

Money Management

Money Management is a weekly column on personal finance prepared and distributed by certified public accountants.

FOR IMMEDIATE RELEASE: January 11, 2010

SAFE ONLINE BANKING TIPS

Many people enjoy the convenience of doing all their banking over the Internet, but some consumers worry about the safety of their online transactions. The New Hampshire Society of CPAs recommends that you ask these questions to ensure that your online bank dealings are secure.

DO I KNOW WHO I'M DEALING WITH?

Many legitimate banks offer online options, but there are also a few scammers out there using the Internet to cheat people out of their money or gain access to their personal information so that they can use it in illegal transactions. Before you open an account with an unknown organization, read up on the information they provide online to see how long it has been in business and whether they are regulated by state and federal banking authorities. You can also find out more information in the "Bank Find" section of the Web site of U.S. Federal Deposit Insurance

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Corporation, a government agency, at www.fdic.gov. If the bank's name is a familiar one, be aware that some con artists use sound-alike names that trick people into believing they are dealing with a well-known organization. Double check the full organization name and spelling to be sure you're working with the right bank.

IS IT FDIC INSURED?

You should only deal with a bank if your account there is insured by the FDIC. If you have up to \$250,000 in an FDIC-insured bank account, including a checking or savings account or a certificate of deposit, the FDIC will reimburse your money if the bank fails. Look for the FDIC logo on the bank's site and for the words "Member FDIC" or "FDIC insured." It's also a good idea to go to www.fdic.gov to locate the bank on the FDIC's list of insured institutions. Remember, too, that according to the FDIC, banks chartered overseas may not benefit from FDIC insurance. If you're considering an overseas bank, find out if your money will be covered.

HOW CAN I FEND OFF PHISHING?

"Phishing" is a common scam in which consumers receive an email purportedly from a legitimate organization—such as their bank—

asking them to confirm personal information. Those who are taken in by these scams may end up unintentionally revealing their account numbers, Social Security number or other confidential details to thieves who will use the information to engage in illegal transactions. Banking online doesn't make you more vulnerable to phishing attacks, but it's certainly a problem you should be aware of. The best defense is to call your bank's customer service number and verify that any communication you receive is legitimate.

WILL MY PERSONAL INFORMATION BE PROTECTED?

There are many ways in which online organizations secure the information they receive, including passwords and data encryption. For your own peace of mind, it's a good idea to find out in advance what measures the bank will take to ensure that your account number or other personal information does not fall into the hands of identity thieves. Also, whether you bank online or at a bank branch, the organization is required by federal law to inform you of its privacy policy, including whether it shares your information with others. You have the right to ask the bank not to share details about you.

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YOUR CPA CAN HELP

If you have questions about online banking--or any other issues affecting your family's finances--remember that your CPA is a great source of information. Turn to him or her with all your financial questions.

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Produced in cooperation with the AICPA

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