

**in this issue >>>**

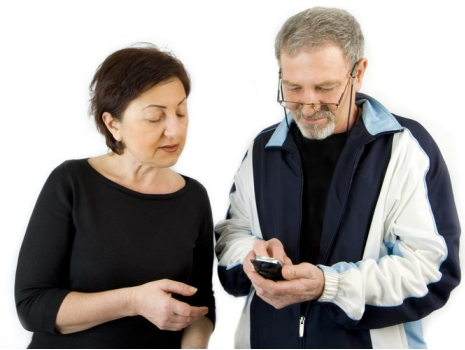
*Personal Finance Apps for 50+*

*CPI Support of Banzai Is Bringing Great Results*

*Government News*

*Five Technologies and Trends Changing the Credit Industry*

*Taking Your Money on a Trip: Safe Travels Financially*



*A publication of Credit Professionals International*

**March 2019**

**THE CREDIT CONNECTION**

**current topics >>>**

*Message from the President*

*Membership Report*

*U. S. Government News*

*If you have not made  
your reservations  
for the International Conference  
to be  
held June 27-29, 2019  
in Albuquerque, New Mexico.  
Now is the time to do so.*

*Marylyn Tack*

*The Credit Connection is a publication  
of Credit Professionals International,  
P. O. Box 220714, St. Louis MO 63122.  
Phone: 314/821-9393.  
Email:  
creditpro@creditprofessionals.org.  
Website: www.creditprofessionals.org*

## **Message from the President**

Marylyn Tack,

President - Credit Professionals International 2018-2019

I hope that everyone had a wonderful Valentine's Day and were able to spend time with someone special in your lives.

As spring approaches, it is time for us to take a look around us to see what we need to clean out of our lives and homes. Look at what you are not using and determine if you can pass it on to someone else who could benefit from your gift.

March is Credit Education Month. It is time to check your credit score to ensure that there are no errors and to monitor your overall credit status. Compare your score to the national average in the United States, which is 695.

If you are just starting out in the work force, look into programs that will improve your credit. Remember to slowly increase your borrowing so that you are not in debt over what you can comfortably handle on your current income.



*Continued on page 2*

*Continued from page 1*

Do not count on a bonus to cover your monthly expenses as you are not guaranteed to receive a bonus unless all goals are met.

Set aside money for savings as a part of your regular monthly expenses so that if some unexpected emergency arises you have savings to handle the expense.

Set up a budget. Don't just wing it! Visit a school or senior center and talk with them about credit.

If you have not made your reservations for the International Credit Conference in Albuquerque in June, it is not too late.

Send in your application now. It is available on the website. Remember to notify me if you know of anyone in your district that has lost a spouse or family member so that we can recognize them during the memorial at the International Conference.

Have a happy St Patrick's Day! Make sure to Celebrate International Women's Day on March 8<sup>th</sup>.

Marylyn Tack, President

## **Our Goal—Growing Our Membership**

**Connie Hamilton**

**Vice President**

**Membership Chairman**

Well, here we are firmly entrenched in the New Year and, dare I say, winter! Hope that everyone is keeping warm and safe from the elements!

I hope that by now—the deadline was February 22—I have received several suggestions on where and how we can solicit those new members. I am excited to share all of those ideas and then count up the new memberships! I do know that this can be a challenge but I have never known any of you to shy away from one!

Also, are we taking care of our current members? When someone misses a meeting and no one has heard from them, do you take the time to call and ask why? I know that we are all busy but we do need to look out for one another and look after each other. We are, after all, the heart of CPI and we need to be sure that heart is pumping strong!

I am going to put on my other hat now—International Conference Planning Chairman!



This is a wonderful membership participation event! Please join us in Albuquerque in June for some great educational topics and speakers and to connect or reconnect with your fellow CPI friends. We plan on having a wonderful time and hope that as many as possible will join us here!

Looking forward to seeing all of you soon!

