Instructor Guide

FDIC Financial Education Curriculum

Revision Date: 03–2010

Table of Contents

Getting Started

Use this guide to help you teach this module in an informative, engaging, and effective manner.

You can customize the information in *Money Smart* to meet the needs of your audience. The layering table beginning on page 4 can help you choose the most relevant module sections. However, it is usually a good idea to include:

- **Introductions**. Allows you to "break the ice," create active instructor-participant dialogue, and set the tone for the session.
- **Agenda and Ground Rules**. Helps participants understand the subject matter and how the class will be conducted.
- **Expectations**. Gives participants the opportunity to tell you what they expect and want to learn from the module.
- **Objectives**. Helps participants place the information to be learned in the proper context and ensures that the content is consistent with their expectations.
- **Explanation of Participant's Guide Format and Contents**. Serves to keep participants on track with the instructor.
- **What Do You Know? Form and/or Pre-Test**. Helps you and participants determine what they already know or do not know so you can customize the presentation accordingly.
- **Module Content and Activities**. Helps participants to reinforce learning.
- **What Do You Know? Form and/or Post-Test**. Helps you and participants gauge how well they learned the content, what content to review, if any, and what additional materials participants may want to review on their own.

Module 6: Keep It Safe Layering Table

Please read the Layering Table Instructions in the Guide to Presenting Money Smart for Adults.

Pages	Time (Min.)	Topic	Subtopic & Activities	Target Audiences
7-9	5	Checking In	• Introduction of instructor and the materials	• Everyone
10-11, 49	5	Pre-Test and/or What Do You Know?		• Everyone
12-14	15	Federal Consumer Protection Laws and Regulations	• Truth in Savings Act, Electronic Fund Transfer Act, Expedited Funds Availability Act, Federal Deposit Insurance Corporation Deposit Insurance Regulations • Activity 1: Deposit Accounts Laws and Regulations	• Anyone who has or is considering opening a deposit account
15-20	15	Additional Deposit Insurance Information	• Protecting deposit accounts, insurance coverage, and ownership categories	• Anyone who has or is considering opening a deposit account
21-22	5	Non-Deposit Investment Products	• How to protect yourself	• Anyone who has or is considering purchasing investment products
23-24	5	Privacy Notices	• Contents of privacy notices, types of privacy notices, opting out	• Anyone who has or is considering opening an account at a financial institution
25-32	15	Identity Theft	• Forms of identity theft, tips to prevent identity theft, immediate steps for victims of identity theft, what to do if your wallet or purse is lost or stolen • Activity 2: Identity Theft Self-Check	• Everyone
33-35	10	Elder Financial Abuse	• Examples of elder financial abuse, potential perpetrators, how to prevent or reduce the risk of elder financial abuse	• Any older person, their family members, and caregivers of the elderly
36-38	10	Insurance–Managing Risks To Your Financial Security	• Types of insurance, coverage tips, issues for military service members and their families	• Everyone
39-41	10	Planning For Unexpected Life Events	• Planning for illness, disability, and long-term care	• Everyone
42-45	10	How To Be Financially Prepared for Disasters	• Potential disasters, what to have ready, where to keep it	• Everyone

Please read the Layering Table Instructions in the Guide to Presenting Money Smart for Adults.

Pages	Time (Min.)	Topic	Subtopic & Activities	Target Audiences
			• Activity 3: How Financially Prepared Are You?	
46	5	Wrap-Up		• Everyone
47-49	5	Post-Test and/or What Do You Know?		• Everyone
50-51	5	Evaluations		• Everyone

Icons Guide

The following icons may be used throughout the Instructor Guide to indicate activity type.

Presentation

Present information or demonstrate an idea.

Review

Refer participants to and summarize material provided in the Participant Guide.

Activity

Guide participants through an activity to support their learning.

Assessment

Direct participants to take a short test.

Discussion

Facilitate a discussion about a topic as directed.

Ask a Question

Present a problem or question for discussion.

Module Overview

Purpose

The *Keep It Safe* module teaches participants how to protect their finances and identity.

Objectives

After completing this module, the participants will be able to:

- Recognize how federal deposit insurance protects deposits
- Recognize how to guard against identity theft
- Recognize how to prevent elder financial abuse
- Recognize how the various types of insurance will help them manage risks
- Recognize the need to plan for unexpected death or disability
- Describe ways to be financially prepared for disasters

Presentation Time

Each topic has an approximate completion time listed in the *Keep It Safe* Layering Table. Use the suggested times to personalize the module based on your participants' needs and the given time period. Allow extra time for activities and questions when teaching a larger group.

Completing the entire presentation may take two hours or more. The class can be divided into two sessions taught on different days if this is more convenient for participants.

Materials and Equipment

The materials and equipment needed to present all of the *FDIC Money Smart: A Financial Education Curriculum* modules are listed in the *Guide to Presenting the Money Smart Program*. Review the guide thoroughly before presenting this module.

Module Activities

- Activity 1: Deposit Account Laws and Regulations
- Activity 2: Identity Theft Self-Check
- Activity 3: How Financially Prepared Are You?

Instructor Notes	Presentation

Checking In

5 minutes

Welcome

Welcome to *Keep It Safe*! There are many consumer protection laws that protect your rights as a consumer, and knowing your legal rights can help you protect your money.

The *Keep It Safe* module will give you general information on the laws and regulations that protect your rights as a consumer, and will help you guard against identity theft and elder financial abuse. It will also help you know how to be financially prepared when a disaster strikes.

Slide 2

Agenda and Ground Rules

We will discuss concepts, do group and individual activities, and have time for your questions. There will be at least one 10-minute break during the class.

If you have experience or knowledge in some aspect of the material, please share your ideas with the class. One of the best ways to learn is from each other. You might be aware of some method that has worked well for you or some pitfall to avoid. Your contribution to the class will make the learning experience that much better. If something is not clear, please ask questions!

Record participants' expectations, questions, and concerns on chart paper. If there is anything you will not teach, tell participants where the information can be obtained (e.g., another module, a website). Check off their responses at the end of the training to show the lesson content met their expectations.

Introductions

Before we get started, I will share a little about myself and I would like to know a little bit about you.

[Introduce yourself and share a little of your background and experience.]

As you introduce yourself, state:

- Your expectations
- Questions and/or concerns about the training content

Instructor Notes	Presentation

Objectives

Slides 3–4

After completing this module, you will be able to:

- Recognize how federal deposit insurance protects deposits
- Recognize how to guard against identity theft
- Recognize how to prevent elder financial abuse
- Recognize how the various types of insurance will help you manage risks
- Recognize the need to plan for unexpected death or disability
- Describe the ways you need to be financially prepared for disasters

Participant Materials

Review Participant Guide contents and organization with participants.

Each of you has a copy of the *Keep It Safe* Participant Guide. It contains:

- Information and activities to help you learn the material
- Tools and instructions to complete the activities
- Checklists and tip sheets
- A glossary of the terms used in this module

What questions do you have about the module overview?

What Do You Know?

Slide 5

Use the What Do You Know? form

Before we begin, we will see what you know about consumer protection laws and regulations.

[If using the What Do You Know? form]

The What Do You Know? form on page 29 of your Participant Guide lets you measure how much you know before the training and how much you learned after the training. Please take a few minutes now to complete the "Before the Training" column.

Which statements did you answer with "disagree" or "strongly disagree"?

Instructor Notes	Presentation
and/or the Pre-Test to gauge participants' prior knowledge of the content and customize your presentation, focusing on content with which they are least familiar.	*[Note: If time is limited, make sure you cover these content areas.]* We will complete the second column when we finish the training. ***[If using the Pre-Test]*** Take a few minutes to complete the Pre-Test beginning on page 4 of your Participant Guide. Which questions were you unable or unsure of how to answer? *[Note: If time is limited, make sure you cover these content areas.]* As we progress through the module and cover the related material, you will be able to determine whether you answered each question correctly.

Pre-Test

Test your knowledge about protecting your finances before you go through the course.

1. The Federal Deposit Insurance Corporation (FDIC) protects and insures which types of accounts? Select all that apply.
   a. **Checking and savings**
   b. **Money market deposit accounts, Certificates of Deposit (CDs), and certain retirement deposits**
   c. Stock and bond investments
   d. Mutual funds

2. Where can you find information on how a financial institution handles and shares your personal information?
   a. It is listed in the Truth in Lending Act
   b. In the Terms & Conditions listed on your account statement
   c. **In a Privacy Notice sent to you by the financial institution**
   d. On the back of your checks

3. Which of the following are ways to prevent identity theft?
   a. Protect your numbers (Social Security Number (SSN), credit card, etc.)
   b. Protect your mail
   c. Sign up for direct deposit
   d. **All of the above**

4. Which of the following are ways to protect your credit report against identity theft? Select all that apply.
   a. **Place a fraud alert on your credit file**
   b. Never apply for credit
   c. Remove your credit report from the credit reporting agencies' databases
   d. **Place a security freeze on your credit file**

5. Elder financial abuse can include:
   a. Taking an older person's money or property
   b. Forging an older person's signature
   c. Scamming or deceiving an older person
   d. **All of the above**

6. Insurance is important because:
   a. It is required by law
   b. **It protects for you from certain financial losses**
   c. It helps you save money on taxes
   d. It helps you get a job

7. Which of the following are reasons why you should plan for unexpected death and disability?
    a. Planning gives you control
    b. Planning allows you time to make the right choices for your situation
    c. Planning helps you avoid financial disasters or setbacks
    d. b and c
    e. All of the above

8. What should you do to be financially prepared for disasters? Select all that apply.
    a. Pack an emergency evacuation bag with extra clothes and personal/first aid items
    b. Have important documents readily available in a secure location
    c. Arrange for direct deposit and automatic bill payments
    d. Review your insurance plans to ensure the coverage is adequate

Instructor Notes	Presentation

Federal Consumer Protection Laws and Regulations

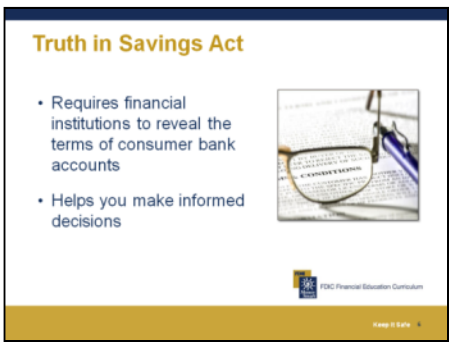
15 minutes

Laws That Protect Deposit Accounts

There are many federal consumer protection laws. In fact, there are too many to cover in this module. However, you should know that financial institutions must follow certain laws and regulations that protect your rights as a consumer.

