

FDIC *Consumer News*

Fall 2015

Shopping Tips for Loans and Credit Cards

Ways to be a Better-informed Consumer

How to Get Your Best Deal? Plan Ahead.

**Beware of Thieves Who Target
Loan and Credit Card Shoppers**

**More to Know About the New
Disclosures for Mortgage Loans**

**“Add-ons” Sold With Credit:
Do Your Research Before You Buy**

ALSO INSIDE

**Banking Tips for
Small Businesses**

**More Answers to Deposit
Insurance Questions**

How to Get Your Best Deal on a Loan or Credit Card? Plan Ahead.

Many consumers think they cannot influence whether a loan or credit card application will be approved or what interest rate they'll get. But the reality is that prospective borrowers can take certain steps *before* filling out an application that may increase their chances of getting an approval, with a favorable interest rate and attractive account terms. Here are suggestions from *FDIC Consumer News*.

Consider simple ways to improve your credit scores. As we have often said, paying your bills and loans on time and owing as little as possible on your credit card(s) compared to the credit limits are two of the most important things you can do to boost your scores and get a better deal on a lending product.

Also think twice before closing older credit card accounts or lines of credit. "Don't immediately believe that you have to close an old account because of its age or because you're no longer using it," said Susan Boenau, Chief of the FDIC's Consumer Affairs Section. "Lenders making credit decisions like to see an established history of credit use, and the length of your credit history is figured into your credit score. So in general, the longer you can show you've been using credit the better." Striking the right balance is key, so when in doubt, a reputable credit counseling service can help. For guidance on finding one, go to the Federal Trade Commission's website at www.consumer.ftc.gov/articles/0153-choosing-credit-counselor.

Check your credit reports for accuracy. A credit report is a compilation of how you have been paying your credit card bills, loans and selected other debts. By law, you are entitled to at least one free copy of your report from each of the nationwide credit bureaus every 12 months. To order your free credit report from the three major credit bureaus (Experian, Equifax and TransUnion), visit www.annualcreditreport.com or call toll-free 1-877-322-8228.

AnnualCreditReport.com or call toll-free 1-877-322-8228.

It's important to go through your reports carefully to identify errors, such as loan or credit card accounts in your name that you did not authorize (and are likely to be fraudulent) or incorrect payment histories or account balances. Some mistakes can significantly lower your credit scores, which lenders typically use when considering loan applications and interest rates.

"It's best to order copies of your credit report from each of the three main credit bureaus because an error that appears on one report might not appear on another," said Heather St. Germain, a Senior Consumer Affairs Specialist at the FDIC. "That way, if the bank you eventually apply to only uses one of your three reports, and it's one with an error, you'll have an opportunity to get that corrected before you apply."

If you do find an error on your free annual credit report from a credit bureau, contact the company to dispute the information. Once a credit bureau receives your complaint, it has 45 days to finish its investigation. Generally, consumers can file disputes with the credit bureau online, by phone or through the mail. A credit counseling service can help here, too. You may also contact the creditor directly because it can provide updated or corrected information to the credit bureau at your request.

Sometimes consumers have difficulty ensuring that erroneous information is corrected or removed from their credit reports. If you've tried to resolve the issue on your own without success, you can turn to the appropriate federal regulator for help.

If the problem is with a bank and you're not sure which federal regulator to contact (remember that the FDIC is not the primary regulator for all of the institutions it insures), you can call the FDIC toll-free at 1-877-ASK-FDIC



(1-877-275-3342) or use an online directory of insured banks at <http://research.fdic.gov/bankfind>. (For general information about resolving a complaint involving a bank, see our article in the Spring 2012 *FDIC Consumer News* at www.fdic.gov/consumers/consumer/news/cnspr12/complaint.html.) For help with a problem involving a credit bureau or a nonbank creditor (such as a finance company or a retail store), you can submit a complaint to the Consumer Financial Protection Bureau at www.consumerfinance.gov/complaint/#credit-report.

Shop around. Before submitting an application, it's important to get the best deal you can by researching the terms and conditions of different loans and credit cards offered by your bank and a few competitors. Think about the type of loan you need (for example, a fixed- or an adjustable-rate loan) and be realistic about what you can afford. Know the fees that may be assessed and what would trigger them.

Keep in mind that a loan or credit card may seem like a good deal on the surface, but a closer look at the fine print may reveal that it is not the best option for you. One of the most important things to remember: Be clear on whether an attractive interest rate being advertised is locked in or if it's an introductory offer that may increase in the future.