# Personal Finance Apps for 50+

By Judy Tan

When you think of fintech, or financial, you probably think of younger millennials clicking away at laptops or hunched over smart phones. However, fintech shouldn't be just for the kids. Older generations, specifically people aged 50 and above, face specific challenges that could be greatly helped with technology. Fintech can and should help the 50+ group enjoy a good, fulfilling life.

Luckily, there are two new fintech applications that are stepping up and filling the 50+ need.

**Golden** is a financial app that helps with money management for caregivers. Often referred to as a "family collaboration platform," Golden is designed to help boomers take better financial care of their 50 million senior parents.

Evin Ollinger, Golden's founder, explains that seniors have more than 50 percent of the wealth in the United States, but they also have the most commonly mismanaged funds. He saw a need, and he filled it with Golden.

Here's how the app works. First, an adult child will have a phone call with a Golden representative to give a better explanation of the parent's financial situation, troubles and needs. The representative then identifies two or three things that need to be fixed, and builds a plan to help fix those issues and meet goals. Next, Golden begins monitoring the parent's finances, and helps with things like paying bills, setting up calendar payments, eliminating

unnecessary expenses, alerting potential fraud risks, and identifying possible government benefits. The app also helps by allowing the adult child to see the parent's accounts for better transparency and communication.

Golden costs \$20 a month, but is free for customers with an income of less than \$23,395. Golden was awarded first place at the Aging Start Up Challenge, and won the AARP Financial Innovation Award.

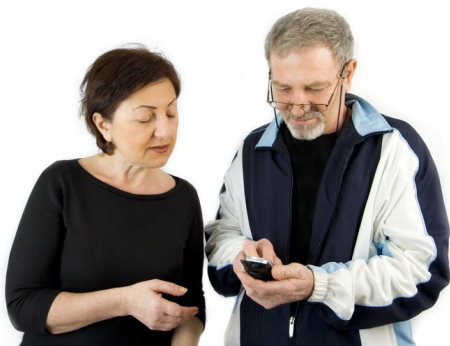
**SMRTSVR** was created to help independent workers with unpredictable incomes, like freelancers and economy workers, properly manage their taxes. Figuring out quarterly estimated taxes and annual tax return filing can be tough for anyone, but much more so for those who work part time after retirement.

SMRTSVR's parent company Vaultz was founded to help solve real world savings problems with intelligent software and banking automation. Rick Gonzalez took inspiration from Vaultz to create SMRTSVR when he saw people needed help organizing and paying their taxes.

Gonzalez designed SMRTSVR to be easy. First, you log into the bank account in which you get your employment payments to give SMRTSVR access to track your earnings, make projections and automatically remove money for taxes. Once April rolls around, you use the money SMRTSVR helped you put away to pay your federal and state taxes.

SMRTSVR is especially helpful for retirees who have a part-time or freelance job for extra cash. but it can also be crucial for self-employed people like Uber drivers, delivery workers and more. The app is still in beta testing, but is expected to cost \$5 to \$9 a month.

If you're over the age of 50, how do you think these or similar apps will help you as you age?



## CPI'S Support of the Banzai Financial Literacy Program Is Bringing Great Results

Banzai is a financial literacy program geared to teach children life skills. This programs is FREE to the schools. The cost is absorbed by sponsors like CPI. Currently, CPI is sponsoring Banzai through a grant from the Credit Education Resources Foundation.

CPI has already sponsored: 960 students, 7 schools, and 25 teachers. Currently, CPI local associations in Alamo, TX, Indianapolis, IN, Jackson, TN, Atlanta, GA, and Las Madrugadoras, NM, are sponsoring programs.

Here is just one of the reports CPI has received from schools it has sponsored.

**AJ Henderson**, *CENTENNIAL PLACE ELEMENTARY SCHOOL*: "I want to say thank you so much for the activity kits as well as the online curriculum. It has been very useful and beneficial for my scholars to have. They are learning so much useful information and are gaining a better understanding and appreciation for being an adult and having good financial management."

