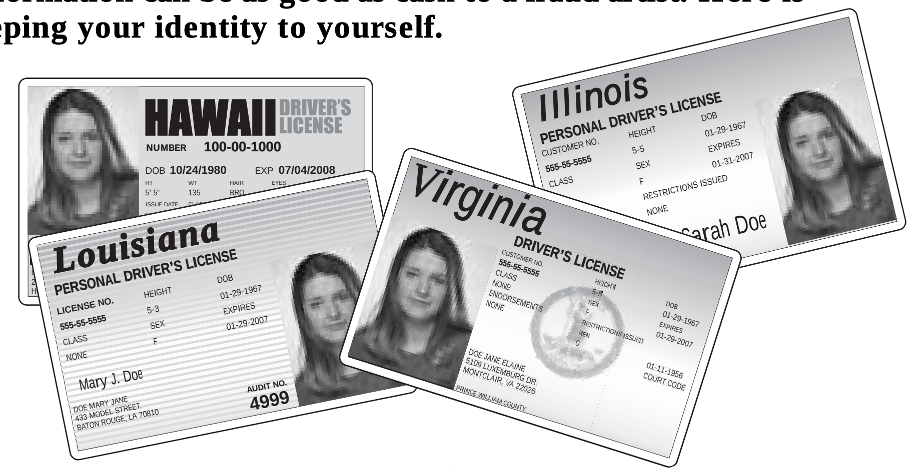
FDIC Consumer News

Fall 2004

ID Theft: Strategies and Help for Fighting Back

Your personal and financial information can be as good as cash to a fraud artist. Here is our latest "to do" list for keeping your identity to yourself.



You know there is only one you. DNA analysis can even prove it scientifically. Even so, a crafty criminal may be able to "clone" you for purposes of committing fraud. With sufficient information, a con artist can become "you" and use your identity to order new credit cards, make counterfeit cards or checks, or otherwise go on a spending spree in your name. It's called identity theft or ID theft, and it's a serious problem we've written about frequently in ***FDIC Consumer News***. But we believe identity theft is worth focusing on again. Here's why.

First, despite the efforts of law enforcement, ID theft is becoming more sophisticated and the number of new victims is growing. In general, consumers are protected against liability for unauthorized accounts or transactions under federal and state law and by financial industry practices. However, innocent victims of ID theft sometimes do suffer losses. And if the crime is not detected early, people may face months or years cleaning up the damage to their reputation and credit rating, and sometimes they lose out on loans, jobs and other opportunities in the meantime.

The evolution of ID theft includes the spread of fraudulent "phishing" e-mails. These are unsolicited e-mails purportedly from a legitimate source — perhaps your bank, utility company, well-known merchants, your Internet service provider or even a trusted government agency such as the FDIC — attempting to trick you into divulging personal information.

Another reason we are featuring ID theft again is that a new federal law — the Fair and Accurate Credit Transactions Act (FACTA) — is about to give you some powerful new tools to help fight this crime.

So, here is our latest "to do" list you can follow to minimize your chances of becoming a victim of ID theft.

1. Protect your Social Security number (SSN), credit card and debit card numbers, PINs (personal identification numbers), passwords and other personal information. Never provide this information in response to an unsolicited phone call, fax, letter or e-mail — no matter how friendly or official the circumstances may appear.

In case your wallet gets lost or stolen, only carry 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. Also, be extra careful if you have housemates or if you let workers into your house because they sometimes are in the best position to find personal information and use it without your knowledge.

Likewise, don't pre-print your Social Security number, phone number or driver's license number on your checks. "It's too easy for someone who sees your check to copy this personal information and even sell it

continued on next page

to an ID thief," said Kathryn Weatherby, an Examination Specialist for the FDIC. Remember that you have the right to refuse requests for your SSN from merchants and service providers — they have other ways to identify you. And if your state puts Social Security numbers on driver's licenses, find out if you can use another number.