Also be aware that when you apply for a loan or a credit card a record of that "inquiry" will show up on your credit report. "Because too many inquiries may hurt your credit score, it's best to only

continued on the next page

Beware of Thieves Who Target Loan and Credit Card Shoppers

If you are looking to borrow money, be aware that con artists may be looking to *steal* money ... from you! How? By getting you to pay them an upfront fee or by tricking you into divulging personal information such as your Social Security number, which they can use to commit identity theft. **FDIC Consumer News** has a few tips to help you protect yourself.

Deal only with reputable lenders. Start by verifying the legitimacy of any unfamiliar person or business offering to make you a loan. Be especially wary of unsolicited loan offers that sound too good to pass up or demand that you act fast. Consider researching the reputation and qualifications of a prospective lender, perhaps by checking with your state Attorney General's office (www.naag.org/naag/attorneys-general/whos-my-ag.php) or your state or local consumer affairs office (www.consumeraction.gov/state.shtml). Many state and local offices allow you to search for complaints or they may direct you to other resources, such as agencies that can verify if a contractor is properly licensed. You can also determine whether an unfamiliar bank is insured by calling the FDIC at 1-877-275-3342 and asking to speak with a Deposit Insurance Specialist.

Be extra cautious when you are dealing with a promotion on the Internet or over the phone. While most reputable lenders are on the Internet offering everything from basic information to loan referrals to loan applications, scam artists also have websites promising ways to get you a loan or credit card.

Plan Ahead

continued from the previous page

submit applications for credit products that you think will meet your needs," said St. Germain.

For additional guidance on how to shop for a loan of any kind or a credit card, search back issues of **FDIC Consumer News** at www.fdic.gov/consumernews. 🏠

"Crooks can easily create bogus websites that look just like real bank websites, with offers of attractive loan terms and deals and little or no credit checks," said Michael Benardo, Manager of the FDIC's Cyber Fraud and Financial Crimes Section. "The idea is to lure people in to collect standard information for a loan application — such as a full name, address, date of birth, Social Security number and employment history — because those details could be used to commit identity theft."

Beware of mortgage foreclosure and loan modification scams. If you are facing foreclosure or trying to modify an existing mortgage loan to make it easier to repay, decline offers from anyone who "guarantees" he or she will "save" your home, obtain a loan approval or lower your mortgage interest rate, usually for a fee. No one can guarantee in advance that a mortgage assistance application will be approved. And collecting upfront fees to cover processing or administrative costs may be illegal, depending on the circumstances.

In addition, if someone is pressuring you to sign over the title to your home or to sign documents that you haven't had time to read, it's best to decline the offer. By complying, you may be giving away ownership of your home.

Better choices when looking into options to refinance your home include contacting your loan servicer — the company that collects the monthly payment for your mortgage, property taxes and insurance — to find out if you may qualify for any programs to prevent foreclosure or modify your loan without paying a fee. If your mortgage was sold to Fannie Mae or Freddie Mac on or before May 31, 2009, you may be eligible to refinance at a lower interest rate through the federal government's Home Affordable Refinance Program (HARP) even if your home has decreased in value. To learn more, start at www.harp.gov.

Also consider talking to a professional at a reputable housing counseling

agency that will provide free or low-cost help if you're having trouble paying your mortgage. For a referral to a counseling agency approved by the U.S. Department of Housing and Urban Development (HUD), contact HUD (1-800-569-4287 or www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm) or the Consumer Financial Protection Bureau (1-855-411-2372 or www.consumerfinance.gov/find-a-housing-counselor).

To learn more about preventing mortgage fraud, see the Fall 2013 **FDIC Consumer News** (https://fdic.gov/consumers/consumer/news/cnfall13/mortgage_scams.html) or visit the federal government's Financial Fraud Enforcement Task Force's website at www.stopfraud.gov/protect-mortgage.html.

Avoid frauds targeting consumers who are in the market for a new credit card. "Even though you may be asking for a new card, a thief may try to trick you into divulging credit card account numbers and other information associated with your existing account, including the expiration date on the front and the card verification code number on the back of the credit card," Benardo explained. "This information is valuable to fraudsters because it can be used to create a counterfeit version of your card or to make purchases online or over the phone."