### **Here is how the program works.**

Students begin by taking a pre-test to determine a baseline. They then engage in life scenarios, where they have a job, rent, car payment, other such life expenses, and income. Through the scenarios they choose, they learn how to navigate situations that arise, such as my car broke down, what now? Health issues happen—what do I do? At the end of the program another test is taken to determine skills learned. Here are some of our teacher's results:

Teacher Account ID	Average Pretest Scores	Average Posttest Scores	Time Spent (Hours)
0010P000020CYml	54.46	76	127.5
001U000001KVnsv	66.79	74.84	271.2
0010P00001rojv1	52.4	67.62	6.3
0010P00001w6Rts	no data	no data	4.6
0010P00001mGYCV	57.3	74.88	201.1
001U000001PUU8T	64	83.68	12.3

Teachers may register multiple classes. They may ask the sponsor (CPI member) to their classroom to speak to the students. The program already meets state standards and is currently used in all 50 states.

Many banks and credit unions are already sponsors, but more are needed. Which is why CPI is a great fit. One of CPI's mission is to maintain a high level of social responsibility by providing credit education to the general public. How great it is that CPI can be part of the next generation's financial education!

If you would like more information see CPI's website: <http://www.creditprofessionals.org>

# Annuities Aren't for Everyone

By Judy Tan

You've probably heard about annuities, maybe even from one of our articles. However, like most other people, you probably don't really know what an annuity is, or how it works. Annuities are not mainstream products, probably because annuity companies generally outsource sales to people who don't always have the best intentions. This problem has given annuities a bad reputation, but they might not deserve it.

At their simplest, annuities are a guarantee that if you turn over money you'll get that same amount, and most often more, back. This pay and return can happen all at once or over time. Sort of like insurance is in place in case of a medical or natural disaster, annuities are in place in case of financial disaster. For example, if you live longer than you planned and might run out of retirement money, an annuity can help. Or, if your investments do terribly one year, your annuity can offer some financial relief.

Unfortunately, annuities have become a lot more complex than that simple explanation. You may feel lost or overwhelmed when faced with choosing an annuity plan. To help, we've broken down annuities into four main types with their own unique benefits:

**Paycheck**—Paycheck annuities are somewhat similar to pensions in that you hand over some money and then receive a regular check for the rest of your life. You can choose an immediate income annuity that will start sending you checks right away, or a deferred income annuity (or longevity insurance) in which checks start coming later. The longer you wait to get your annuity checks, the bigger they will be. There are some risks involved in a deferred income annuity, however. If you wait too long you might die before collecting all your money.

**Fixed**—Fixed annuities start the same in that you hand over money, the money grows at a fixed rate, and then you get a regular check for life after a period of time. However, with fixed



annuities, the amount the company adds to your account may change from year to year based on interest rates.

**Variable**—This kind of annuity lets you have your money without a lot of risk. Fixed and paycheck annuities don't allow owners access to the stock market, but variable annuities have sub-accounts that can be invested in the market at the owner's discretion. This investment flexibility can allow for higher growth over the baseline minimum, but it does come with high fees.

**Equity Indexed**—With this kind of annuity, you still get a guarantee that you'll get your money back, and you'll also get a credit if the equity index goes up. Your gain is usually only a percentage of the actual gain, and the overall amount you get in any given year is generally subject to a cap and additional fees.

Annuities don't have to be confusing or stressful, but any annuity decision you make should carry some weight. If you want to learn more about annuities in detail, you can check out these resources:

*Annuity Insights* by Fisher Investments  
*Fixed Index Annuities: Consider the Alternative*  
by Roger G. Ibbotson  
*Annuity Fables: Some Observations From an Ivory Tower* by Moshe A. Milevsky

## Government News

### CFPB Curbs Major Payday Lending Rule

The Consumer Financial Protection Bureau (CFPB) has announced that it will not consider implementing an Obama-era rule proposal limiting the activity of “Payday, Vehicle Title, and Certain High-Cost Installment Loans”. This will allow small-dollar lending businesses to operate with reduced scrutiny from the federal government.