2. Protect your incoming and outgoing mail. Chances are that your mail carrier will 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'll put in the 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, such as a P.O. box. If your mailbox isn't locked or in a secure location, try to promptly remove mail that's been delivered or move the mailbox to a safer place. And when ordering new checks, "ask about getting the boxes delivered to your bank branch instead of having them mailed to your home and running the risk of finding them out on your front stoop," said Weatherby.

For outgoing mail containing a check or personal information: Deposit it in a 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," said Jeff Kopchik, an FDIC Senior Policy Analyst. "Even worse is putting up the flag on a mailbox to indicate there is outgoing mail sitting there, because that's also an invitation for a thief."

Watch Your Backside…On Your Credit Card

You're about to use your credit card to purchase something over the Internet or the telephone and you're asked to provide the three or four numbers printed on the back of the card. Is it a valid question and is it safe to respond? It depends on who's asking. A merchant has a legitimate purpose for obtaining those numbers, but an ID thief can use them to commit fraud.

The numbers on the back of your credit card, often printed on the strip provided for your signature, are part of a new security code. The purpose is to verify that the person making a purchase online or over the phone — when the merchant cannot see the card — actually has the card in hand and is not someone else who simply knows the card number and expiration date.

"Unless a criminal already has your card or has previously copied these numbers from your card, there is no way to know the printed security code on the back," said Janet Kincaid, FDIC Senior Consumer Affairs Officer. "That is why it is especially important to safeguard the information."

Her suggestions: Try to be sure you are dealing with a legitimate Web site when providing credit card information online. Also, look for a logo of a padlock or other indication that card numbers are protected during Internet transmissions. In addition, only provide your credit card information when you originate a transaction, not in response to an unsolicited call or e-mail, which may be fraudulent. For more information about using and protecting the security code on your credit card, contact your card issuer.

3. Keep your financial trash "clean." Thieves known as "dumpster divers" pick through garbage looking for pieces of paper containing Social Security numbers, 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.

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. Also remember our suggestions for limiting the use of your Social Security number, which would lessen the likelihood it will be found in your personal papers at home.

4. 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's a discrepancy in your records or if you notice something suspicious, such as a missing payment or an unauthorized withdrawal. While federal and state laws may limit your losses if you're a victim of fraud or theft, your protections may be stronger if you report the problem quickly and in writing. You also avoid the hassle and inconvenience of straightening things out.

Contact your institution if a bank statement or credit card bill doesn't arrive on time. This mail, if missing, could be a sign someone has stolen your mail and/or account information and perhaps has changed your mailing address to run up big bills in your name from another location.

5. Avoid ID theft on the Internet. "Hackers" and scam artists are finding ways to steal private information transmitted over the Internet or stored on computer systems. You can do a lot to protect yourself while shopping, banking, e-mailing or surfing on the Web. For example, never provide bank account or other personal information in response to an unsolicited e-mail or when visiting a Web site that doesn't explain how your personal information would be protected.

Phishing scams that arrive by e-mail typically ask you to "update" your account information. But don't fall for this ruse. Legitimate organizations wouldn't ask you for these details — they already have the necessary information or they can obtain it in other ways. Don't respond to these e-mails and don't 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 e-mail address, Web site or phone number provided in the e-mail. If you believe the e-mail is fraudulent, consider bringing it to the attention of the Federal Trade Commission (Page 4). And if you do open and respond to a phony e-mail, contact your financial institution immediately.

Take precautions with your personal computer. Among them: 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 your date of birth or last name.

Also, shut down your PC when you are not using it. "Don't believe that you are safe if you merely log off the Internet," said Eloy Villafranca, an FDIC Community Affairs Officer. "Hackers can still get into your computer as long as there is power going to the PC."

To get more information about computer security and safeguarding personal information, visit the Federal Trade Commission's Web site at www.ftc.gov/infosecurity. For more about avoiding phishing scams, see the new FDIC Web page on the subject at www.fdic.gov/consumers/consumer/alerts/index.html, which includes links to past articles in ***FDIC Consumer News*** and to a new brochure from federal financial institution regulators called *You Can Fight Identity Theft*.

