good synthesizers to have good sound. Also, the amount of storage could cause someone a problem. One needs about 16 M of storage space to hold a normal 3-minute song in CD quality stereo. This could be a problem with someone with limited space.

Most of these things are not problems to the everyday user of photographic and sound equipment, but only to individuals in specific fields. For now this may cause a separation in the customers of the different devices, but the general trend is most definitely swaying towards digital.

I look forward to bringing you more on this vital topic and thank you for the opportunity to present it to you. I welcome your questions, comments and suggestions. Please feel free to contact me at BOBKRESSON@MSN.COM.



Skip Gochenour
during his presentation
at the Al Qa'ida Seminar

On behalf of the PALI members, and the seminar attendees, we would like to thank Skip Gochenour for a very informative presentation on the AL Qu'ida Training Film Seminar.

The seminar was an eye opener, to most of us, with regards to the way we look at conducting our business of protecting our Companies and/or Clients Employees and Property.

Because of Skip's presentation, knowledge, and generosity of his time in Reading and Pittsburgh, we are all more educated in our ability to make decisions on the ever evolving nature of our business.

PALI members, and their associates, are encouraged to make presentations, speak on educational or informative topics at future seminars, or provide articles for the PALI News Bulletin.

Anybody reading this News Bulletin is invited to present topical or informative information to PALI.

We can be contacted through our web site www.pali.org/ or by calling 717-576-2253.



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Calendar of Coming Events

Business/Board Meetings

October 2002

February 2003

June 2003

Seminars

Reading – Wednesday, September 25, 2002 (definite)

Monroeville – April 2003

Reading – September 2003