“Specifically, the Bureau is proposing to rescind the rule’s requirements that lenders make certain underwriting determinations before issuing payday, single-payment vehicle title, and longer-term balloon payment loans,” the Bureau’s press release reads. “The Bureau is preliminarily finding that rescinding this requirement would increase consumer access to credit.”

The rule, which was never actually implemented into CFPB enforcement policy, was conceived as a way of protecting financially vulnerable borrowers of payday loans from large amounts of debt that can quickly accumulate through the use of those kinds of loans.

### Lawmakers Introduce Bills To Crack Down on Robocalls

Lawmakers in both the U. S. Senate and House of Representatives have introduced bills to strengthen the authority of federal agencies to crack down on pesky and sometimes illegal robocalls amid a surge of consumer complaints in recent years.

The Telephone Robocall Abuse Criminal Enforcement and Deterrence (TRACED) Act, introduced by Sens. John Thune, R-S.D., and Ed Markey, D-Mass., would improve enforcement of the Communications Act of 1934 by lengthening the statute of limitations from



one to three years for violations and ramping up civil penalties to \$10,000 per call.

The bill would also require service providers to adopt technology to authenticate phone calls before they reach consumers’ phones and charges the FCC with implementing more rules around consumer protection.

“Robocall scams are more than just a nuisance to folks, they’re a shameful tactic to prey on the vulnerable,” Thune said in a statement.

A bipartisan group of House members has also put forward more limited legislation to create a fact-finding interagency body called the Spam Calls Task Force—to be led by the attorney general and the FCC—to weigh solutions and “consider if increased criminal penalties or fines would serve as a deterrent.”

### Senators Introduce Bill To Help Tackle Student Loan Debt

Sens. Mark Warner (VA) and John Thune (SD) have introduced the Employer Participation in Repayment Act, which would allow employers to contribute up to \$5,250 tax-free to their employee’s student loans. By making employer student loan repayments tax-exempt, employers will have a new tool to recruit and retain a talented workforce while also helping working Americans manage their financial future.

# Can You Trust Your Financial Advisor

**Source: Age Brilliantly**

You trust your financial advisor every day to maximize your investments and save you money. In a lot of ways, your retirement is in the hands of your financial advisor as he is the one that guides you to retirement savings and investment plans.

However, just because you trust your financial advisor doesn't mean you should. You'd be surprised at the number of financial advisors that don't have their client's best interests in mind.

There is a host of reasons why your financial advisor may not be making the best money decisions for you, from poor judgment and training, to personal financial gain, and lack of communication, making it hard to tell if you're making the right choice to trust him. However, there is one easy way to get assurance if your financial advisor is acting in your best interests: ask him if he operates under the fiduciary standard.

The fiduciary standard requires a financial advisor to act in a client's best interest. Conversely, the suitability standard requires a financial advisor to do what's suitable for their client. What's suitable doesn't always mean what's best. This is a major difference.

For example, let's say you invest \$10,000 a year into a low cost investment and earn \$1 million over a 30-year period. If you invest the same amount into a "suitable" investment, you can lose a few percentage points each year adding up to thousands of dollars in a 30-year period.

So what can you do? Work with RIAs and IARs. Registered Investment Advisors (RIAs) and Investment Advisor Representatives (IARs) are financial advisors that are governed by the fiduciary standard, meaning they have to advise what's best for you and your money even if it isn't what's best for them. These professionals never work on commission, and only charge



fees for managing client's assets and providing investment advice. RIAs and IARs can also offer additional services like tax help, which can come in handy every tax season. While not every RIA and IAR has this exact business model, the majority do.

Registered Representatives and Insurance Agents—Conversely, registered representatives and insurance agents are not governed by the fiduciary standard, but rather the suitability standard. These professionals generally sell on commission, so they tend to act in their best interests rather than in yours. Some registered representatives are beginning to offer fee-based services, but the FINRA is still working on establishing guidelines. In addition, they are not able to offer any other services. These firms and companies rarely act in their client's best interest and are severely under-regulated.

The answer to whether or not you can trust your financial advisor is simple: does he operate under the fiduciary standard? If the answer is no, you might want to consider getting a new financial advisor.

