



PRESS RELEASE

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FDIC Consumer Newsletter Features Tips on Banking in a High-Tech World Other Topics Include Debt Collection, Branch Closings, Bank Mergers, and Buying a CD from a Broker

FOR IMMEDIATE RELEASE

New technology can dramatically change the way that people manage and save money. To help consumers learn more about banking in a high-tech world, the Spring 2013 issue of **FDIC Consumer News** features practical tips on how to reap the benefits and avoid potential problems. Other timely topics include dealing with debt collectors, finding affordable small loans, thinking about your options after a branch closing or a bank merger, and taking precautions before buying a bank certificate of deposit (CD) from a deposit broker instead of directly from a financial institution. Other topics and tips are covered in the latest newsletter:

Banking in a high-tech world: The lead article notes that sophisticated criminals try to steal valuable details from credit and debit cards that can be used to create a counterfeit card or make purchases online or over the phone. The FDIC newsletter offers tips for preventing or detecting card fraud and stresses the importance of quickly reporting a problem. The newsletter also looks at how new bank technology can help consumers, such as with "mobile banking" (using a smartphone, "tablet" computer or other device) and electronic check registers.

Solving common debt and credit problems: In one article, the newsletter reminds readers that debt collectors have a duty to treat consumers fairly and without harassment. The publication also warns of scams by people falsely claiming to be debt collectors. In another article, consumers who normally turn to companies such as car title lenders, payday loan stores and pawnshops for small loans are advised to instead find out if banks are offering small loans at better interest rates and terms. Also in this



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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issue of the newsletter are tips on how consumers can improve their credit reports and, in turn, pay less for loans.

Thinking about your options after a branch closing or bank merger: The newsletter describes important federal protections, such as advance notice of branch closings and a special grace period for FDIC insurance coverage after a bank merger. Other tips can help consumers meet their banking needs after a branch closing or merger.

Taking precautions before buying a bank CD from a broker: While using deposit brokers has grown in popularity because brokers often can negotiate higher interest rates, the CDs they sell may involve more risks than those purchased directly from an insured bank. For example, because the FDIC does not have the authority to approve deposit brokers and there are numerous examples of con artists running off with investors' money, consumers are advised to use a reputable deposit broker, preferably a professional they already know and trust. Also, consumers should be skeptical if the interest rate being advertised is significantly higher than general market rates, because that may be a sign that the broker is trying to lure in customers to sell them a non-insured product that's not in the depositor's best interest.

The goal of **FDIC Consumer News** is to deliver timely, reliable and innovative tips and information about financial matters, free of charge. The Spring 2013 edition can be read or printed at www.fdic.gov/consumers/consumer/news/cnspr13. 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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