Never give out your credit card account number in response to an unsolicited e-mail, text message or phone call. And review your credit card bills as soon as you receive them and report to your card issuer right away if you find anything suspicious, such as an unauthorized charge.

To learn more about protecting yourself from credit-related frauds, search by topic in back issues of **FDIC Consumer News** (www.fdic.gov/consumernews), on the Federal Trade Commission's Credit and Loans page (<http://www.consumer.ftc.gov/topics/credit-and-loans>), or at www.mymoney.gov. 🏠

More to Know About the New Disclosures for Mortgage Loans

If you apply for a residential mortgage loan, you will now see a new look in the disclosures because of a rule that took effect October 3, 2015.


The Consumer Financial Protection Bureau (CFPB) has adopted a “Know Before You Owe” rule that consolidated and simplified mortgage disclosure forms. The new disclosures should make it easier for you to understand the key terms — and risks — of the loan options you consider.

A new “Loan Estimate” combines information previously provided on two forms to explain the costs and terms of the proposed loan. It emphasizes important information for consumers to have when deciding on a loan, such as the interest rate, the number and amount of payments, closing costs, and whether payments can increase during the loan term and, if so, by how much.

The lender or mortgage broker must give this form to a consumer within three business days after the application is submitted. “With this timely, clear information in hand early in the process, consumers should be able to more effectively comparison shop among creditors and among different kinds of loan terms and products,” said Kathleen Keest, an FDIC senior policy analyst.

A new “Closing Disclosure” summarizing the key terms of the final loan contract has replaced two separate documents. You should receive this single disclosure form at least three days before going to settlement on the loan. “In the past,

the final disclosures with the actual terms of the loan were typically given at the loan closing, with all the other paperwork,” Keest noted. “Now, having this simplified disclosure in hand at least three days before the closing gives you time to carefully review the loan to make sure that you are getting what you bargained for.”

The CFPB’s website has additional information. Go to www.consumerfinance.gov/knowbeforeyouowe to find a home loan toolkit, samples of the new disclosures and other guidance on the mortgage selection process. 

Loan Estimate

4321 Random Boulevard • Somers, CT 12340 Save this Loan Estimate to compare with your Closing Disclosure.

Loan Estimate

DATE ISSUED: 2/15/2013
 APPLICANTS: Michael Jones and Mary Stone
 PROPERTY: 456 Somewhere Avenue, Anytown, ST 12345
 SALE PRICE: \$180,000

LOAN TERM: 30 years
 PURPOSE: Purchase
 PRODUCT: Fixed Rate
 LOAN TYPE: Conventional FHA VA
 LOAN ID #: 123456789
 RATE LOCK: NO YES, until 4/16/2013 at 5:00 p.m. EDT before closing your interest rate, points, and lender credits can change unless you lock the interest rate. All other estimated closing costs expire on 3/14/2013 at 5:00 p.m. EDT

Loan Terms	Can this amount increase after closing?	
Loan Amount	\$162,000	NO
Interest Rate	3.875%	NO
Monthly Principal & Interest	\$761.78	NO

Does the loan have these features?

Prepayment Penalty: YES + As high as \$3,240 if you pay off the loan during the first 2 years.

Balloon Payment: NO

Projected Payments	Years 1-7	Years 8-30
Principal & Interest	\$761.78	\$761.78
Mortgage Insurance	+ 82	+ —
Estimated Escrow	+ 206	+ 206
Estimated Total Monthly Payment	\$1,050	\$968

Estimated Taxes, Insurance & Assessments: \$206 a month. This estimate includes Property Taxes, Homeowner's Insurance, and Other. In escrow? YES.

Costs at Closing	Estimated Closing Costs	Includes
Estimated Closing Costs	\$8,054	Includes \$5,672 in Loan Costs + \$2,382 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Estimated Cash to Close	\$16,054	Includes Closing Costs. See Calculating Cash to Close on page 2 for details.

Visit www.consumerfinance.gov/mortgage-estimate for general information and tools.

LOAN ESTIMATE PAGE 1 OF 5 • LOAN ID # 123456789

Closing Disclosure

Closing Information: Date Issued: 4/15/2013, Closing Date: 4/15/2013, Settlement Agent: Epsilon Title Co., Property: 456 Somewhere Ave, Anytown, ST 12345, Sale Price: \$180,000

Loan Terms	Loan Amount	Interest Rate
Loan Amount	\$162,000	3.875%
Interest Rate	3.875%	\$761.78

Monthly Principal & Interest: \$761.78

Prepayment Penalty: YES

Balloon Payment: NO

Projected Payments	Estimated Total Monthly Payment
Principal & Interest	\$761.78
Mortgage Insurance	+ 82
Estimated Escrow	+ 206
Estimated Total Monthly Payment	\$1,050.26

Estimated Taxes, Insurance & Assessments: \$356.13 a month. This estimate includes Property Taxes, Homeowner's Insurance, and Other Homeowner's Association Dues. In escrow? YES.