You can also check up on your current financial advisor by visiting [NASAA.org](https://www.nasaa.org) to verify his license, or [AdvisorInfo.gov](https://www.advisorinfo.gov) to learn about his background.

# Your Last Five Years Before Retirement

Source: Age Brilliantly

Like anything else in life, there is never such a thing as being too prepared for retirement. This is especially true if you're planning on retiring in the next five years. While you've most likely already done a lot of preparing for your retirement, there are a few things you definitely need to take care of in the last five years.

**Stock Up On Cash Reserves**—Getting all your applications and paperwork in order for social security and pensions takes a lot of time. The same goes for setting up withdrawals from 401Ks and IRAs. In fact, these often get delayed. That's why it's a good idea to plan for such delays by having extra cash reserves on hand or in safe investments you can easily access quickly.

**Estimate Your Needed Money**—Come up with a basic estimate of how much money you will need for your retirement. That way, you'll know as you get closer if you've saved enough. Think about costs like home improvement, hobbies, vehicle repairs and other potentially unforeseen items when doing your calculations. If you need a little more help coming up with how much you need for your retirement, a financial advisor can help. Find one near you.

**Think About Taxes**—Taxes can make or break your retirement savings. Be sure to take them into account when planning. Think about questions like: Will I be in a lower tax bracket? Will I move? Do I need to diversify company stock? All of these answers will affect your retirement taxes.

**Diversify**—While having your investments go up and down isn't scary while you're working, it's a big deal after you're retired. As you make regular withdrawals from an account, the account's volatility can have a massive impact. Start reducing the risks of losing your retirement



money now by diversifying your investments. A range of investments will increase the odds that your money will be safe. Unsure how to diversify your investments? Talk to your financial advisor or do some research.

**Have a Plan B**—The last few years of your career are vital to your retirement. This is super scary as unemployed Americans between the ages of 55 and 64 usually stay unemployed for around 11 months. Make sure your retirement stays on track, even if your job doesn't, by having a job plan b. From freelancing to a new business, it can't hurt to have a backup plan.

**Downsize Your Home**—On average, housing accounts for the biggest part of retirement spending. So, if you change out a \$250,000 house for a \$150,000 house, not only will you have extra cash in your pocket, but also you can free up around \$3,250 a year in upkeep and taxes.

Be as prepared as possible for your retirement by doing these things in your last five years of working.



# Taking Your Money on a Trip

## Safe Travels Financially

Your suitcase is packed, you've got your travel itinerary, and you're prepared for the weather where you are going. But are you all set financially?

Unless you have taken the time to consider your money needs, including safety precautions, that pleasure or business trip could turn into a big disappointment and a major expense. *FDIC Consumer News* offers the following suggestions before you leave.

### **Decide on the amount of cash you may need.**

You may want to take some cash to pay for small purchases where credit cards may not be accepted. But for your own security, it is not a good idea to take a lot of cash anywhere. If your cash is lost or stolen, you cannot replace it.

**Take a couple of credit cards.** They are generally widely accepted (even in other countries), easy to replace if lost or stolen, and your maximum legal liability for unauthorized use is \$50 per card." Just as when you are not traveling, it is best not to carry any more cards than what you expect to use, in case you lose your wallet," advised Luke W. Reynolds, Chief of the FDIC's Outreach and Program Development Section.

Reynolds also suggested taking two credit cards, each with a different payment network logo on the front, such as American Express, Discover, MasterCard or Visa. That is to increase the likelihood, particularly when you are traveling internationally, that you can pay with plastic if a merchant doesn't accept cards licensed or issued by a certain payment network you want to use.

Note: Using your credit card at an ATM or in a bank to get a cash advance can cost you substantial fees.

**Consider other alternatives to cash.** Debit cards, which can be used at stores and at

ATMs, deduct funds automatically from a bank account. Prepaid debit cards, which are generally not linked to your bank account, allow you to load a specific amount of money on the card for purchases and ATM cash withdrawals. With these or other alternatives, research the potential costs, limitations on their use, and your protections if they are lost or stolen.