We will begin by looking at four laws that protect you with regard to deposit accounts.

Truth in Savings Act



Slide 6

Refer participants to page 6 of their Participant Guide.

The *Truth in Savings Act (TISA)* requires financial institutions to disclose the terms and conditions of bank accounts clearly and in writing. Some of the required information that a bank must disclose includes:

- Interest rate information
- Balance requirements
- Fee information

Because of this law, the bank must:

- Send you statements for your accounts periodically
- Provide account information to you any time you ask for it

This allows you to shop for the best account and make informed decisions before opening a deposit account. For example, if you telephone a bank to ask for interest rates on deposit accounts, the bank must state the annual percentage yield (APY) that reflects the effects of compounding. You can use the APY when making comparisons among different savings accounts.

Electronic Fund Transfer Act

The *Electronic Fund Transfer Act (EFTA)* establishes rights, liabilities, and responsibilities of:

- Customers who use electronic fund transfer services
- Banks that offer these services, which include the use of:
    - Automated teller machines (ATMs)
    - Debit cards
    - Telephone or computer transactions

Instructor Notes	Presentation

Slide 7

For example, the EFTA:

- Requires banks to limit your liability if your ATM card is lost or stolen
- Protects you against electronic transfer errors

Expedited Funds Availability Act

Slide 8

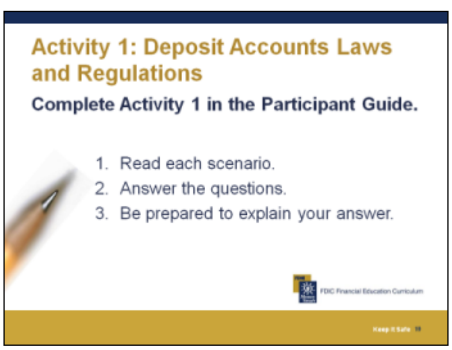
The *Expedited Funds Availability Act (EFAA)* limits the amount of time a bank can hold a check deposited into your checking account.

FDIC Deposit Insurance Regulations

The *Federal Deposit Insurance Corporation (FDIC)'s deposit insurance regulations* protect your money if the bank fails. However, FDIC does not insure non-deposit investment products, including: stocks, bonds, mutual funds, and annuities.

If you have any questions or problems with your deposit account, write a letter to your financial institution. If you do not receive a response, contact your bank's regulatory agency.

Activity 1: Deposit Accounts Laws and Regulations



Slide 9

Refer participants to Activity 1: Deposit Accounts Laws and Regulations on page 7 of their Participant Guide. Work together as a class or have participants work in small groups, or individually, to answer the questions. Reveal the answers so they can check their thinking.

Based on what you have learned, read the scenarios in Activity 1 to determine whether a federal consumer protection law protects each account holder, and if so, which one. Be prepared to explain your answer.

Example 1

Mary is considering opening a bank account, and she asks for written information about the account. Does a federal law guarantee Mary's right to receive written information? If so, which one?

Answer: Yes. The Truth in Savings Act (TISA).

Example 2

The bank charges Chris an overdraft fee when he writes a check without sufficient funds in his account. This fee was listed on the fee schedule when he opened his account. Chris believes that by law, the bank cannot require him to pay this amount. Is Chris correct? Why?

Answer: No. When Chris opened the account, the bank disclosed the fee schedule as required by the Truth in Savings Act.

Instructor Notes	Presentation

Example 3
John deposits his paycheck into his checking account. He then tries to make a withdrawal from the ATM, only to discover that the money he just deposited is not available. John calls the bank and learns that his check is being held for 24 hours. Does a federal law regulate the time in which banks can hold a check deposited into your checking account? If so, which one?
Answer: Yes. The Expedited Funds Availability Act (EFAA).

Example 4
Theresa has been using her debit card to pay for groceries. One day while shopping, she could not find her debit card. Theresa immediately called her bank. Is there a consumer protection law that protects Theresa from the unauthorized use of her card? If so, which one?
Answer: Yes. The Electronic Fund Transfer Act (EFTA) limits her liability or the amount she is responsible for due to the unauthorized use of her card.

Answer any questions. Then introduce the next topic.

What questions do you have about these consumer protection laws and regulations?

Next we will discuss how to further protect your deposit accounts.

Instructor Notes	Presentation

15 minutes

Refer participants to Additional Deposit Insurance Information on page 8 of their Participant Guide.

Slide 10

Identify the eligible deposit accounts.

Slide 11

Explain insurance coverage and ownership categories. Note: These deposit insurance coverage limits refer

Additional Deposit Insurance Information

Protecting Deposit Accounts

The FDIC insures funds in deposit accounts in FDIC-insured institutions, including:

- Checking
- Savings
- Money Market Deposit Accounts (MMDAs)
- Certificates of Deposit (CDs)

FDIC insurance does not, however, cover other financial products and services that insured banks may offer, including:

- Stocks
- Bonds
- Mutual fund shares
- Life insurance policies
- Annuities
- Municipal securities

By law, federal deposit insurance is backed by the full faith and credit of the Federal Government.

- If a bank fails, the FDIC will pay all insured deposits up to the insurance limit, including principal and any accrued interest through the date of the bank closing.
- Federal law requires that all insured deposits be paid as soon as possible.

Insurance Coverage and Ownership Categories

Deposit insurance coverage is based on a depositor's ability to meet the specific requirements for an ownership category. The most common account ownership categories for individual and family deposits are:

- Single accounts
- Joint accounts
- Revocable trust accounts
- Certain retirement accounts

Each ownership category has different requirements, and the potential amount of insurance coverage for each category is based on the Standard Maximum Deposit Insurance Amount (SMDIA).

Instructor Notes

to the total of all deposits that account holders have at each FDIC-insured bank. The listing shows only the most common ownership categories that apply to individual and family deposits, and it assumes that all FDIC requirements are met.

Slide 12

Presentation

The current SMDIA for each ownership category, which we will discuss in more detail later, is as follows:

- **Single Accounts (owned by one person):** $250,000 per owner
- **Joint Accounts (two or more persons):** $250,000 per co-owner
- **Individual Retirement Accounts (IRAs) and other certain retirement accounts:** $250,000 per owner
- **Revocable trust accounts:** Each owner is insured up to $250,000 for the interests of each different beneficiary, subject to specific limitations and requirements.

If you and your family have the SMDIA allowed by law, or less, in all of your deposit accounts at the same insured bank or savings association, you do not need to worry about your insurance coverage— your deposits are fully insured.

You may qualify for more than the SMDIA at one insured bank or savings association if you own deposit accounts in different ownership categories and specific requirements are met.

Periodically review your coverage if you have close to or more than the SMDIA at one institution. Events (e.g., the death of an owner or a beneficiary on a deposit account), can result in changes in the calculation of coverage, possibly reducing the amount of your insurance coverage.

- If some of your deposits are over the FDIC insurance limit, consider your options for getting them fully insured.
- One option is to move excess funds to another FDIC-insured institution. This option can work well for people who do not want or qualify for other ownership categories at their existing bank.
- Another option is to determine if you can place your deposits into different account ownership categories at the same institution, because different ownership categories are separately insured up to at least $250,000.

For additional details on the coverage limits, requirements and in-depth information on all account ownership categories and other types of deposit accounts:

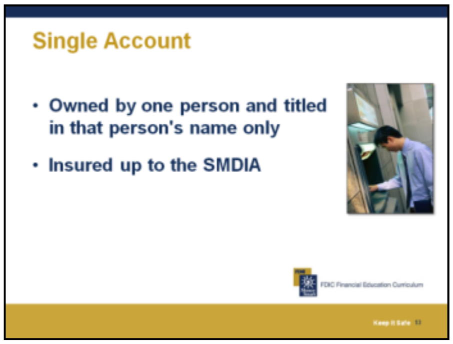
- Visit www.myfdicinsurance.gov
- Call **1-877-ASK-FDIC**
- Talk to your bank representative

Instructor Notes	Presentation

To calculate insurance coverage, you can use FDIC's online Electronic Deposit Insurance Estimator at: www.myfdicinsurance.gov.

Now we will review some additional information about the main ownership categories.

Single Accounts



Slide 13

Define single account.

A *single account* is a deposit account owned by one person and titled in that person's name only, with no beneficiaries.

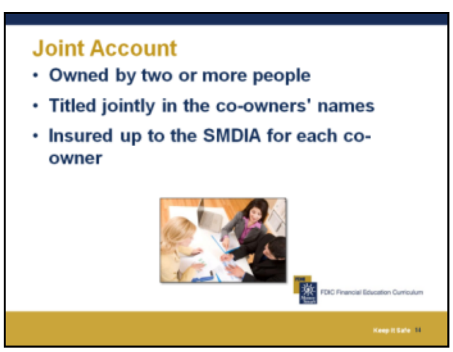
- All of your single accounts at the same insured bank are added together, and the total is insured up to the SMDIA, currently $250,000 per person.
- For example, if you have a checking account and a CD at the same insured bank, and both accounts are in your name only, the two accounts are added together and the total is insured up to $250,000.
- Note that retirement accounts and eligible trust accounts are not included in this ownership category.

Allow participants to respond. Then provide the correct answer.

Here is a question for you. If you have $500 in a savings account and $1,000 in a checking account and the bank fails, are you insured by the FDIC for the full amount ($1,500)?

Answer: Yes. The FDIC will cover all of your single accounts at the same insured bank up to $250,000.