Costs at Closing	Estimated Closing Costs	Includes
Estimated Closing Costs	\$9,712.10	Includes \$4,694.05 in Loan Costs + \$5,018.05 in Other Costs - \$0 in Lender Credits. See page 2 for details.
Cash to Close	\$14,147.26	Includes Closing Costs. See Calculating Cash to Close on page 3 for details.

CLOSING DISCLOSURE PAGE 1 OF 5 • LOAN ID # 123456789

Sample disclosures: Consumer Financial Protection Bureau

“Add-ons” Sold With Credit: Do Your Research Before You Buy

Lenders who approve consumers for a loan or credit card often cross-sell related products or services to them. Examples typically offered include “protection plans” that can help the borrower with loan payments in the event of a hardship like a disability or a job loss; credit life insurance to pay off a loan in the event of the borrower’s death; identity theft protection that will monitor credit reports for signs of fraud; and credit monitoring services that will alert the consumer to significant changes in credit reports and scores as a result of new information. **FDIC Consumer News** wants you to know that while “add-on” products may benefit some consumers, there may be significant costs or limitations.

In addition, there have been cases in which credit card issuers have enrolled customers in services without their consent or billed for services not provided as promised. The FDIC and other regulators have cited and penalized some lenders for unfair and/or deceptive practices, such as charging customers for add-on products that they did not sign up for or receive. In two recent examples involving FDIC settlements with banks, one institution agreed to pay approximately \$61.5 million in restitution to harmed consumers (see the press release at www.fdic.gov/news/news/press/2015/pr15073.html), and another approved a restitution amount of approximately \$15 million (www.fdic.gov/news/news/press/2014/pr14080.html).

“Before purchasing an extra product, it is important to review the terms, costs and benefits in writing to ensure that it meets your needs,” suggested Elizabeth Ortiz, FDIC Deputy Director for Consumer and Community Affairs. “Moreover, these products are always optional, so you should be suspicious of any high-pressured sales tactics or trial periods that may be difficult to cancel.”

Banking Tips for Small Businesses: A Checklist for Entrepreneurs

Getting or keeping a business up and running can be rewarding, but it also can be risky and time-consuming. Here are some simple strategies that may help entrepreneurs and other small business owners get the most from their banking relationships and avoid frauds or scams.

The Basics

Prepare or revisit your business plan. A business plan provides a small business owner with a roadmap to help his or her venture succeed. A lender will generally ask to review your business plan when you apply for a loan. The U.S. Small Business Administration (SBA) has a free tool to help you develop a basic business plan at www.sba.gov/tools/business-plan/1.

Consider sources of assistance for launching or expanding a small business. You may want to start with resources available through the SBA, such as your local SBA District Office and SBA partners that can provide services such as training and coaching (see www.sba.gov/tools/local-assistance). Many of these organizations use the FDIC-SBA Money Smart for Small Business financial education curriculum for entrepreneurs (see the next page).

Connect with small business specialists at your bank. Many banks have a designated team focused on small business lending who can help you identify other useful bank products and services. They may also be able to refer you to others who can help your business, such as professionals in selected fields or local trade groups (great for networking).

Deposit Accounts

Consider a separate account for your business transactions. The Internal Revenue Service recommends that you have a business checking account that is separate from your personal account(s) because doing so can make recordkeeping for tax time easier. It may even be essential depending on your corporate structure. The need for separate accounts generally increases as a business grows or becomes incorporated.