6. Exercise your new rights under FACTA to review your credit record and report fraudulent activity. Your credit report, which is prepared by a credit bureau, summarizes your history of paying debts and other bills. Credit reports are used by lenders, employers and others who, by law, have a legitimate need for the information.

For many years, you've had the right under federal law to obtain a free copy of your credit report in certain circumstances, including concerns about ID theft, so you can report a crime in progress. And under long-standing practices in the credit reporting industry, you've been able to request that a "fraud alert" be placed in your credit file if you suspect that a criminal is attempting to open new accounts in your name. But starting soon, FACTA expands your rights in these areas.

FACTA allows you to get one free credit report each year from each of the three major credit bureaus that

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New Federal Standards for Preventing ID Theft

The new Fair and Accurate Credit Transactions Act (FACTA) requires financial institutions to take precautions against identity theft, including:

• Maintaining an ID theft detection program featuring "red flags" of possible fraud and procedures for preventing thefts. "Many banks already use sophisticated software systems to detect fraud but FACTA sets minimum standards for all financial institutions," said Michael Jackson, an Associate Director of the FDIC's Division of Supervision and Consumer Protection.

• Printing credit and debit card receipts that show no more than the last five digits of the card number or expiration date, a requirement scheduled to go into effect by the end of 2006. This provision applies to any entity that accepts credit and debit cards for transactions.

• Implementing procedures to prevent an ID thief from fraudulently filing an address change with a consumer's credit or debit card issuer and soon thereafter requesting that an additional card be sent to that new address. "This scheme has been used in the past to make unauthorized charges before the victim is aware that a card has been sent to a fraudulent address," said Jeff Kopchik, an FDIC Senior Policy Analyst.

• Following new security procedures for disposing of certain confidential information so that the details cannot be picked out of the trash or otherwise obtained by ID thieves.

In addition, the Identity Theft Penalty Enhancement Act of 2004 increases the criminal penalties for ID theft. The law creates a separate crime of "aggravated identity theft" subject to imprisonment and covering numerous violations, including abuses by employees at financial institutions, government agencies or other places where personal information is stored.

operate nationwide —Equifax, Experian and TransUnion — with just a single phone call, letter or e-mail (see next page). This is a change from previous law because you will be entitled to your free copy even if you don't suspect ID theft or any other problem with your credit report. Under FTC rules, free credit reports will be phased in over nine months, beginning in western states on December 1, 2004, and moving east with completion scheduled for September 1, 2005. (See the complete schedule at www.ftc.gov/opa/2004/06/freeannual.htm.)

After you get your credit report, look for warning signs of actual or potential ID theft. These 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 don't recognize (which could be a sign that a con artist is snooping around for personal information).

If you already are a victim of ID theft or you suspect you are a target, FACTA gives you specific legal rights to place a fraud alert in your credit files at all three major credit bureaus with a phone call or a letter to any one of their fraud departments. "These fraud alerts will help prevent an imposter from obtaining new credit in your name because, at a minimum, the lender will be required to make a reasonable attempt to verify the applicant's identity," explained Michael Jackson, an Associate Director of the FDIC's Division of Supervision and Consumer Protection.

If you are a victim of identity theft, you also may have an "extended" fraud alert placed in your credit file instead of a basic alert. "An extended alert requires a lender to contact you and get your okay before authorizing any new account in your name," explained FDIC Attorney Robert Patrick. "It also is effective for seven years instead of 90 days."

To place an extended alert in your credit file, Patrick said you must submit your request in writing and include a copy of an ID theft report filed with a law enforcement agency (such as the police) or with the U.S. Postal Service.

FACTA also will enable military personnel called up to active duty to place an alert in their credit files so that lenders acting on loan applications can guard against possible ID theft.