Joint Accounts



Slide 14

Define joint account.

A *joint account* is a deposit account owned by two or more people and titled jointly in the co-owners' names only, with no beneficiaries.

- If all co-owners have equal rights to withdraw money from a joint account, a co-owner's shares of all joint accounts at the same insured bank are added together, and the total is insured up to the SMDIA, currently $250,000 per person.
- For instance, if a couple has a joint checking account and a joint savings account at the same insured bank, each co-owner's shares of the two accounts are added together and insured up to $250,000 per owner, providing up to $500,000 in coverage for the couple's joint accounts.
- A fiduciary or agent acting on behalf of another person is not to be considered an owner of the deposit for the purpose of creating a joint account.

Instructor Notes	Presentation

Allow participants to respond. Then provide the correct answer.

- Note that jointly owned revocable trust accounts are not included in this ownership category.

Here is another question for you. If you are a co-owner of a CD totaling $5,000, and you have equal rights to the money as the co-owner, how much money would you receive from the FDIC if the financial institution failed? **Answer: You would receive $2,500, or half of the money.**

Certain Retirement Accounts

Slide 15
Define certain retirement accounts.

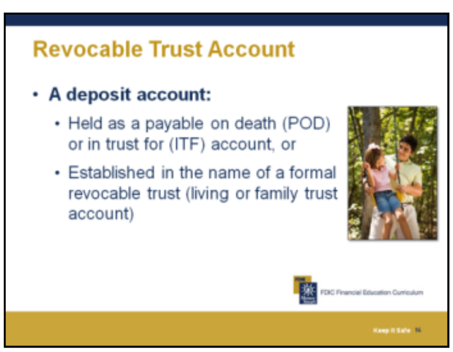
Certain retirement accounts are deposit accounts owned by one person and titled in the name of that person's retirement plan. Only the following types of retirement plans are insured in this ownership category:

- IRAs, including: traditional IRAs, Roth IRAs, Simplified Employee Pension (SEP) IRAs, and Savings Incentive Match Plans for Employees (SIMPLE) IRAs
- Section 457 deferred compensation plan accounts (whether self-directed or not)
- Self-directed defined contribution plan accounts
- Self-directed Keogh plan (or HR 10 plan) accounts

All deposits that an individual has in any of the types of retirement plans listed above, and at the same insured bank, are added together and the total is insured up to the SMDIA (currently $250,000 per person).
For example, if an individual has an IRA and a self-directed Keogh account at the same bank, the deposits in both accounts would be added together and insured up to $250,000.

Note: Unlike revocable trust deposits, the naming of any beneficiaries on a retirement account does not increase deposit insurance coverage.

Revocable Trust Accounts



Slide 16

A *revocable trust account* is a deposit account held as a payable on death (POD) or in trust for (ITF) account, or one that is established in the name of a formal revocable trust (also known as a living or family trust account).

POD and ITF accounts—also known as testamentary or Totten Trust accounts—are:

- The most common form of revocable trust deposits
- Informal revocable trusts created when the account owner signs an agreement—usually part of the bank's signature card—stating that

Instructor Notes	Presentation

Define revocable trust accounts.

- the deposits will be payable to one or more beneficiaries upon the owner's death

Living trusts—or family trusts—are formal revocable trusts created for estate planning purposes.

- The owner of a living trust controls the deposits in the trust during his or her lifetime.
- The trust document sets forth who shall receive trust assets after the death of the owner.

Slide 17

Deposit insurance coverage for revocable trust accounts is provided to the owner of the trust.

- The amount of coverage is based on the number of different eligible beneficiaries named in the trust and, in some cases, the interests allocated to those beneficiaries, up to the insurance limit.
- An eligible trust beneficiary must be either an individual (regardless of the relationship to the owner), or an Internal Revenue Service (IRS) qualifying charity or non-profit organization.

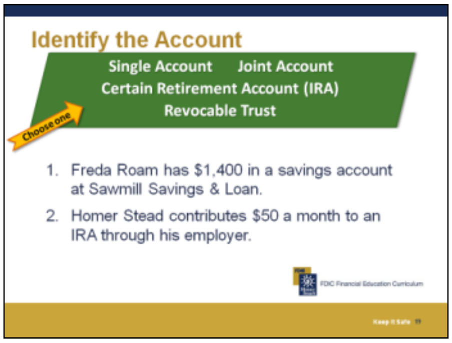
Revocable trust coverage is based on all revocable trust deposits held by the same owner at the same bank, whether formal or informal.

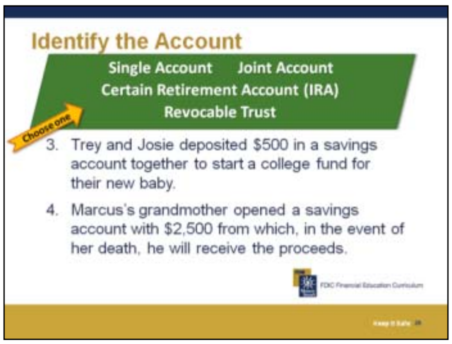
If a revocable trust account has more than one owner, each owner's coverage is calculated separately, using the following rules:

- **Revocable Trust Deposits with Five or Fewer Beneficiaries:** Each owner's share of revocable trust deposits is insured up to $250,000 for each beneficiary (i.e., $250,000 times the number of different beneficiaries), regardless of the actual interest provided to beneficiaries.
    - o For example, if a father owns a POD account for $300,000 and has named his two children as the beneficiaries, he is insured up to a maximum of $500,000 since he has two beneficiaries on the revocable trust account.
- **Revocable Trust Deposits with Six or More Beneficiaries:** Each owner's share of revocable trust deposits is insured for the greater of either (1) coverage based on each beneficiary's actual interest in the revocable trust deposits, with no beneficiary's interest to be insured for more than $250,000, or (2) up to $1,250,000.

Determining coverage for living trust accounts that have six or more

Instructor Notes	Presentation





Slides 18–19
Click the space bar, right arrow, or mouse to reveal correct answers and next questions.

Answer any questions. Then introduce the next topic. Note: Now may be a good time to take a short break.

beneficiaries and provide different interests for the trust beneficiaries can be complicated. Contact the FDIC at **1-877-275-3342** if you need assistance in determining the insurance coverage of your revocable trust.

Before we continue, take a moment to see if you can match the situation to the account type.

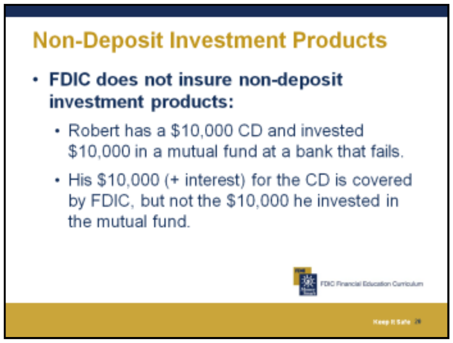
1. Freda Roam has $1,400 in a savings account at Sawmill Savings & Loan. **Answer: Single Account**
2. Homer Stead contributes $50 a month to an IRA through his employer. **Answer: Certain Retirement Accounts (IRA)**
3. Trey and Josie deposited $500 in a savings account together to start a college fund for their new baby. **Answer: Joint Account**
4. Marcus's grandmother opened a savings account with $2,500 from which he will receive the proceeds in the event of her death. **Answer: Revocable Trust**

What questions do you have about insurance coverage and ownership accounts?

We have discussed the laws that protect consumers when opening and using deposit accounts. Now we will discuss how to protect your non-deposit investment accounts.

Instructor Notes

5 minutes



Slide 20

Identify non-deposit investment products. Share the example.

Refer participants to Non-Deposit Investment Products on page 10 of their Participant Guide.

Presentation

Non-Deposit Investment Products

Are You Protected?

The FDIC does not insure non-deposit investment products, including: stocks, bonds, mutual funds, and annuities. It only insures funds held in deposit accounts at FDIC-insured banks up to the maximum amount allowed by law.

For instance, Robert has a $10,000 CD from a bank. He also invested $10,000 in a mutual fund with a broker at the same bank. The mutual fund lost value and, although this rarely happens, the bank failed.

The FDIC will cover Robert’s $10,000 for the CD and any interest he has earned because it is less than $250,000. Neither the FDIC nor the Securities Investor Protection Corporation (SIPC) will cover Robert’s mutual fund or protect him from the rise and fall of the market value. The SIPC only protects against certain losses if a member broker or dealer fails financially and is not able to meet his or her obligations.

How to Protect Yourself

Here are some important tips you should keep in mind when considering buying investment products:

- Have enough emergency money in a savings or other readily accessible account to support you and your family for at least six months before investing in non-deposit products. Do not use this money to buy investment products.
- Do your homework. Never invest in a product you do not understand. Gather enough information before making an investment and ask questions until you are satisfied.
- Attend classes, seminars, or check the business reference section of the public library to become better informed.
- Understand the risks before investing. Investments always have some degree of risk.
- Be sure your sales representative knows your financial objectives and risk tolerance.
- Take your time when making investment choices. Do not rush to invest and be careful of “act now” or “before it is too late” statements.
- Keep good records. Retain and maintain account statements and confirmations you receive about your investment transaction.

Instructor Notes	Presentation

- Document all conversations with brokers.
- Take immediate action if you detect a problem. Time is critical so do not be afraid to complain.
- Make checks payable to a company or financial institution, never an individual.
- Invest wisely online and offline. Be wary of investment scams.

Find out about the broker's background via the **Financial Industry Regulatory Authority (FINRA) BrokerCheck** at www.finra.org, or by calling the **FINRA BrokerCheck Hotline** at **1-800 289-9999**. You may also contact the state securities office and Better Business Bureau.

Answer any questions. Then introduce the next topic.

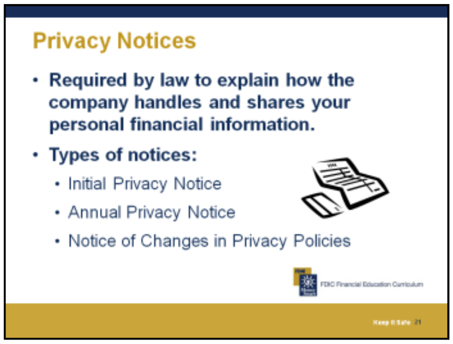
What questions do you have about these non-deposit investment products?