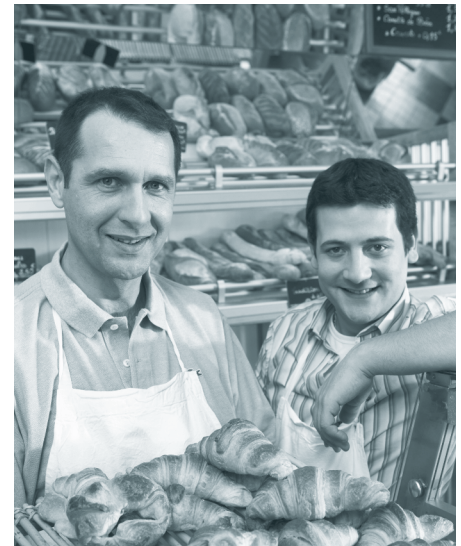
Comparison shop for a business checking account. You may incur fees even with a “free” business checking account if you exceed a certain number of deposits or other transactions in a given month. In addition to cost, consider what features and services may best meet your needs. For example, many, but not all, banks allow small businesses to scan and deposit checks without making a trip to the bank, perhaps using a smartphone or a special terminal.

Know if all your deposits are protected by FDIC insurance. Under FDIC rules, all deposits owned by a corporation, partnership or unincorporated entity (including a for-profit or a not-for-profit organization) at the same bank are added together and insured up to \$250,000, separately from the personal accounts of the owners or members. The deposits of a sole proprietorship — an unincorporated business owned by one individual using a business name — are insured together with any personal funds the owner may have at the same bank in the single-ownership insurance category, up to \$250,000 in total. If you need assistance with determining your insurance coverage, you can speak to an FDIC Deposit Insurance Specialist at 1-877-ASK FDIC (1-877-275-3342) or use our Electronic Deposit Insurance Estimator (EDIE), an interactive calculator at www.fdic.gov/edie.

Payments

Review how you allow customers to pay for goods. Businesses can consider ways to make it easier for customers to pay for purchases. For example, while many small businesses do not accept credit cards, perhaps because of the costs (including processing fees), many others do. “Allowing customers to pay with smartphones may be another option,” said Luke W. Reynolds, chief of the FDIC’s Outreach and Program Development Section.

Shop around for debit and credit card processing services because the costs vary. For tips, visit the Federal Trade Commission website at www.ftc.



gov and search for the “Play Your Cards Right” page.

Be familiar with the rules from the card networks that govern different aspects of your credit or debit card acceptance. For example, the card networks (including Visa, MasterCard, Discover and American Express) have decided that, as of October 1, 2015, merchants that do not use chip-card readers (for added security with in-store purchases) may bear the cost of losses due to stolen or counterfeit cards. Learn more from the SBA about the transition to cards with computer chips at www.sba.gov.

Loans

Establish a good payment record for your business. Just as credit bureaus maintain a record on your personal credit history, several companies track how businesses handle their finances. Making on-time payments to suppliers is one good way to show reliability. Also ensure that your personal credit report is accurate because a lender will likely review it when your business applies for financing.

Review the options for borrowing money to help your business operate or grow. Possibilities include:

- *Business lines of credit or business credit cards.* “Lines of credit may be well-suited to help make up for gaps in cash flow,

continued on the next page

continued from the previous page

but they often are short-term financing tools and may not be the best choice to finance costly, long-term investments,” Reynolds explained. “Business credit cards may be an option, particularly for smaller, more routine purchases, but they may be more expensive.”

- **Business term loans.** With these loans, your business agrees to repay a set sum of money, plus interest, in predictable installments over multiple years. Consider using them for major purchases, such as machinery or equipment that can benefit your business for several years.

- **Personal lines of credit, such as your own credit cards.** “Entrepreneurs just getting started may think of using their personal credit accounts first, but there can be drawbacks,” noted Reynolds. “For example, credit card interest rates can be high, making it more difficult to pay off the amount borrowed. You could lose any collateral securing the loan if you cannot pay the debt back. And if you guarantee a loan to your business or use a personal loan or credit card for business purposes, your own credit rating may go down if the debt is not repaid.” Also be aware that some personal credit card agreements require that the card not be used for business purposes.

Avoiding Losses

Don’t assume that the same rules apply to business cards and personal cards. Your liability for unauthorized transactions on your personal credit and debit card accounts is generally capped by federal regulations — \$50 for credit cards and \$50 or more for debit cards (depending on when you notify the bank). While federal law doesn’t protect business debit cards from liability for unauthorized transactions, your bank account agreement and state laws could limit your liability. And, if a credit card issuer provides 10 or more credit cards to a company for employee use, it may require the business to assume *unlimited* liability for unauthorized transactions. If fewer than 10 credit cards are issued

to the company, the \$50 limit will only apply to unauthorized use by someone other than an employee of the corporation. The bottom line: Notify your bank immediately of any problems because state laws, industry standards and your deposit agreements may provide certain protections.

