



PRESS RELEASE

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

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FDIC Consumer Newsletter Features Tips on Choosing and Using Bank "Rewards"

Other topics include "banking on the go" with mobile financial services and ATMs, improving credit scores, reverse mortgages, and deposit insurance

FOR IMMEDIATE RELEASE

Bank rewards programs tied to credit or debit cards or other products can provide consumers with benefits such as points to be used for travel and shopping or cash back on purchases. But before jumping into any rewards program it's important to evaluate the potential costs and other important factors. The latest FDIC Consumer News features tips for maximizing the benefits and minimizing the mistakes when choosing a rewards program. The Summer 2015 edition also has articles on mobile financial services, automated teller machines (ATMs), credit scores, reverse mortgages, and deposit insurance. Here's an overview of what is in this issue.

Tips on Choosing and Using Bank Rewards: These programs can offer enticing advantages, but consumers need to make sure they don't overlook the costs and conditions of the rewards or other account features. The newsletter suggests that consumers comparison shop different rewards programs, know exactly how rewards are earned, and choose an account that fits their lifestyle by rewarding them for purchases or deposits they would normally make even without the incentive.

New Uses for Mobile Banking and Payments: Mobile financial services allow consumers to use their smartphone to make purchases without taking their credit or debit card out of their wallet, and to perform transactions that can include moving funds to another person's bank account. FDIC Consumer News offers a look at recent developments, including high-tech wristwatches that can be used to read messages



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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from a bank or access basic services. The newsletter also offers safety tips, including the importance of protecting a mobile phone with a personal identification number (PIN) in case the device is lost or stolen.

At the ATM — 10 Ways to Minimize Fees and Maximize Security: Many depositors who need cash turn to ATMs because of the convenience. But that convenience can come with costs. FDIC Consumer News suggests ways to keep ATM fees down, including a reminder that, under federal law, the fee that an operator of an ATM may charge for a withdrawal or other transaction must be disclosed on the screen of the machine or on a printout so that consumers can find another ATM if the fee is larger than expected. Other tips in the article cover security precautions.

Establishing or Rebuilding Credit Scores — Options for Moving Forward: Credit scores, which are prepared by FICO and other companies, are mainly based on each person's history of managing debts. A credit score is an important factor used to determine whether you can access — or how much you pay for — a loan, credit card, apartment, or insurance. The article offers suggestions for consumers with damaged credit scores or no credit record.

A Forward Look at Reverse Mortgages: These loans enable homeowners age 62 or older to borrow money from the equity in their home and not pay anything back until after the borrowers no longer live there. The newsletter reports on new federal rules that add protections for certain surviving spouses after the death of a reverse mortgage borrower, and a warning from the Consumer Financial Protection Bureau about potentially misleading advertising. One of the main tips in the article is to talk to a qualified professional before deciding to get a reverse mortgage of any kind.

More Answers to Consumer Questions About Deposit Insurance: FDIC staff answer more than 20,000 questions each year from depositors and bankers who ask about the deposit insurance rules to ensure that accounts are correctly structured and the money is fully insured. The latest issue provides answers to two commonly asked questions.

The goal of FDIC Consumer News is to deliver timely, reliable and innovative tips and information about financial matters, free of charge. The Summer 2015 edition can be read or printed at www.fdic.gov/consumers/consumer/news/cnsum15. Check back there for coming versions of this issue for e-readers and portable audio (MP3) players. To find current and past issues, visit www.fdic.gov/consumernews, or request paper copies by contacting the FDIC's Public Information Center in writing at 3501 North Fairfax Drive, Room E-1002, Arlington, VA 22226, by e-mailing publicinfo@fdic.gov, or toll-free at 1-877-275-3342. To receive an e-mail about each new issue of the quarterly FDIC Consumer News with links to stories, go to www.fdic.gov/about/subscriptions/index.html

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