Now we will take a look at the requirements of the laws designed to protect your privacy.

Instructor Notes	Presentation

Privacy Notices

5 Minutes



Slide 21

Contents of Privacy Notices

The law requires:

- Financial institutions to protect your financial information
- Companies that are involved in financial transactions to send you privacy notices

Privacy notices explain how the company handles and shares your personal financial information. In particular, these notices explain what information the company collects and how you may be able to limit the company's sharing of your information with others.

You may have already received a privacy notice from a financial institution or other entities.

Types of privacy notices include:

- **Initial Privacy Notices:** Required when you open an account or become a customer of a financial company.
- **Annual Privacy Notices:** Required once a year from each financial company you have an ongoing relationship with (e.g., the bank where you have a checking account).
- **Notice of Changes in Privacy Policies:** Required if a company changes its privacy policy and the changes are not noted in the next annual privacy notice.

Explain why financial companies use your personal financial information.

Financial companies share information to:

- Offer you more services
- Introduce new products
- Profit from the information they have about you

If you would like to know about other products and services, you may want your financial company to share your personal financial information; in this case, you do not need to respond to the privacy notice.

Instructor Notes

Refer participants to Privacy Notices: Opting Out on page 10 of their Participant Guide.

Slide 22

Explain how to opt out of receiving notices and provide the Opt Out phone number.

Answer any questions. Then introduce the next topic.

Presentation

Opting Out

If you prefer to limit the promotions you receive or do not want marketers and others to have your personal financial information, you must take some important steps to "opt out."

- Federal privacy laws give you the right to stop or opt out of some sharing of your personal financial information.
- You can opt out of most, but not all, information sharing with other companies. For example, the law permits a financial company to share certain information about you without giving you the right to opt out. The company might give your information:
  - To firms that help promote and market products offered by the company itself or jointly with another company
  - To firms that provide data processing and mailing services for your company
  - When a court orders it to do so
  - To credit bureaus about your payment history on loans

Information about your relationship with a company may also be shared with companies that are jointly owned or affiliated with that company.

- If you opt out, you limit the extent to which the company can provide your personal financial information to non-affiliates.
- If you do not opt out within a reasonable period of time (generally about 30 days after the company mails the notice), the company is free to share certain personal financial information.
- If you did not opt out the first time you received a privacy notice from a financial company, it is not too late. You can always change your mind and opt out of certain information sharing. Contact your financial company and ask for instructions on how to opt out.
- Remember, your right to opt-out does not apply to personal financial information shared before you opted out.

In addition, you can call a toll-free number to opt out of receiving most preapproved offers of credit or insurance. To opt out, call **1-888-5-OPTOUT (567-8688)** or visit www.optoutprescreen.com.

What questions do you have about privacy notices?

Now that you know about the laws and regulations that protect you, we will discuss a topic that I know you are eager to learn about: identity theft.

Instructor Notes	Presentation

Identity Theft

15 minutes

Slide 23

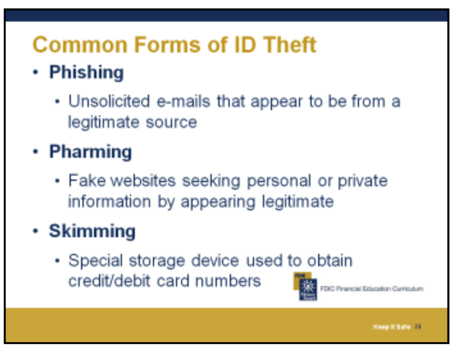
What is Identity Theft?

Identity theft occurs when thieves steal your personal information (e.g., your Social Security Number (SSN), birth date, or credit card numbers). With sufficient information, another person can become you and use your identity to commit fraud or other crimes.

Identity theft is a serious problem. Here is why:

- Despite the efforts of law enforcement, identity theft is becoming more sophisticated and the number of new victims is growing.
- If the crime is not detected early, you may face months or years cleaning up the damage to your reputation and credit rating. You may even lose out on loans, jobs, and other opportunities.

Common Forms of Identity Theft



Slide 24

Explain phishing, pharming, and skimming. Click the space bar, right arrow, or mouse to display each term.

Phishing and pharming are common forms of identity theft.

Phishing is when criminals:

- Send out unsolicited emails that appear to be from a legitimate source: perhaps from your bank, utility company, well-known merchants, your Internet service provider, or even a trusted government agency (e.g., the FDIC)
- Attempt to trick you into divulging personal information

Pharming is similar to email phishing as follows:

- Criminals seek to obtain personal or private information by making fake websites appear legitimate
- Your browser will even show that you are at the correct website
- This makes pharming more difficult to detect than phishing

Also be careful of *skimming*. This is when criminals steal credit/debit card numbers by using a special storage device when processing your card.

Instructor Notes | **Presentation**

How to Avoid Identity Theft

Write participants' responses on chart paper. Refer participants to Identity Theft beginning on page 11 of their Participant Guide. Relate participants' responses to the tips in the handout. If time is limited, review the main points and have participants read the tips in detail after class.

What are some steps you can take to avoid identity theft?

1. **Protect your SSN, credit card and debit card numbers, personal identification numbers (PINs), passwords, and other personal information.**
   - Never provide this information in response to an unwanted phone call, fax, letter, or email no matter how friendly or official the circumstances may appear.
   - Be mindful of those who may be shoulder surfing (or trying to look over your shoulder) while you use the ATM, and seeking to steal your PIN.
   - In case your wallet is lost or stolen, carry only the identification, checks, credit cards, or debit cards you really need. The rest, including your Social Security card, are best kept in a safe place.
   - Be extra careful if you have housemates or if you let others into your house, because they may find personal information and use it without your knowledge.
   - Do not preprint your SSN, phone number, or driver's license number on your checks. It is too easy for someone who sees your check to copy this personal information and even sell it to an identity thief.
   - Remember that you have the right to refuse requests for your SSN from merchants, because they may have other ways to identify you. If your SSN is still used as your driver's license number, ask the merchant to use another form of identification that does not include your SSN (e.g., a passport), and have your driver's license number changed.

2. **Protect your incoming and outgoing mail.**
   Your mail carrier may deliver a credit card or bank statement, an envelope containing a check, or other items that can be very valuable to a thief. Or perhaps you will mail a check or papers containing account numbers or other personal financial information.
   - *For incoming mail*: Try to use a locked mailbox or other secure location (e.g., a post office box). If your mailbox is not locked or in a secure location you should try to promptly remove any delivered mail or move the mailbox to a safer place. When ordering new checks, ask about having the checks delivered to your bank branch

Instructor Notes	Presentation

instead of having them mailed to your home where you run the risk of a thief finding them outside your front door.

- *For outgoing mail containing a check or personal information*: Deposit it in a United States (U.S.) Postal Service blue collection box, hand it to a mail carrier, or take it to the post office instead of leaving it in your doorway or home mailbox. A mailbox that holds your outgoing bills is a prime target for thieves who cruise neighborhoods looking for account information. Avoid putting up the flag on a mailbox to indicate that outgoing mail is waiting.

3. **Sign up for direct deposit.**
   Sign up for direct deposit of your paycheck or state or federal benefits (e.g., Social Security). Direct deposit prevents someone from stealing a check out of your mailbox and forging your signature to access your money. It is also beneficial in the event of a natural disaster.

4. **Keep your financial trash "clean."**
   Thieves known as dumpster divers pick through garbage looking for pieces of paper containing SSNs, bank account information, and other details they can use to commit fraud. Examples of valuable trash include insurance information containing your SSN, blank checks mailed by financial institutions with offers to "write yourself a loan," canceled checks, and bank statements.

   What is your best protection against dumpster divers? Before tossing out these items, destroy them, preferably using a crosscut shredder that turns paper into confetti that cannot be easily reconstructed.

5. **Keep a close watch on your bank account statements and credit card bills.**
   Monitor these statements each month and contact your financial institution immediately if there is a discrepancy in your records or if you notice something suspicious (e.g., a missing payment or an unauthorized withdrawal). While federal and state laws may limit your losses if you are a victim of fraud or theft, to fully protect yourself, you need to report the problem quickly. Contact your institution if a bank statement or credit card bill does not arrive on time. Missing financially related mail could be a sign someone has stolen your mail and/or account information, and may have changed your mailing address to run up big bills in your name from another location.

Instructor Notes	Presentation

6. **Avoid identity theft on the Internet.**
Never provide bank account or other personal information in response to an unsolicited email, or when visiting a website that does not explain how personal information will be protected. Phishing scams that arrive by email typically ask you to update your account information. However, legitimate organizations would not ask you for these details because they already have the necessary information, or can obtain it in other ways. Do not respond to these emails; and do not open any attachments unless you independently confirm the validity of the request by contacting the legitimate organization the way you usually would, not by using the email address, website, or phone number provided in the email. If you believe the email is fraudulent, consider bringing it to the attention of the Federal Trade Commission (FTC). If you do open and respond to a phony email, contact your financial institution immediately. For more about avoiding phishing scams, or to obtain a brochure with tips on avoiding identity theft, visit www.fdic.gov.

Take precautions with your personal computer (PC). For example, install a free or low-cost firewall to stop intruders from gaining remote access to your PC. Download and frequently update security patches offered by your operating system and software vendors to correct weaknesses that a hacker might exploit. Use passwords that will be hard for hackers to guess. For example, use a mix of numbers, symbols, and letters instead of easily guessed words. Also, shut down your PC when you are not using it. For practical tips to help you guard against Internet fraud, secure your computer, and protect your personal information visit www.OnGuardOnline.gov.