Final Thoughts

Your personal and financial information can be as good as cash to a criminal. So, take ID theft seriously. Start by following our simple suggestions for keeping your sensitive information under wraps. "It's a lot easier to rethink your habits and behaviors now," said Jackson, "than to repair the damage *after* identity theft occurs."

Who to Call to Report a Possible ID Theft

The fraud department at any one of the three major credit bureaus. Ask for a fraud alert to be placed in your file at all three companies. The alert tells lenders and other users of credit reports to be careful before opening or changing accounts in your name. Also follow up with a letter. The special toll-free numbers for the fraud departments are: Equifax at 800-525-6285, Experian at (888) 397-3742 and Trans Union at (800) 680-7289. Get addresses and other details at www.equifax.com, www.experian.com and www.transunion.com.

Your bank, credit card company or any other financial institution that may need to know. Ask to speak with someone in the security or fraud department, and follow up with a letter. If necessary, close old accounts and open new ones, and select new passwords and "PINs" (personal identification numbers).

Your local police or the police where the identity theft occurred. Fill out a police report that will detail what happened and get a copy for future reference.

The Federal Trade Commission. Call toll-free 877-IDTHEFT (438-4338). Fill out a complaint form online at the FTC's ID Theft Web site at www.consumer.gov/idtheft. Or, mail a letter to: Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580. An "ID Theft Affidavit" available on the FTC Web site also can be used to help you prove you are an innocent victim and help you keep debts you did not incur from appearing on your credit report.

To Learn More

The **Federal Trade Commission** provides information on preventing and reporting identity theft. Go to www.consumer.gov/idtheft or call toll-free hotline at 877-IDTHEFT (438-4338).

The **federal regulators of depository institutions** listed on Page 7 can help answer your questions on identity theft, especially as they relate to banking matters. The agencies recently published a brochure called *You Can Fight Identity Theft* that focuses on "phishing" scams and is available on the FDIC Web site at www.fdic.gov/consumers/consumer/fighttheft/index.html.

Coming Soon: Free Credit Reports and Access to Credit Scores

The new Fair and Accurate Credit Transactions Act (FACTA) does more than just give you new tools to fight identity theft (see cover article). This law also includes provisions that can help ensure the accuracy of your credit record, which can make a big difference the next time you apply for a loan, a job or some other benefit.

Your new rights to free credit reports: Your credit record, as prepared by a credit bureau, is a summary of your history of paying debts and other bills. The reports are used by banks, insurers, landlords and even potential employers to make judgments about your reliability. Most experts say you should check your credit report at least once a year from each of the three major credit bureaus — Equifax (800-685-1111, www.equifax.com); Experian (888-397-3742, www.experian.com) and TransUnion (800-888-4213, www.transunion.com).

One reason to stay on top of your credit report is to help spot identity theft. (See Page 3.) But another reason is to look for inaccuracies or omissions that could prevent you from getting the best possible credit terms. "It's especially beneficial to review your credit report before you are ready to apply for that dream house mortgage or the new car loan," said Janet Kincaid, FDIC Senior Consumer Affairs Officer.

For many years, the Fair Credit Reporting Act has given you the right to obtain free copies of your credit reports if you suspect that you are the victim of fraud, if you receive welfare assistance or are unemployed, or if you had recently been denied a loan or other benefit based on negative information in your report. A free annual credit report also has been available in some states. But otherwise, credit bureaus were permitted to charge for credit reports (up to $9 under the most recent federal rules). That's about to change.

Under FACTA, you will have the right to obtain one free copy of your credit report from each of the three major credit bureaus every 12 months. Rules issued by the Federal Trade Commission (FTC) provide for free credit reports to become available in stages, beginning in western states December 1, 2004, and gradually moving east with completion due by September 1, 2005. (For a complete list of effective dates, see the announcement on the FTC's Web site at www.ftc.gov/opa/2004/06/freeannual.htm.)

FACTA also requires the major credit bureaus to provide a single point of contact so you can request your reports from all three companies with one toll-free phone call, letter or Internet request. Details will be announced soon.

