



PRESS RELEASE

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FDIC Offers 10 Tips for Safe Online Banking, Bill Paying and Shopping

Other topics in the latest FDIC Consumer News include ways to limit overdraft costs, manage medical debts and finance a small business

Online banking, bill paying and shopping are conveniences that most people want to enjoy. And most of the time, high-tech transactions are completed quickly and without a glitch. However, just as with other transactions, in a small percentage of cases something goes wrong. The Winter 2009/2010 issue of **FDIC Consumer News**, published by the Federal Deposit Insurance Corporation, offers 10 ways to protect against theft and errors online. Other timely articles discuss overdraft costs, medical debts and small business financing. Here are examples of the tips and information in the latest newsletter.

- **Online Banking, Bill Paying and Shopping:** Consumers who bank online should frequently check their deposit accounts and lines of credit to spot and report unauthorized transactions as soon as possible. Many banks are making it easier for customers to check their accounts electronically and will send text message alerts when a balance falls below a certain level or when there is a transaction over a certain limit.

Consumers shouldn't open attachments or click on links in unsolicited e-mails from anyone they don't know or otherwise aren't sure about, because doing so can infect computers with "spyware" that enables thieves to record keystrokes, log into accounts and transfer money. Consumers should also watch out for sudden pop-up windows asking for personal information or warning of a virus. This is called "scareware" because it frightens people into providing information or downloading malicious software.

On a related matter, **FDIC Consumer News** notes that banks are increasingly offering customers the convenience of depositing paper checks over the Internet using a scanner or cell phone. While this service is mostly marketed to businesses, consumers



Congress created the Federal Deposit Insurance Corporation in 1933 to restore public confidence in the nation's banking system. It promotes the safety and soundness of these institutions by identifying, monitoring and addressing risks to which they are exposed. The FDIC receives no federal tax dollars — insured financial institutions fund its operations.

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also can benefit, especially if they receive a lot of checks and find it inconvenient to go to their local branch or ATM.

- **Overdraft Costs:** If consumers write a check or use their ATM or debit card when they don't have enough funds in their account, their bank may cover the transaction -- but typically for a sizeable fee. **FDIC Consumer News** describes rule changes that will require institutions to more clearly inform consumers about the costs of overdraft services. Consumers also are encouraged to become knowledgeable about alternatives to high-cost overdraft programs.
- **Medical Debts:** With healthcare costs soaring and family budgets tightening, medical debts are a major problem for many Americans. **FDIC Consumer News** looks at ways people can better cope with the stress of medical bills that are beyond what they can pay. In this situation, they should contact their doctor's office or hospital immediately, explain the situation and try to negotiate the bill or offer a reasonable payment plan before the matter is referred to a collection agency. Also, consumers should think twice before using credit cards, home equity or retirement savings to pay for big medical expenses that are not covered by insurance.
- **Small Business Financing:** Anyone starting or growing their own company should turn to expert advice -- on topics ranging from financing their operations to managing accounts -- from the U.S. Small Business Administration. Other resources include small business counselors, bankers and attorneys. It's also important to understand the federal insurance coverage for business deposits, and the FDIC has staff and resources that can help.

The goal of **FDIC Consumer News** is to deliver timely, reliable and innovative tips and information about financial matters, free of charge. The Winter edition can be read or printed at www.fdic.gov/consumers/consumer/news/cnwin0910. To order up to two free paper copies, use the online form on that same Web page or call the Federal Citizen Information Center toll-free at 1-888-8-PUEBLO (1-888-878-3256) weekdays from 8:00 a.m. to 8:00 p.m. Eastern Time and ask for Department 97.

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