**Don't flaunt your cash, bank cards, jewelry or other valuables.** "When you travel, modesty is not only the best policy, it may also deter a robber," said Michael Benardo, manager of the FDIC's Financial Crimes Section.

If possible, leave your jewelry and other valuable items in a safe deposit box at your financial institution or leave expensive items at home. Pickpockets thrive in certain communities, so don't ever leave your purse, wallet or keys out in the open. Consider hiding extra money under removable insoles in your shoes and putting your credit card in your inside pocket or a waist pack under your shirt or jacket.

"You could take a backup or 'emergency' credit card with you, but make sure to lock it up in the hotel safe," Benardo added.

In general, it makes sense to keep your cash, cards, wallets and passports in separate places. If you have a travel companion and you share the same credit card accounts, it may be a good idea to carry one card each from different accounts so you can avoid losing all your cards at once.

**Pay your bills before you go, especially if you're going to be away for two or more weeks.** Doing so will eliminate hassles when trying to pay bills from the road, which could include finding a secure Internet connection to log into your financial accounts. You'll also avoid the risk of forgetting to make a payment during your trip and incurring late fees.

*Continued on page 10*

**Make a list of key numbers and copy important documents in case they get lost or stolen.**

Your list could include phone numbers for your credit card companies, banks and insurance companies. Consider scanning and e-mailing this list along with a copy of your driver's license and (if you're going abroad) your passport identification page to a secure place, such as your own e-mail address or the e-mail of a trusted friend or family member.

**If you are traveling outside of the country, make additional preparations.**

Notify your bank and credit card companies where and when you will be traveling so that transactions won't be denied based on incorrect assumptions that your credit or debit card has been stolen. Also remember to verify that any credit card or debit card you plan to use can be used internationally.

"Transaction fees and other costs can add up, so do some advance research," Reynolds added.

"Identify what you will be charged by your credit card issuer for foreign transactions and consider using a credit card to charge expenses instead of converting your cash to local currency. But also be cautious of offers by overseas merchants to process a credit card transaction in U.S. dollars because that may result in additional fees."

Unless you only plan to use plastic, become familiar with the look and the value of the local coins and bills so that you don't get



short-changed or cheated. And if you are planning to visit Europe and you do not have one of the credit or debit cards that contains a computer chip for security purposes, you may want to request one from your financial institution. That's because many European merchants no longer accept magnetic stripe cards.

For more tips about traveling abroad, including a checklist before you go and how to stay safe in certain countries, see the U.S. State Department's main website on international travel at <http://travel.state.gov/content/passports/english/passports.html>.

**CPI INTERNATIONAL CONFERENCE**

**JUNE 27-29, 2019**

**Albuquerque, New Mexico**

**Hilton Garden Inn (group code: CPI)**

# Five Technologies and Trends

## Changing the Credit Industry

Applying for a loan used to mean gathering all the necessary documents you need and submitting them to your bank or credit institution. It used to be a complicated and tedious process where you fill out a handful of application forms and accomplish a list of requirements before you get approved. Worst case scenario, you go through this only to get denied.

Good news is those days are long gone. These new tools and systems introduced by lending companies work hand in hand to make the process easier and faster for both creditors and borrowers.

### **Mobile Wallet**

Have you ever experienced the need to buy something, like groceries, but you're already short on budget? But, you don't have a credit card yet and borrowing from friends or families isn't a viable option.

Say hello to mobile wallet apps. These serve as your prepaid money account where you can keep tabs on your cash and loan credits.

Mobile wallets make it possible for the user to pay for purchases via the virtual wallet. These apps are armed with technology that hooks up your mobile wallet account to an accredited store's (point-of-sale) POS system, allowing you to pay for parking tickets, utilities and bills, groceries, and many more.

With the mobile wallet's convenience and functionality, lenders are able to send a borrower's approved loan amount straight to the app. If you don't have a physical credit or debit card, or enough cash at hand, you can apply for a loan through your mobile wallet.