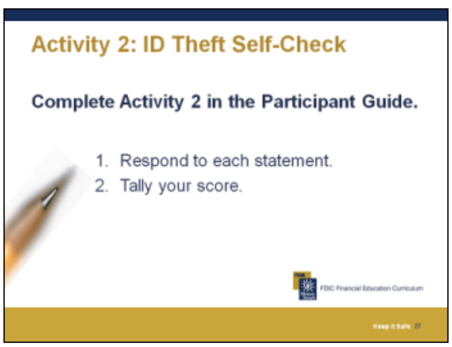
7. **Review your credit record annually and report fraudulent activity.**
Review your credit report carefully for warning signs of actual or potential identity theft (e.g., items that include mention of a credit card, loan, or lease you never signed up for, and requests for a copy of your credit record from someone you do not recognize), which could be a sign that a con artist is snooping around for personal information. If you suspect you are a victim of identity theft, contact your creditors immediately.

Slide 25

8. **Get more information.**
Visit the **FTC** at www.ftc.gov/idtheft or call 1**-877-IDTHEFT (438-4338).**

Instructor Notes	Presentation

Refer participants to Activity 2: Identity Theft Self-Check on page 13 of their Participant Guide. Have participants respond to each item and tally their score. Review how well they are taking steps to avoid identity theft in their daily lives.



Slide 26

Activity 2: Identity Theft Self-Check

This activity allows you to see how well you currently implement some of these preventative steps in your daily life. Review each response on the list and indicate whether you perform this action always, sometimes, or never. Then, tally your score and see how well you are taking measures to avoid identity theft.

	Always (2 points)	Sometimes (1 point)	Never (0 points)
1. Cover or block the Point of Sale (POS)/ATM keypad when I enter my PIN			
2. Carry only the identification, checks, credit cards, or debit cards I really need			
3. Use direct deposit for paychecks, tax refunds, etc.			
4. Shred documents with personal/financial information before disposing of/recycling them			
5. Use complex passwords with a mix of numbers, symbols, and letters instead of easily guessed words			
6. Review financial statements/bills monthly and identify/correct errors			
7. Review my credit report annually and identify/correct errors			
8. Use secure mailboxes for incoming/outgoing mail			
9. Avoid providing/sharing personal information (e.g., SSN) whenever possible			
Total each column			
Grand Total			

Instructor Notes	Presentation

Scores:

0–6: You are not taking many actions to minimize your risk of identity theft. Consider what you have learned today, and consider how you can implement steps to protect your identity.

7–13: You have developed some good practices to avoid identity theft; however, you have room for improvement. Consider what actions you need to take or apply more regularly to better protect your identity.

14–20: You are doing a great job at minimizing your risk of identity theft. Continue to apply these actions regularly and determine what additional steps you can take to protect your identity.

Allow several participants to share their responses.

Was anyone surprised by their results? If so, why?

What to Do If You Suspect You are a Victim of Identity Theft

Refer participants to What to Do If You Suspect You are a Victim of Identity Theft on page 14 of their Participant Guide.

Slide 27

If you believe you are a victim of identity theft, the FTC recommends you immediately take the following actions:

- File a report with your local police. Get a copy of the police report so you have proof of the crime.
- Contact your creditors about any accounts that have been changed or opened fraudulently. Ask to speak with someone in the security or fraud department.
- Follow up in writing and include copies of supporting documents.
- Keep records of your conversations and all correspondence.
- Use the Identity Theft Affidavit at www.ftc.gov/idtheft to support your written statement.
- File a complaint with the FTC using the online complaint form (www.ftccomplaintassistant.gov) or call the FTC Identity Theft Hotline.
- Ask for verification that the disputed account has been closed and the fraudulent debts discharged.
- Call the FTC's Identity Theft Hotline at **1-877-IDTHEFT (438-4338)** or visit www.ftc.gov/idtheft.

Fraud Alerts

If you suspect you have been a victim of identity theft or think you are about to be (e.g., if your wallet is stolen):

- Contact the fraud department of any of the three major credit

Instructor Notes	Presentation

Slide 28

Click the space bar, right arrow, or mouse to reveal information about each point as you discuss them.

reporting agencies. The agency you call is required to notify the other two credit agencies. Tell them you are an identity theft victim (or potential victim).

- You have the right to place an *initial fraud alert* in your credit file. You can do this by calling, writing, or visiting any of the three credit agencies online. This initial fraud alert will last for 90 days.

If you know you are a victim of identity theft, you may have an extended fraud alert placed in your credit file.

- The *extended fraud alert* requires a lender to contact you and get your approval before authorizing any new account in your name.
- The fraud alert is effective for seven years.
- To place an extended alert in your credit file, submit your request in writing and include a copy of an identity theft report filed with a law enforcement agency (e.g., the police) or with the U.S. Postal Inspector.

You can get a free copy of your credit report if you ask when you place a fraud alert on your file. Active-duty military personnel have the right to place an alert in their credit files so that lenders acting on loan applications can guard against possible identity theft.

Security Freeze

Many states have laws that allow you to place a security freeze on your credit file.

- A *security freeze* restricts potential creditors and third parties from accessing your credit report unless you authorize the release of the security freeze.
- Be aware that using a security freeze to restrict access to your credit report may delay, interfere with, or prohibit the timely approval of any subsequent request or application for credit.
- State laws vary, and there may be a charge to freeze and unfreeze a credit file. The cost of placing, temporarily lifting, and removing a credit freeze also varies. Many states make credit freezes free for identity theft victims, while in other states consumers must pay a fee, typically $10. For more information please visit: www.ftc.gov.

Answer any questions.

What questions do you have about identity theft?

Your personal and financial information can be as good as cash to a

Instructor Notes	Presentation

criminal, so take identity theft seriously. Start by following these simple suggestions for keeping your sensitive information secure.

What to Do If Your Wallet or Purse is Lost or Stolen

Write participants' responses on chart paper.

What would you do if your wallet or purse were lost or stolen?

Slide 29

Refer participants to What to Do if Your Wallet or Purse Is Lost or Stolen on page 15 of their Participant Guide. Relate the tips to their responses.

If your wallet or purse is lost or stolen, the FTC suggests you:

- File a report with the police as soon as possible. Keep a copy of the report in case your bank or insurance company needs proof of the crime.
- Cancel your credit cards immediately. Get new cards with different numbers.
- Place a fraud alert on your credit report by calling any of the major credit reporting agencies:
  - **Equifax: 1-800-525-6285**
  - **TransUnion: 1-800-680-7289**
  - **Experian: 1-888-397-3742**
- Report the loss to your bank. You might want to open new checking and savings accounts and stop payment on any lost checks.
- Contact the major check verification companies to request that they notify all stores that use their databases to not accept your lost checks. You can also ask your bank to notify the check verification service with which it does business. Two of the check verification companies that accept reports of check fraud directly from consumers are:
  - **TeleCheck: 1-800-366-2425**
  - **Certegy: 1-800-437-5120**
- Request a new ATM card with a new number and password.

Answer any questions. Note: Now may be a good time to break or stop if you are dividing the class into two sessions.

What questions do you have?

Another serious problem you should be aware of is elder financial abuse.

Instructor Notes	Presentation

Elder Financial Abuse

10 minutes

Slide 30

What is Elder Financial Abuse?

Elder financial abuse is occurring at an alarming rate.

It involves using an older person's money or assets contrary to his or her wishes, needs, or best interests for the abuser's personal gain.

We will review some examples of elder financial abuse, including: who the perpetrators are, who is at risk, which indicators identify that abuse is occurring, and what can be done to prevent it.

Slide 31

Refer participants to Elder Financial Abuse beginning on page 16 of their Participant Guide.

Examples of Elder Financial Abuse

Elder financial abuse covers a wide range of acts that involve committing fraud against older people through the use of deception, trickery, false pretence, or dishonest acts or statements for financial gain. Particular examples include:

- Taking money or property
- Forging an older person's signature
- Getting an older person to sign a deed, will, or power of attorney through deception, coercion, or undue influence
- Using the older person's property or possessions without permission
- Promising lifelong care in exchange for money or property and not following through on the promise
- Using telemarketing to commit scams against older people, including:
  - Perpetrators calling victims and using deception, scare tactics, or exaggerated claims to get them to send money.
  - Perpetrators making charges against victims' credit cards without authorization.

Instructor Notes	Presentation

Potential Perpetrators of Elder Financial Abuse

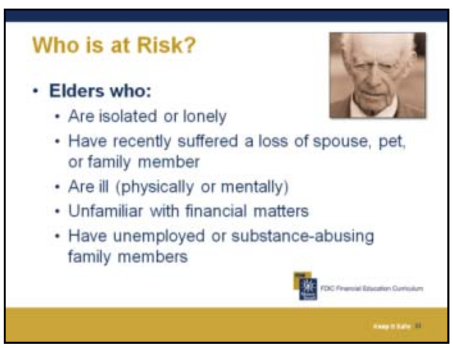
Slide 32

Potential perpetrators of elder financial abuse may include family members (e.g., children, grandchildren, or spouses) who:

- Have substance abuse, gambling, or financial problems
- Stand to inherit and feel justified in taking what they believe is almost or rightfully theirs
- Fear that their older family member will get sick and use up his or her savings, depriving the abuser of an inheritance
- Have had a negative relationship with the older person and feel a sense of entitlement
- Have negative feelings toward siblings or other family members whom they want to prevent from acquiring or inheriting the older person's assets

Telemarketers may also seek out elderly people who are more trusting of investment or charity schemes.

Who is at Risk?



Slide 33

The following conditions or factors increase an older person's risk of being victimized:

- Isolation
- Loneliness
- Recent losses
- Physical or mental disabilities
- Lack of familiarity with financial matters
- Ties to family members who may have substance abuse problems

How Can Elders Be Made Less of a Target?