Guard against fraud and scams.

Examples include unauthorized withdrawals from a bank account as well as fraudulent offers and counterfeit bills. An auditor may be able to help you identify and minimize

risks. To learn more, including how to create customized cybersecurity plans, go to www.onguardonline.gov/features/feature-0007-featured-info-small-business. The Federal Trade Commission also offers tips for small businesses at www.ftc.gov/tips-advice/business-center/guidance/small-business-scams.

For more tips for small businesses from **FDIC Consumer News**, see our Quick Links page at www.fdic.gov/consumers/consumer/news/quicklinks.html. 🏠

FDIC/SBA Financial Education Curriculum for Small Businesses is Updated and Expanded

The FDIC’s Money Smart for Small Business financial education curriculum has been updated and expanded with three new modules, including one to help consumers assess their readiness to start a business. It is now also available in Spanish.

The FDIC collaborated with the U.S. Small Business Administration to first release this curriculum in 2012 to help prospective entrepreneurs and existing small business owners learn the basics of running a small business from a financial standpoint.

The free curriculum is intended to be instructor-led and delivered by financial institutions, small business development centers, city or county economic development offices, faith-based organizations and others. Each of the 13 modules in Money Smart for Small Business includes an instructor guide, a participant guide and PowerPoint slides. Each module can be taught in approximately one hour.

To learn more and to order the curriculum, start at www.fdic.gov/consumers/consumer/moneysmart/business.html.



The FDIC/SBA Money Smart for Small Business curriculum is a tool some local organizations use to teach entrepreneurs the financial basics of running a business. Shown above are bank employees leading a workshop in California.

Dear FDIC: More Answers to Consumer Questions About Deposit Insurance

How can I be sure that deposits I send to an Internet bank are FDIC-insured?

Some FDIC-insured banks take deposits over the Internet, rather than through physical bank branches. Deposits placed over the Internet with an FDIC-insured bank are protected the same as deposits at a traditional bank. However, financial institutions on the Internet may not be insured by the FDIC. In addition, there have been incidents of con artists setting up websites that look like those of legitimate banks to trick consumers into divulging personal financial information or sending them funds.

If you are not familiar with an online bank, you'll want to confirm the correct URL for the institution's website, so you know that you are working with a FDIC-insured depository institution. Also, note that a bank can have one name that it uses for its traditional operations and a different name — often called a "trade name" — that it uses for marketing on the Internet. "It is important to determine the official name of the bank operating online to confirm both that it is FDIC-insured and to make sure you are not exceeding the deposit insurance limit by opening accounts at the bank's branches and then unknowingly opening accounts through the same bank's online site," explained Calvin Troup, an FDIC Senior Consumer Affairs Specialist.

For example, a depositor who is unsure about the true identity of a bank soliciting business on the Internet could inadvertently exceed the deposit insurance limit by, say, having a \$150,000 single-owner CD at an Internet bank without realizing that it's a division of a bank where the depositor already has a single-owner deposit of \$175,000. In that case, the funds would be combined and the \$325,000 on deposit would exceed the FDIC's \$250,000 deposit insurance limit by \$75,000.

To verify that a particular website and/or trade name is affiliated with an FDIC-insured bank, you can call the

FDIC and ask to speak to a Deposit Insurance Specialist.

I read in the newspaper that a local broker was advertising FDIC-insured certificates of deposit (CDs). Are you insuring brokers now, too?

The FDIC does not insure individual brokers or brokerage firms. However, an investment being offered by a broker *may* be FDIC-insured if the funds are placed in a deposit account at an FDIC-insured institution (and certain deposit insurance requirements are met). Your first question to the broker should be, "What is the name of the institution where my funds will be placed?" You then can verify that the institution is FDIC-insured, and the two fastest ways to do that are to check BankFind, the FDIC's online database at <https://research.fdic.gov/bankfind>, or call the FDIC and ask to speak to a Deposit Insurance Specialist.

You should also make sure you understand what kind of investment the broker is making on your behalf and ask about any potential risks. In addition, you may want to check whether complaints have been filed against that broker before you send them money. One way to check is through the Financial Industry Regulatory Authority (FINRA) website at www.FINRA.org (for "registered" broker/dealers) or through your state government agency that regulates businesses (if it requires brokers to register to do business there). FINRA also has a toll-free number (1-844-574-3577) that investors can call for assistance or to raise concerns about issues with brokerage accounts and investments.