Although you can ask to receive copies from all three credit bureaus at the same time, *Consumer Reports* magazine suggests spreading out your requests throughout the year to get periodic updates and maximize your protection. Specifically, the magazine recommends that you "request your report from one bureau initially, then follow up with another bureau's report four months later and the third four months after that."

Your right to obtain your credit score: Everyone with a credit record also has a credit score. It's a number calculated by a credit bureau, a lender or another company based on your credit report. A credit score is intended to help lenders and other users of credit reports make reasonable decisions as quickly and efficiently as possible. "Your credit score can be an important factor in getting a loan with an attractive interest rate or even obtaining an insurance policy at a low price," said Kincaid. "Knowing the factors used in deriving your score can help you understand what you need to do to improve your rating and get a better deal."

Prior to FACTA, some providers of credit scores voluntarily made them available to consumers. But starting December 1, 2004, you will have new rights to obtain your score from a credit bureau as well as an explanation of the key factors used in computing the score. (*Note*: If the credit bureau's score came from another company, it must tell you how to contact that firm to obtain the rating factors.)

As for cost, the credit bureau may charge you a "reasonable fee," which will be determined by the FTC. "However, if a mortgage lender uses a credit score in connection with your application for a certain type of home loan, you will be entitled to learn your score and some basic information about it for free," says David Lafleur, a Policy Analyst at the FDIC.

Which home loan applications qualify for the free credit score information under FACTA? "The loan application must relate to a home loan and it must be for specified consumer purposes," according to Lafleur. "For example, a loan to purchase or refinance a one- to four-family home will qualify, as will a home equity loan or line of credit for consumer purposes. A home equity loan to finance a small business won't."

To learn more about credit reports, credit scores and FACTA, go to the FTC's Web site (www.ftc.gov) or call toll-free 877-FTC-HELP (877-382-4357). The FDIC and the other banking agencies listed on Page 7 also have Web sites and staff that can answer your questions.

Basics of Deposit Insurance for Businesses

The FDIC receives many questions about deposit insurance from businesses and other entities that want to know if all their money would be fully protected if their bank were to fail.

If you own a business or manage the money of a non-profit organization, here are some basics you should know about your FDIC insurance coverage.

Deposits of a corporation, partnership or "unincorporated association" (such as a religious organization, charity or homeowners association) are insured up to $100,000 in total. These business-type accounts, though, are insured separately from any personal accounts of the entity's stockholders, partners or members held at the same institution.

"The FDIC gets calls, for example, from corporations or partnerships asking if it is possible to keep more than $100,000 in a bank and still be fully insured," said Martin Becker, an FDIC senior specialist on deposit insurance. "The answer is no — it's $100,000 of insurance to the corporation alone or the partnership alone. The insurance coverage doesn't increase based on the number of owners."

To quality for coverage of up to $100,000 of FDIC insurance separate from the personal deposits of the owners or officials, the organization must be engaged in an "independent activity." That means the entity cannot exist solely for the purpose of increasing the deposit insurance coverage of the owners.

Note: While a corporate account is insured for up to $100,000 in total, funds held in connection with employee benefit plans, such as pension or profit-sharing plans, might qualify for coverage up to $100,000 for each employee's share if FDIC requirements for this separate coverage are met.

In addition, a corporation's accounts for different purposes (such as one account for research projects and another for a building project) are each separately insured to $100,000 only if they belong to separately incorporated subsidiaries or units. Otherwise, they are added to any other deposit accounts of the corporation and the total is insured up to $100,000.

Deposits of a sole proprietorship are insured together with any personal funds the business owner may have at the same bank. A sole proprietorship is a business owned by just one individual rather than a corporation or partnership. Many small stores or service companies operate as sole proprietorships.

Risky Business

Here are some common misconceptions about the insurance coverage of business accounts.

Deposits for a homeowners association are insured up to $100,000 for each member of the organization. Wrong. The coverage is $100,000 in total. The funds are owned and used by the association, not by the individual members.