Slide 34

Here are some lifestyle factors to help you assess whether an elder is at risk for financial abuse:

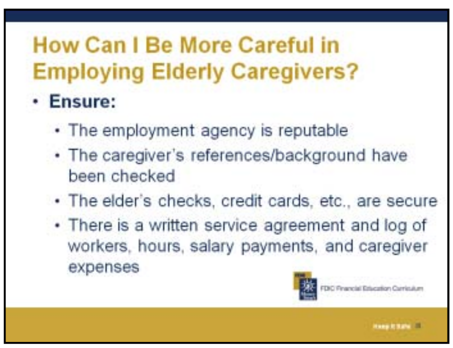
- Does the elder live alone?
- Does the elder still drive? If so, he or she may be prone to accidents, or to being victimized by driving-related scams.
- Does the elder spend a lot of time on foot in public places? If so, he or she may be targeted by exploiters who search for elderly victims at places, including: banks, stores, parks, malls, and libraries.
- How many local friends does the elder have?

Instructor Notes	Presentation

.

- Does the elder have information about housing options, care choices, and support groups?
- Have the elder's outside activities decreased over the past few years?
- Does the elder have family members and friends in the area? Do they maintain regular contact?
- Who regularly checks the status of the elder's bank accounts, charge or credit accounts, or investments?
- Where and from whom is the elder getting financial and medical advice?
- Who oversees the elder's power of attorney?
- Does the elder seek advice of fortunetellers or psychic advisors?
- Does the elder know when and how to call the police for emergencies and non-emergencies (e.g., suspicious persons)?

How Can I Be Careful in Employing Caregivers?



Slides 35

Ensure:

- The caregiver is hired from a reputable agency and is insured, bonded and, if required in your community, licensed.
- The caregiver's references have been checked.
- A criminal background check has been completed on the caregiver.
- The elder's checks, credit cards, etc., are locked up and secure.
- There is a written service agreement, signed by the caregiver and elder, specifying duties and pay.
- There is a log of workers, hours, and salary payments.
- There is a weekly review of caregiver expenses.

More Information about Elder Financial Abuse

Slide 36

Answer any questions.

For more information about elder financial abuse, contact your state's Adult Protective Services department. You may also contact the U.S. Department of Health and Human Services' Elder Care Locator at www.eldercare.gov or **1-800-677-1116** for a referral to services in your community.

What questions do you have about elder financial abuse?

Next, we will discuss ways to insure your financial security.

Instructor Notes	Presentation

Insurance–Managing Risks to Your Financial Security

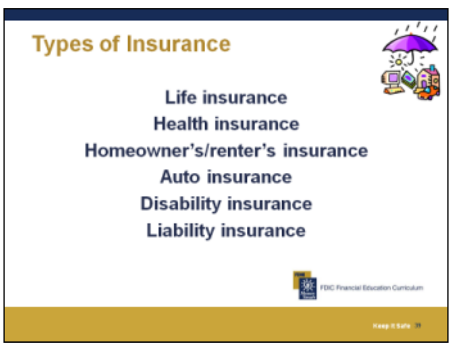
10 minutes

Slide 37

Why the Need?

Insurance is an important part of managing your money.

- It is protection for you (and your family) from financial loss if the unexpected happens. For example, you can get insurance to protect you if you become ill or disabled and are unable to work, to protect you in the event of an accident or property damage, or to provide for your loved ones in the event of your death.
- If you do not plan ahead and protect yourself with insurance, you may have to use funds set aside for other financial goals or emergencies, or go further into debt by borrowing money.



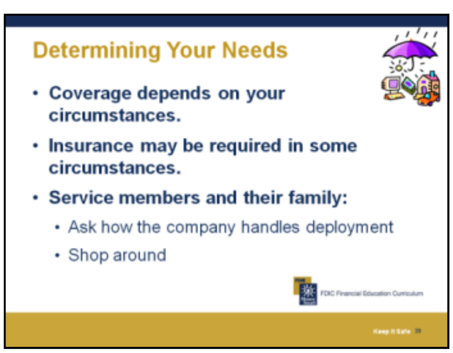
Slide 38

Refer participants to Insurance-Managing Risks to Your Financial Security on page 18 of their Participant Guide.

Types of Insurance

There are many different types of insurance, too many to name for this course. Some of the most common types of insurance coverage that may help you avoid a financial setback include:

- Life insurance, which provides money for your loved ones if you die
- Health insurance to help pay for medical and recovery costs if you get sick
- Homeowner's or renter's insurance for repair or replacement of your home and contents if damaged, destroyed, or stolen, and liability coverage to protect you if you are held responsible for someone else's loss (e.g., if a friend trips and falls while visiting your home)
- Auto insurance for repair or replacement of your car if it is damaged, destroyed, or stolen, and liability coverage to protect you if you are in an accident and held responsible for someone else's property damage or bodily injuries
- Disability insurance, which provides you with income if you become too ill to work



Determining how much and what type of insurance you need will depend on your circumstances. If you cannot afford or do not want to afford the consequences of the risk, then you should consider getting insurance.

When you decide what risks to cover, note that the severity of the consequences is more important to consider than the chances of an event occurring.

Instructor Notes	Presentation

Slide 39
Explain how insurance must be determined on an individual basis. Keep this slide up as you discuss Insurance Coverage Tips.
	• For example, the most common reason to have auto insurance is to cover the repair or replacement of your car, which is an expensive asset.
	• Repairing an automobile can be quite costly and if damage occurs, you want to be able to repair or replace it, but there is more to auto insurance than just covering the car itself.
	  o You can obtain liability coverage to protect you in the event you are held legally responsible for the bodily injury or death of another person, or for damaging someone else's car or property.
	  o You may also obtain medical payment coverage that pays for medical treatment for you and your passengers during an accident, regardless of who was at fault.
	• Without sufficient coverage, you could lose the money and property you own and perhaps even have to pay part of your future income to cover damages for which you are held liable.
	
	Please note that in some circumstances, insurance is required.
	• For example, a lender who loans you money to purchase a car will require you to have insurance on the car, just as a mortgage lender will require you to have homeowner's insurance on your home.
	• Based on your individual circumstances, you may want to obtain more insurance than the minimum required by the lender.
	
	Insurance Coverage Tips
	
	Check with organizations (e.g., your state's department of insurance, the Better Business Bureau, and the FTC) for free tips and online tools and information prior to purchasing insurance. Additional websites that may have very valuable information include:
	• www.mymoney.gov
	• www.naic.org
	• www.insureuonline.org
	
	In addition:
	• Shop around for products and services; not every company charges the same rate or offers the same features.
	• Ask specifically about discounts for good driving records, good health, good grades, and special education or training.
	• Consider the cost and benefits of opting for higher deductibles.
	• Read your insurance policy carefully (remember it is a legal

Instructor Notes	Presentation

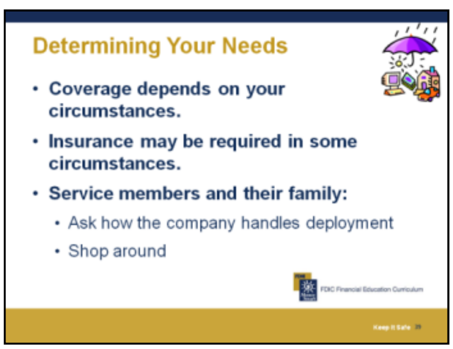
document) and ask questions if you do not understand any terms.
- Review your insurance coverage at least once a year.

Remember to help manage risk:
- Plan ahead for unexpected life events to minimize financial loss.
- Maintain and review files for insurance policies (e.g., life, health, property, casualty, automobile, liability, and disability).
- Evaluate your situation; needs change with life stages.
- Risk management strategies can be combined with savings and investments to achieve financial goals. However, be careful to ensure that your strategies provide the best return on the money involved.

Allow several participants to share their thoughts. Point out how people have different needs and may have different needs at various stages in their life.

What type of insurance is particularly important for you, and why?

Insurance Issues for Military Service Members and Their Families



Slide 39, continued
Click the space bar, right arrow, or mouse to display the service member information. Explain insurance issues that service members and their families may face.

Members of the armed services can be deployed on short notice, leaving little time to address their personal or business affairs.

Insurance coverage, in particular, is often affected when someone moves out of state or spends an extended period of time away from home.
- Before purchasing an insurance policy, ask the agent or broker specific questions about how the company will handle issues related to the deployment of policyholders in the military.
- Each company's guidelines can vary. By shopping around, you may be able to find an insurer who takes the specialized needs of service members into account.

As a service member, you have certain rights and protections under federal law with respect to health and life insurance.

Additional information regarding insurance issues for military service members and their families can be found at:
- www.naic.org/consumer_military_insurance.htm
- www.bbb.org/us/Military
- www.insurance.va.gov

Answer any questions. Note: Now may be a good time to take a short break.

What questions do you have about insurance? Now we will discuss why it is important to plan for unexpected life events like death and disability.

Instructor Notes	Presentation

Planning For Unexpected Life Events

10 minutes

Slide 40

Refer participants to Planning For Unexpected Life Events–Death and Disability on page 19 of their Participant Guide.

Why Plan Ahead?

Recognize the need to plan for unexpected life events (e.g., illnesses and disabilities that may require long-term care). Millions of people serve as financial caregivers for ill or elderly spouses, parents, children, or other loved ones. They perform services that include paying bills, handling deposits and investments, filing insurance claims, and preparing taxes. This role can be costly and physically and emotionally exhausting, especially for a caregiver who lives far away.

Planning ahead:

- Gives you control; you make choices for your situation
- Relieves stress of decision making from caretakers/family members
- Saves money and helps you avoid financial disaster or setback
- Allows time for gathering information, comparing options, and determining which options help achieve what is most important

Slides 41

Allow participants to respond to the first question. Then provide the answer. Allow participants to respond to the question. Then click the space bar, right arrow, or mouse to reveal the answer.

Long-Term Care

How would you define long-term care?

Answer:

It is care or help with daily activities for those with a chronic illness or disability. Long-term care can be provided in a variety of settings, including your home or a skilled nursing facility. The care given may include personal, social, and medical services.

Do you think the following statement a myth or fact? Long-term care is only a concern for the elderly. **Answer: Myth.**

It is estimated that 43 percent of the approximately 12 million people in the U.S. who say they need assistance with activities of daily living are working-age adults or children.