If you currently have deposits at that institution, make sure the new CD would not affect your insurance coverage if the total exceeds \$250,000.

You can learn more about FDIC deposit insurance coverage by calling us at 1-877-ASK FDIC (1-877-275-3342) or visiting www.fdic.gov/deposit/deposits. For the hearing-impaired, please call 1-800-925-4618. 📞

FDIC Consumer News

Published by the Federal Deposit Insurance Corporation

Martin J. Gruenberg, *Chairman*

Barbara Hagenbaugh, *Deputy to the Chairman for Communications*

David Barr, *Assistant Director, Office of Communications (OCOM)*

Jay Rosenstein, *Senior Writer-Editor, OCOM*

Mitchell W. Crawley, *Graphic Designer*

FDIC Consumer News is produced quarterly by the FDIC Office of Communications in cooperation with other Divisions and Offices. It is intended to present information in a nontechnical way and is not intended to be a legal interpretation of FDIC or other government regulations and policies. Due to periodic changes in statutes and agency rules, always check the FDIC Web site — www.fdic.gov — for up-to-date information. Mention of a product, service or company does not constitute an endorsement. This publication may be reprinted in whole or in part. Please credit **FDIC Consumer News**.

Send your story ideas, comments, and other suggestions or questions to: Jay Rosenstein, Editor, **FDIC Consumer News**, 550 17th Street, NW, Washington, DC 20429, e-mail jrosenstein@fdic.gov.

Find current and past issues at www.fdic.gov/consumernews or request paper copies by contacting the FDIC Public Information Center. Call toll-free 1-877-ASK-FDIC (1-877-275-3342) or e-mail publicinfo@fdic.gov.

Subscriptions: To receive an e-mail notice about each new issue with links to stories, go to www.fdic.gov/about/subscriptions/index.html. To receive **FDIC Consumer News** in the mail, free of charge, call or write the FDIC Public Information Center as listed above.

For More Help or Information

Go to www.fdic.gov or call the FDIC toll-free at 1-877-ASK-FDIC (1-877-275-3342)

News Briefs

The FDIC has updated the content of its Money Smart financial education program for people with visual disabilities. The content in Braille and large-print formats was updated to match changes previously made to Money Smart for Adults. In addition, the latest version of the audio (podcast) version of Money Smart is now available in Spanish. For more information, or to order the new products, visit www.fdic.gov/moneysmart.

A new FDIC online catalog makes it easier for consumers and bankers to order a variety of free publications and other educational resources from the agency. The catalog, which includes different versions of our Money Smart financial education curriculum, can be accessed at <https://catalog.fdic.gov>.

The U.S. Treasury Department has made it easier to save for retirement in its "myRA" (myRetirement Account), a type of Roth IRA

introduced earlier this year. Savers initially were able to fund their myRA account through automatic payroll deduction, but now they have the option to contribute from a checking or savings account or from a federal tax refund at tax time. For more information about the program or to sign up for an account, visit myRA.gov or call toll-free 1-855-406-6972.

Beware of fraudulent e-mails targeting consumers who haven't yet received new payment cards with computer chips. As previously reported in *FDIC Consumer News*, banks are issuing new credit and debit cards with microchips that are designed to reduce fraud, including counterfeiting. Now the Federal Trade Commission (FTC) is warning that scammers posing as card issuers are e-mailing consumers with requests to confirm personal and account information that can be used to commit identity theft or to click on a link that will install malware that can lead to fraud. Read the FTC alert at www.consumer.ftc.gov/blog/scam-du-jour-chip-card-scams. And for a variety of security tips for card users, see our

Spring 2013 article "Protecting Your Plastic from High-Tech Criminals" at www.fdic.gov/consumers/consumer/news/cnspr13/protectplastic.html.

See our money and banking tips for the tax season. Consider reviewing our most recent article on ways to make tax time less taxing, in the Winter 2013/2014 *FDIC Consumer News* (www.fdic.gov/consumers/consumer/news/cnwin1314/taxtips.html). The article also provides guidance on how to guard against tax-related identity theft, such as when a criminal calls and impersonates an IRS employee to ask for immediate payment or for confidential information. 🏠

COMING SOON

A special "cybersecurity" edition of *FDIC Consumer News* featuring tips on avoiding computer-related financial crimes, plus details about how banks and government regulators are protecting your money