Partnership accounts are covered to $100,000 per partner. No, the deposit insurance applies to the partnership, not the individual partners. The partnership's accounts are insured to $100,000 in total.

Deposits held by a sole proprietorship are separately insured from the business owner's personal accounts. Incorrect. Under the FDIC's rules, they are added to any individual accounts the owner has at the same bank and insured up to $100,000.

Unlike corporations or partnerships, if you are the sole proprietor of a business, your personal and business accounts at the same institution are insured together as individual accounts up to $100,000 in total.

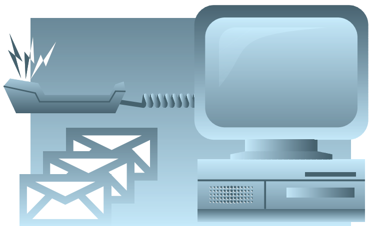
If you have questions about your insurance coverage, call or write the FDIC as listed on the next page. Also read the deposit insurance information posted on the FDIC Web site at www.fdic.gov/deposit/deposits/index.html. Single copies of selected publications, including *Your Insured Deposits - FDIC's Guide to Deposit Insurance Coverage*, are available free of charge by completing the online order form at www2.fdic.gov/depositinsuranceregister or by contacting the FDIC's Public Information Center (next page).

New Insurance Publications Available in Spanish

The FDIC's two new publications to help explain federal deposit insurance coverage are now available in Spanish. One brochure, *Insuring Your Deposits* (*Seguro Para Sus Depósitos*), answers basic questions that individuals and families ask most frequently. The other publication, *Your Insured Deposits — FDIC's Guide to Deposit Insurance Coverage (Sus Depósitos Asegurados)*, is a comprehensive guide to the deposit insurance rules.

You can read or download the English and Spanish versions of these publications at www.fdic.gov/deposit/deposits/index.html on the FDIC's Web site. Single copies are available free of charge by completing the online order form at www2.fdic.gov/depositinsuranceregister or by calling or writing the FDIC's Public Information Center (next page).

For More Information



The **Federal Deposit Insurance Corporation** insures deposits at banks and savings associations and supervises state-chartered banks that are not members of the Federal Reserve System. The FDIC's services include a toll-free consumer assistance line, answers to written questions, and informational material. Toll-free phone: (877) ASK-FDIC or (877) 275-3342. The phone line is staffed Monday through Friday, 8:00 a.m. to 8:00 p.m., Eastern Time. Recorded information is available 24 hours a day. The toll-free TTY number for the deaf/hard-of-hearing is (800) 925-4618. Home Page: www.fdic.gov. Mail: 550 17th Street, NW, Washington, DC 20429.

For questions about deposit insurance coverage: Contact the FDIC Division of Supervision and Consumer Protection at the address and phone numbers above or by e-mail using the Customer Assistance Form on the Internet at www2.fdic.gov/starsmail/index.html. The National Credit Union Administration (listed below) insures deposits at federally insured credit unions.

For other questions, including those about consumer protection laws, or complaints involving a specific institution: First attempt to resolve the matter with the institution. If you still need assistance, write to the institution's primary regulator listed on this page. Although the FDIC insures nearly all banks and savings associations in the United States, the FDIC may not be the primary regulator of a particular institution. Other regulators are listed below. To submit a complaint about an FDIC-supervised institution, contact the FDIC Division of Supervision and Consumer Protection as listed above. For inquiries involving problems or complaints related to the FDIC, contact the FDIC Office of the Ombudsman at the mailing address and phone numbers listed above, by fax to (202) 942-3040, or by e-mail to ombudsman@fdic.gov.

The **Federal Reserve System** supervises state-chartered banks that are members of the Federal Reserve System. Phone: (202) 452-3693. Fax: (202) 728-5850. Home Page: www.federalreserve.gov. E-mail: www.federalreserve.gov/feedback.cfm. Mail: Division of Consumer and Community Affairs, 20th Street and Constitution Avenue, NW, Mail Stop 801, Washington, DC 20551.

