



PRESS RELEASE

Federal Deposit Insurance Corporation • Each Depositor insured to at least \$250,000

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FDIC Consumer Newsletter Features Financial Tips for Seniors Other topics include international money transfers, adjustable-rate mortgages, student loan debt, and savings accounts for medical expenses

FOR IMMEDIATE RELEASE

Consumers face financial issues in their retirement years ranging from how to maintain their lifestyle and pay for medical expenses on a fixed income to avoiding scams that target the elderly. To help older adults make informed decisions and protect their assets, the Summer 2013 issue of FDIC Consumer News features a collection of articles entitled "Financial Tips for Seniors." Other timely topics include avoiding wire transfer scams, new protections for sending money abroad, things to keep in mind when considering adjustable-rate mortgages, basic points about Health Savings Accounts, and help for student loan borrowers having payment problems. Here's an overview:

Simple strategies for seniors: The newsletter starts with 15 quick tips on topics ranging from finding reliable help with finances to earning and managing money and getting organized. Additional articles provide practical suggestions for steering clear of fraud artists and thieves, what to know before agreeing to a reverse mortgage or any other loan backed by your home, and tips for seniors wanting to help relatives (including risks to avoid). The newsletter also gives key facts about FDIC deposit insurance, an important topic for older Americans who have worked hard over the years to accumulate savings.

Preventing wire transfer scams: Using a bank or a money transfer company to wire funds electronically is an easy and convenient way for individuals to send cash to someone they know. But wiring money to strangers — especially in another country — is risky because often they could be scam artists.



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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New protections for sending money abroad: Each year, consumers in the U.S. send tens of billions of dollars to friends, family members or businesses in other countries using wire transfers and other electronic payments — often called "remittances." The newsletter gives a preview of new federal protections that will take effect on October 28, 2013, and that are heavily focused on disclosures before and after a remittance transaction takes place.

The comeback of adjustable-rate mortgages (ARMs): Also known as variable-rate loans, these have been out of favor with many people in recent years because of the low interest-rate environment and the perception that rising payments on ARMs contributed to foreclosures during the recent financial crisis. But with new federal disclosures and protections for consumers, some borrowers are wondering if they should consider an ARM if the initial interest rate is significantly lower than what's being offered for a 30-year fixed-rate loan. The article presents key concepts that consumers should understand.

Basic points about Health Savings Accounts (HSAs): Consumers who are enrolled in a health insurance with a high deductible are probably eligible to open an HSA, a tax-preferred savings account that can be used to help pay for certain medical expenses. The newsletter covers some basic points about the benefits, the limitations and other considerations, including FDIC deposit insurance coverage if the account is at an insured bank.

Help for student loan borrowers having payment problems: Many people who are unemployed or face other economic troubles are having problems making monthly payments on their student loans. The newsletter offers ideas for how struggling borrowers can get help.

The goal of FDIC Consumer News is to deliver timely, reliable and innovative tips and information about financial matters, free of charge. The Summer 2013 edition can be read or printed at www.fdic.gov/consumers/consumer/news/cnsum13. To find current and past issues, visit www.fdic.gov/consumernews or request paper copies by contacting the FDIC's Public Information Center toll-free at 1-877-275-3342, by e-mail to publicinfo@fdic.gov, or by writing to the FDIC Public Information Center, 3501 North Fairfax Drive, Room E-1002, Arlington, VA 22226.

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