- The need for long-term care can come at any age due to disabling diseases, car accidents, Acquired Immune Deficiency Syndrome (AIDS), brain injuries, strokes, and other disabling events.
- Families and individuals who plan ahead for long-term care will be in a better position to understand long-term care changes, weigh options, and make sound long-term care decisions.

Instructor Notes	Presentation

Planning for Illness and Disability

Long-term care is something most people do not like to think about. But the chances that you, or someone in your family, will become ill or disabled probably are greater than you realize.

Consider taking these steps before you or a family member becomes ill or disabled:

- **Prepare a plan.** Start with reviewing your income and expenses. How would an illness or disability impact your finances? Do you need to reduce spending or increase your income? Studies show that short-term disabilities average from one to six months and long-term disabilities can average about two and a half years. Do you have that much saved in your emergency fund?
- **Make sure trusted family members know where to find personal and financial documents in an emergency.** These include bank, brokerage, and credit card statements; original wills; insurance policies; and Social Security, Medicare, and pension records.
- **Think about the direct deposit of pay and benefit checks into bank accounts.** Direct deposit is safer and more convenient than paper checks. There are no delays in getting funds deposited, and no checks are lost or stolen in the mail or forgotten at home.
- **Consider automatic payment of important, recurring bills.** You will have one less thing to worry about if you can arrange for utility bills and other regular commitments (e.g., insurance and the mortgage) to be paid electronically out of a checking account.
- **Make sure you are properly insured.** If you have doubts about your insurance coverage or ability to pay for long-term care, get a second opinion from a financial planner or an insurance agent you trust. Review your policy often as life changes.
- **Maintain a healthy lifestyle.** Getting regular checkups, not smoking, exercising, becoming safety minded, and taking care of your mental and emotional health may reduce your chances of becoming disabled. Back injury and arthritis are two of the leading causes of disability.
- **Consider a durable power of attorney.** This is a legal document giving one or more people the authority to handle finances or other personal matters if the individual becomes mentally or physically incapacitated.
- **Suggest a living will or other instructions about future medical**

Instructor Notes	Presentation

care. Most people should have a living will specifying the type of medical care they want or do not want if they become terminally ill and are unable to communicate their wishes.

Experts also recommend having a health care power of attorney or health care proxy designating a family member or other trusted person to make decisions about medical treatment. Living wills and health care proxies are intended to ensure that someone's wishes regarding medical care are honored, but they also can prevent unnecessary and costly procedures.

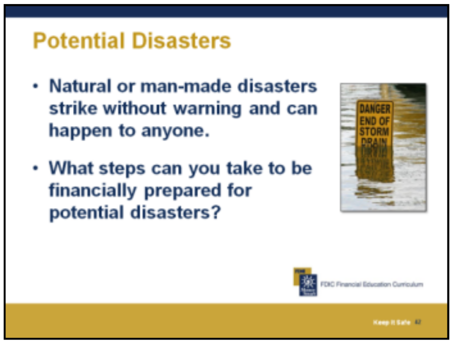
What questions do you have about planning for unexpected life events?

Answer any questions. Then introduce the next topic.

Finally, we will look at some steps you can take to be financially prepared in the event a disaster occurs.

Instructor Notes	Presentation

10 minutes



Slide 42

Write their responses on chart paper.

Slide 43

Relate the points with participants' responses to the previous question.

Refer participants to How to Be Financially Prepared for Disasters beginning on page 20 of their Participant Guide.

How to Be Financially Prepared for Disasters

Potential Disasters

Natural or man-made disasters strike without warning and can happen to anyone.

- These include floods, fires, earthquakes, tornadoes, hurricanes, or similar events that can force people to evacuate their homes.
- Even minor disasters can damage or destroy property or other belongings.
- They can also seriously impair your ability to conduct essential financial transactions.
- In addition to planning for your family's safety and basic needs (e.g., shelter, food, and water) you should be ready to deal with financial challenges, including how to pay for supplies or temporary housing, if necessary.

Suppose you knew in advance that you would have to evacuate your home and would be away for several days or even weeks. What steps do you think you should take so that you are financially prepared?

What to Have Ready

Consider keeping the following documents, bank products, and other items in a secure place and readily available in an emergency:

- **Forms of identification:**
  These primarily include driver's licenses (or state identification cards for nondrivers), insurance cards, Social Security cards, passports, and birth certificates. These documents will be crucial if you or your family should need to rebuild lost records or otherwise prove to a government agency, a bank, or other business that you are who you claim to be. It is best to have the originals, but have photocopies of these documents in case originals are misplaced or destroyed. Never keep the originals with the copies.
- **Your checkbook with enough blank checks and deposit slips to last at least a month:**
  Your need for checks will vary depending on how long you may be displaced or how often you write checks. Even if you rarely or never write checks, keep a copy of a check or your checking account number handy. This will enable you to authorize an important payment by providing the recipient (e.g., an insurance company) with your checking account number over the phone in an emergency.

Instructor Notes	Presentation

- **ATMs, debit cards (for use at ATMs and merchants), and credit cards:**
  These cards give you access to cash and may help you pay outstanding bills. Make sure you know the PINs for your ATM and debit cards. Do not write your PINs on or near your cards in case they are lost or stolen. Do not assume that merchants and ATMs in areas affected by a disaster will immediately be functioning as usual—that is why it is smart to have other options available for getting cash and making payments.
- **Cash:**
  The amount you should have available will depend on several factors, including the number of people in your family and your ability to use ATMs and debit and credit cards to get more cash or to make purchases. Keep in mind that cash in your house or wallet can easily be lost or stolen.
- **Phone numbers for your financial services providers:**
  These include local and toll-free numbers for your bank, credit card companies, brokerage firms (for stocks, bonds, or mutual fund investments), and insurance companies. Why have these numbers handy? You may need to defer a payment, replace lost cards or documents, open new accounts, or otherwise request assistance. If you have people you regularly deal with, have their phone numbers on your list too. Working with someone who knows you can speed things up and provide you with some additional peace of mind.
- **Important account numbers:**
  These include bank and brokerage account numbers, credit card numbers, and homeowner's or renter's insurance policy numbers. You may want to copy the front and back of your credit cards (and keep them in a safe place). Often, if you have a copy of your credit card and a valid ID, you can make a purchase without having your actual card. Additionally, the photocopies can help you keep track of your account numbers and company phone numbers.
- **The key to your safe deposit box:**
  You cannot access your safe deposit box at the bank without your key, no matter how many forms of identification you have. Also, while many banks issue two keys when a box is rented, simply giving someone else a key does not allow that person access to a box in an emergency. He or she also must be designated in the bank's records as a joint renter or be appointed a deputy or agent who has access to your box. Contact your bank about the proper arrangements.

Instructor Notes	Presentation

Slide 44

What to Keep and Where to Keep It

After you have gathered your most important financial items and documents, protect them as well as you can while ensuring you have access to them in an emergency. Here is a strategy that works well for many people:

- Make backup copies of important documents.
- Consider making an electronic image of your documents using a computer scanner so you can easily store the information.
- Consider giving a copy of your documents to loved ones, or at least let them know where to find the documents in an emergency.
- Consider storing your backups some distance from your home, even in another state, in case the disaster impacts your entire community.

Also:

- **Determine what to keep at home and what to store in a safe deposit box at your bank.**
  A safe deposit box is best for protecting certain papers that could be difficult or impossible to replace, but not anything you might need to access quickly. Examples include a birth certificate and originals of important contracts. Items that are better left safely at home, preferably in a durable, fireproof safe include your passport and medical care directives because you might need these on short notice. Consult your attorney before putting an original will in a safe deposit box. A few states do not permit immediate access to a safe deposit box after a person dies, so there may be complications accessing a will stored in a safe deposit box.
- **Seal important documents in airtight and waterproof plastic bags or containers to prevent water damage.**
- **Prepare one or more emergency evacuation bags.**
  Most of what you are likely to pack inside will be related to personal safety (e.g., first aid kits, prescription medications to last several days, flashlights, etc.). But your emergency kit also is the place to keep some essential financial items and documents, including cash, checks, copies of your credit cards and identification cards, a key to your safe deposit box, and contact information for your financial services providers. Make sure each evacuation bag is waterproof and easy to carry, and that it is kept in a secure place in your home. Review the contents of the bag periodically to make sure the contents are up to date. It will not do you any good, for example, if the checks in the bag are for a closed account.

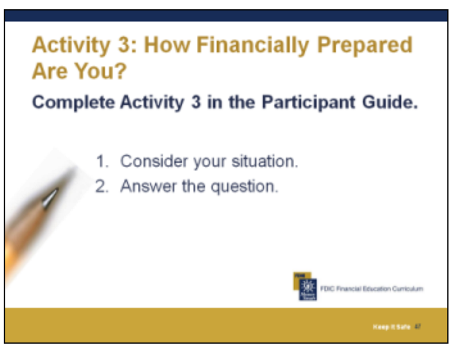
Instructor Notes	Presentation

What Else to Consider

Slide 45

- **Sign up for direct deposit.** Having your paycheck and other payments transmitted directly into your account will give you better access to those funds by check or ATM, and you will not have to deliver the deposit to the bank or rely on mail service, which could be delayed.
- **Arrange for automatic bill payments from your bank account.** This service enables you to make scheduled payments for your phone bill, insurance premiums, and loan payments, and avoids late charges or service interruptions.
- **Sign up for Internet banking services.** This also makes it possible to conduct your banking business without writing checks.
- **Review your insurance coverage.** Make sure you have enough insurance, including flood, earthquake, and personal property coverage, as applicable, to cover the cost to replace or repair your home, car, and any other valuable property.

Activity 3: How Financially Prepared Are You?



Slide 46

Refer participants to Activity 3: How Financially Prepared Are You? on page 21 of their Participant Guide. Allow participants to share what they have learned and how they can apply it. Answer any questions.

Think about what you have learned today. What steps can you take after this class to ensure you are financially prepared for a disaster?

Would anyone like to share one of their responses?

To find out more about being financially prepared for disasters, visit www.fdic.gov/consumers/consumer/news/index.html and type in *disaster preparedness* in the search box.