The **Office of the Comptroller of the Currency** charters and supervises national banks. (The word "National" appears in the name of a national bank, or the initials "N. A." follow its name.) Phone: (800) 613-6743. Fax: (713) 336-4301. Home Page: www.occ.treas.gov. E-mail: consumer.assistance@occ.treas.gov. Mail: Customer Assistance Group, 1301 McKinney Street, Suite 3710, Houston, TX 77010.

The **Office of Thrift Supervision** supervises federally and state-chartered savings associations plus federally chartered savings banks. (The names generally identify them as savings and loan associations, savings associations or savings banks. Federally chartered savings associations have the word "Federal" or the initials "FSB" or "FA" in their names.) Phone: (800) 842-6929 or (202) 906-6237. Home Page: www.ots.treas.gov. E-mail: consumer.complaint@ots.treas.gov. Mail: Consumer Affairs Office, 1700 G Street, NW, Washington, DC 20552.

The **National Credit Union Administration** charters and supervises federal credit unions, and insures deposits at federal credit unions and many state credit unions. Phone: (703) 518-6330. Fax: (703) 518-6409. Home Page: www.ncua.gov. E-mail: pacamail@ncua.gov. Mail: Office of Public and Congressional Affairs, 1775 Duke Street, Alexandria, VA 22314.

Your state government also may offer assistance and publish useful information. Contact your state's Attorney General's office, consumer protection office or financial institution regulatory agency as listed in your phone book or other directories, or visit your state's official Web site.

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801 17th Street, NW, Room 100
Washington, DC 20434
Toll-free phone: (877) 275-3342 or (202) 416-6940 (Washington area)
E-mail: publicinfo@fdic.gov
Fax: (202) 416-2076

Federal Deposit Insurance Corporation
Washington, DC 20429-9990

FDIC, Other Agencies Add to Financial Education Programs

The FDIC in September unveiled an interactive computer-based version of the agency's award-winning *Money Smart* financial education curriculum. *Money Smart* CBI — short for computer-based instruction — is easy to use and is available free of charge in both English and Spanish on CD-ROM and on the FDIC's Web site.

Prompted by an animated guide, *Money Smart* CBI enables students to have a "virtual experience" entering a bank and interacting with employees, using an ATM, writing checks, balancing a checkbook, reading a credit report, and conducting other activities. *Money Smart* CBI contains the same 10 sections as the original curriculum, which was designed for classroom use and primarily for low- and moderate-income individuals. The new version allows people to study at their own pace and can be used to complement formal classes or serve as a refresher.

To order a free copy of *Money Smart* CBI on CD-ROM or to access the Web version, go to www.fdic.gov/consumers/consumer/moneysmart/mscbi/mscbi.html.

In addition, the FDIC and other federal departments and agencies have announced the first major initiatives of the government's new Financial Literacy and Education Commission.

One new product is a free financial education "toolkit" with information on deposit insurance, loans, Social Security benefits, and other financial topics. To get your toolkit, call the Commission's toll-free hotline at 888-MY MONEY (888-696-6639). A similar version of the toolkit also is available in Spanish. In addition, the Commission created a new Web site (www.mymoney.gov) for financial information from the federal government.

More on "Check 21"

In our last ***FDIC Consumer News*** (Summer 2004), we reported on how the new "Check 21" law will affect check writers and depositors. Example: Checks will be processed faster, so it will be more important than ever to have enough money in your account to cover the checks you write.

Now that Check 21 went into effect on October 28, 2004, we encourage you to take another look at our report, which is available online at www.fdic.gov/consumers/consumer/news/cnsum04. In addition, the Federal Reserve Board has issued two new publications on Check 21 and what you should know about your checks. They are available at www.federalreserve.gov/pubs/check21/consumer_guide.htm or from the Federal Reserve Board, Publications Fulfillment, Washington, DC 20551 (phone 202-452-3244).