### **Online Lending**

If you're in need of immediate cash for any unexpected shortcomings or personal

emergencies, you can whip your laptop out and go online for a paperless way of borrowing money. You have the internet to thank for this innovation.

Using your browser, you can head straight to the website of your reliable online lender. For first-time borrowers, you need to create an account to submit your loan application. The online loan service will require basic identification documents such as valid IDs and proof of income. A lot of these loan applications take no longer than 24 hours to process.

Once your loan gets approved, you can expect the fund to reflect on your account (or any preferred receiving method) in as fast as 30 minutes.

Online lending eliminates the person-to-person contact between lenders and borrowers. It's becoming a go-to option among many technologically savvy people for its convenient and speedy process with affordable interest rates (depends on your agreement and their terms and conditions).

### **Consumer Financing**

Consumer financing refers to credit that borrowers use specifically for consumer goods such as appliances, home essentials, electronics, and clothes.

Since financial intuitions are very strict when it comes to loan applications, a small loan application can be hard to get approved or, worse, denied.

Consumer financing allows you to shop for consumer goods such as electronic devices, home appliances, furniture, or even shoes and apparel. You can purchase a new gadget on the same day your loan gets approved, which can be in as fast as 10 minutes (depending on your online loan provider).

*Continued on page 12*

## Peer-to-Peer Lending

A lot of people rely on family and friends when financial crises occur. But, technology has taken it up a notch. Now, you can borrow from other people you've never even met through online peer-to-peer lending. Indeed, innovations are making the credit industry broader and more flexible for borrowers.

Peer-to-peer (P2P) lending is a system that clears out third-party contacts. It pools money from members/investors, which becomes the source of funds used to lend to borrowers. It allows individual borrowers and money lenders to directly connect through a P2P platform. Since it's a more laidback approach than the traditional forms of money lending, in P2P, borrowers can find better repayment methods with reasonable interest rates.

## Loan Aggregation

If you think you need someone to assist you when it comes to which loan to apply for or where, you can call for help from a loan aggregator—a middleman who shops around for loans for customers and clients. They

basically do the legwork of enquiring at several financial institutions and gathering necessary information to help you get the best deal.

Loan aggregators collect personal information borrowers declare to any potential lender. They then present this to other lending companies, who might be capable of offering a better loan option.

In simpler words, loan aggregators are matchmakers to borrowers and lenders. The borrower, having presented with the options the loan aggregator collected, will then decide which loan fits their financial needs.

## Wrapping Up

From mobile wallets to online loans, technology is continuously paving the way for improvements in the credit industry. With friendlier policies and accommodating terms, loans are no longer viewed as a trap, but a reliable fallback in times of financial crises. Soon, you'll find more lending groups or companies adapting to these trends, and introducing more innovative products and services in the future.

# Identity Theft Protection

Once every four seconds someone becomes a victim of identity theft. Criminals victimize millions of consumers each year by stealing and misusing personal information. The personal time and financial cost to recover from identity theft can be staggering. Recent data from Javelin Strategy & Research estimates that total expenses related to identity theft have risen to more than \$4,600 per incident plus lost wages for the time it takes to resolve such issues. Criminals are now also targeting children's identity, so no one is safe today.

How do you protect yourself? First, it's important to understand that there is no way to completely prevent identity theft. That said, employing an identity theft protection service to do the work for you by monitoring your personal information to detect identity theft can go a long way toward your peace of mind. The sooner you catch identity theft, the easier it is to recover.

You'll want to get identity theft protection services that monitor several different types of information for fraudulent activity, including your credit reports, public records, and black market websites, where stolen information is bought, traded, and sold. Identity thieves can strike in numerous ways, so the more protection and resources you have on your side, the better.

Now that most of us are online shoppers, it's the Internet where your identity can be easily stolen. To protect yourself, use a credit card instead of a debit card for online purchases. Also, earmark one credit card for all your entertainment and online purchases. This way you'll know the exact card that was tampered with.

If you only have a debit card, keep only a small amount of money in the account. So, if someone gets the information, they can't go out and just spend. With limited money in the account, the card will be declined.