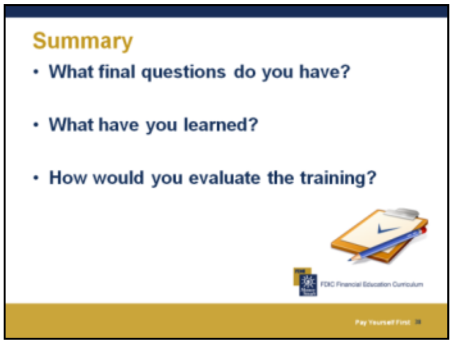
What questions do you have about being financially prepared when disaster strikes?

Let us review what we have learned today.

Instructor Notes	Presentation

Wrap-Up

15 minutes



Slide 47
Answer any final questions. Have participants complete the Post-Test and/or What Do You Know? form along with the evaluation form.

Summary and Post-Test

We have covered a lot of information today about how to protect your finances and identity. What final questions do you have?

Now we will see what you have learned by completing *[a short Post-Test beginning on page 23 of your Participant Guide and/or the "After the Training" column of the What Do You Know? form that you completed earlier]*.

Who would like to share one thing they learned from this training?

To improve the training, we need your feedback. Please complete the Evaluation Form on pages 30 and 31 of your Participant Guide.

Conclusion

Slide 48
Review what was covered in the module and ensure participants' expectations, questions, and concerns have all been covered.

Congratulations! You have completed the *Keep It Safe* module. You learned about:

- The laws and regulations that protect your deposits
- Identity theft and how to avoid being a victim
- Elder financial abuse and how to protect elders
- How the various types of insurance will help you manage risks
- Financial preparedness in the event of unexpected life events and natural disasters

Protecting your finances and identity is important. You are now better prepared to do so. Great job on completing the *Keep It Safe* module! Thank you for participating.

Post-Test

Now that you have gone through the course, see what you have learned.

1. Which of the following is required information that a bank must provide to consumers under the Truth in Savings Act? Select all that apply
   a. **Interest rate and fee information**
   b. **Periodic account statements**
   c. **Balance requirements**
   d. Average monthly charges for the past year

2. Is your money insured by the FDIC if you invest in a stock-based IRA and the bank fails?
   a. Yes
   b. **No**

3. The federal privacy law permits a financial company to share certain information about you without giving you the right to opt out in which of the following situations? Select all that apply.
   a. When sharing your information with other companies looking to market their own products and services
   b. When receiving a profit for your personal data
   c. **When a court orders it to do so**
   d. **When sharing your payment history on loans with credit bureaus**

4. How can you protect yourself from identity theft? Select all that apply.
   a. Keep a copy of your PIN in your wallet or purse should you forget the number
   b. **Sign up for direct deposit**
   c. Carry all of your credit cards and identification with you at all times
   d. **Review your financial account statements and credit report regularly**

5. You should plan for unexpected life events (e.g., death and disability) so you can:
   a. Save money
   b. Avoid a financial setback
   c. Reduce stress of decision making during an emergency
   d. Make choices that are right for you and your family
   e. **All of the above**

6. Which of the conditions or factors below increase an older person's chance of becoming a victim of elder financial abuse? Select all that apply.
    a. Person has close network of family and friends
    b. Person has suffered recent losses and is lonely
    c. Person has physical or mental disabilities
    d. Person's finances are handled by a responsible person

7. What can you do to prepare financially for a disaster?
    a. Set up automatic bill payments
    b. Know where to find important documentation in an emergency
    c. Review insurance information regularly to ensure you have adequate coverage
    d. All of the above

8. Which of the following statements are true about insurance?
    a. It protects you in the event of an accident or property damage
    b. You are required to have insurance on your home, contents, and personal property
    c. It is an important part of managing your money
    d. Once you purchase insurance, there is no need to review or change your policy

What Do You Know? – Keep It Safe

Instructor: ________________________________ Date: __________________

This form will allow you and the instructors to see what you know about protecting your finances both before and after the training. Read each statement below. Please circle the number that shows how much you agree with each statement.

	Before the Training				After the Training			
I can:	Strongly Disagree	Disagree	Agree	Strongly Agree	Strongly Disagree	Disagree	Agree	Strongly Agree
1. Recognize how federal deposit insurance protects deposits	1	2	3	4	1	2	3	4
2. Recognize how to guard against identity theft	1	2	3	4	1	2	3	4
3. Recognize how to prevent elder financial abuse	1	2	3	4	1	2	3	4
4. Recognize how the various types of insurance will help me manage risks	1	2	3	4	1	2	3	4
5. Recognize the need to plan for unexpected death or disability	1	2	3	4	1	2	3	4
6. Describe ways to be financially prepared for disasters	1	2	3	4	1	2	3	4

Evaluation Form

This evaluation will enable you to assess your observations of the *Keep It Safe* module. Please indicate the degree to which you agree with each statement by circling the appropriate number.

1. Overall, I felt the module was: [ ] Excellent [ ] Very Good [ ] Good [ ] Fair [ ] Poor	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
2. I achieved the training objectives.	1	2	3	4	5
3. The instructions were clear and easy to follow.	1	2	3	4	5
4. The overheads were clear.	1	2	3	4	5
5. The overheads enhanced my learning.	1	2	3	4	5
6. The time allocation was correct for this module.	1	2	3	4	5
7. The module included sufficient examples and exercises so that I will be able to apply these new skills.	1	2	3	4	5
8. The instructor was knowledgeable and well-prepared.	1	2	3	4	5
9. The worksheets are valuable.	1	2	3	4	5
10. I will use the worksheets again.	1	2	3	4	5
11. The participants had ample opportunity to exchange experiences and ideas.	1	2	3	4	5
	None				Advanced
12. My knowledge/skill level of the subject matter before taking the module.	1	2	3	4	5
13. My knowledge/skill level of the subject matter upon completion of the module.	1	2	3	4	5
14. Name of Instructor: Instructor Rating: Please use the response scale and circle the appropriate number.	Response Scale: 5 Excellent 4 Very Good 3 Good 2 Fair 1 Poor				
Objectives were clear & attainable	1	2	3	4	5
Made the subject understandable	1	2	3	4	5
Encouraged questions	1	2	3	4	5
Had technical knowledge	1	2	3	4	5

What was the most useful part of the training?

____

____

____

What was the least useful part of the training and how could it be improved?

____

____

____

Glossary

Certain Retirement Accounts: Deposit accounts owned by one person and titled in the name of that person's retirement plan.

Elder Financial Abuse: Act of using an elder's money or assets contrary to his or her wishes, needs, or best interests for the abuser's personal gain.

Electronic Fund Transfer Act (EFTA): An act that establishes rights, liabilities, and responsibilities of customers who use electronic fund transfer services and the banks offering these services.

Electronic Fund Transfer Services: Services, including the use of automated teller machines (ATMs), debit cards, and telephone or computer transactions.

Expedited Funds Availability Act (EFAA): An act that limits the amount of time a bank can hold a deposit in your checking account.

Federal Deposit Insurance Corporation (FDIC) Deposit Insurance Regulations: Regulations that protect your money if the bank fails. However, FDIC does not insure non-deposit investment products, including: stocks, bonds, mutual funds, and annuities.

Identity Theft: When a person uses your personally identifying information without your permission to commit fraud or other crimes.

Insurance: Protection for you and your family against loss, for which you pay a certain sum periodically (known as an insurance premium) in exchange for a guarantee from the insurance company that they will cover or compensate you for certain losses (e.g., those by fire, accident, death, etc.).

Joint Account: A deposit account owned by two or more people and titled jointly in the co-owners' names only, with no beneficiaries.

Long-Term Care: Care or help with daily activities for those with a chronic illness or disability.

Non-Deposit Investment Products: Products including stocks, bonds, mutual funds, and annuities. The FDIC does not insure these products.

Pharming: When criminals seek to obtain personal or private information by making fake websites appear legitimate.

Phishing: When criminals send out unsolicited emails that appear to be from a legitimate source in an attempt to trick you into divulging personal information.

Privacy Notices: These notices explain how the company handles and shares your personal financial information. You will usually receive a privacy notice when you open an account or become a customer of a financial company, once a year after opening an account, and any time the financial company changes its privacy policy.

Revocable Trust Account: A deposit account held as a payable on death (POD) or in trust for (ITF) account, or one that is established in the name of a formal revocable trust (also known as a living or family trust account).

Single Account: A deposit account owned by one person and titled in that person's name only, with no beneficiaries.

Skimming: When criminals steal credit/debit card numbers by using a special storage device when processing your card.

Truth in Savings Act (TISA): An act that requires financial institutions to tell you the terms of consumer deposit accounts (e.g., checking or savings accounts). It also requires the bank to periodically send you statements for your accounts.

For Further Information

Federal Deposit Insurance Corporation (FDIC)
www.fdic.gov/consumer
Division of Supervision & Consumer Protection
2345 Grand Boulevard, Suite 1200
Kansas City, Missouri 64108
1-877-ASK-FDIC (275-3342)
Email: consumeralerts@fdic.gov

Visit the FDIC's website for additional information and resources on consumer issues. For example, every issue of the quarterly *FDIC Consumer News* provides practical hints and guidance on how to become a smarter, safer user of financial services. Also, the FDIC's Consumer Response Center is responsible for:

- Investigating all types of consumer complaints about FDIC-supervised institutions
- Responding to consumer inquiries about consumer laws and regulations and banking practices

U.S. Financial Literacy and Education Commission
www.mymoney.gov
1-888-My-Money (696-6639)
MyMoney.gov is the U.S. Government's website dedicated to teaching all Americans about financial education. Whether you are planning to buy a home, balance your checkbook, or invest in your 401k, the resources on MyMoney.gov can help you. Throughout the site, you will find important information from federal agencies.

Federal Trade Commission
www.ftc.gov/credit
1-877-FTC-HELP (382-4357)
The Federal Trade Commission (FTC) website offers practical information on a variety of consumer topics, including privacy, credit, and identity theft. The FTC also provides guidance and information on how to select a credit counselor.