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**Lifestyle**

Social Intro: *Credit cards offer protections that cash doesn't, especially when traveling.*

When Paying With a Credit Card Beats Cash

Paying for something with a credit card instead of cash can be easier for a number of reasons. It can be difficult to find an ATM when you need it, carrying around a lot of cash can be dangerous, and some things are just impossible to buy with cash.

And by "cash," we also mean a debit card, since money that's pulled immediately out of a bank account through a debit card doesn't have near as many protections as a credit card does.

Here are four specific instances when paying with plastic is a much better idea than using cash:

## Digital Purchases

Ring tones, games on your smartphone or anything else you buy online that's delivered digitally can be difficult to get a refund on for any problems resolved if you pay with a debit card or some other form of digital cash.

If something is wrong with the game you've bought, and the app seller doesn't help you, paying with a credit card will offer more protection than a debit card if you didn't get what you paid for. Your credit card company will help you resolve the issue and will put off the charge until it is. It will even contact the seller for help.

## Electronics and Warranty Extensions

Televisions, computers, refrigerators and other big-ticket items that come with a manufacturer's warranty often have the warranty extended for a year when paying with a credit card. Check with your credit card before buying to see if it offers this free service. And only use the card if you can afford to pay off the balance when the bill arrives so that you're not paying interest on the new TV set you've bought.

## Undelivered Items

If you've used a credit card to pay movers who didn't fulfill their contract, or the flowers you ordered for mom were never delivered, you can have your credit card withhold payment until the products or services have been received. In other words, you won't pay until you're satisfied.

## Travel

It can be difficult, if not impossible, to reserve a plane ticket, hotel room or rental car with cash. A debit card can be used for some reservations, but a "hold" on the card for the expected total might hurt your ability to withdraw cash from your account or use the debit card elsewhere.

Credit cards make travel a lot easier. They often offer perks such as free checked luggage, protection against trip interruption or lost luggage, and free rental car insurance.

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**Lifestyle**

**Social Intro:** *Check your data usage to start saving on your cell phone bill each month.*

5 Ways to Lower Your Phone Bill

A cell phone bill is an expense almost everyone has to pay each month. Even if you set up automatic payments to make paying it easier, it's still money you have to come up with monthly—and it can be a big bill.

Here are five ways to lower your phone bill:

## Switch to no contract. One of the big costs of a contract plan with your phone provider is paying a subsidized price so you can get the latest phone every two years. Some companies run the contract for 30 months, which make the payments lower but add six months to the time it takes to pay off the phone.

A no-contract plan requires you to buy the phone upfront but should give you a much cheaper monthly cost over the next two years.

## Keep your phone longer. Your phone purchase is no longer bundled in a monthly cell phone bill with a no-contract plan, and you can continue that savings by keeping your phone for longer than two years. The savings increases each month you keep your phone.

## Call with Wi-Fi. Most phones offer the option of calling using Wi-Fi, saving data usage and keeping your bill low. You can also use Wi-Fi to send text messages or chat by video, and use the internet.

## Keep the background silent. Even when you're not actively using your smartphone, email and apps are running silently in the background and eating up data. Turn off this data usage in the settings menu and only check your email when you have free Wi-Fi.

Check out the background data usage for individual apps on your phone to get an idea which ones use the most.

## Match your data to your usage. With an unlimited data plan, you may not be paying extra for using a lot of data, but you may see speeds drop when you hit a limit that resets every month. If you're using Wi-Fi often to save on data usage, look at your phone's data usage in the settings section to see if it's within a data amount your phone provider allows at a lower rate.

If you don't use as much data as you have, why pay for it? Or if you're watching Netflix on your phone and use a lot of data, you may be able to save money by switching to an unlimited plan.

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**Lifestyle**

**Social Intro:** *If your child has a credit report, that may be a sign their identity has been stolen.*

Protecting Kids From Identity Theft

Protecting children is a constant responsibility of parents, and many are unaware that they also need to be protected from identity theft.

Identity thieves often apply for government benefits, open bank and credit card accounts, and apply for a loan in the name of the victim, even a child. They often do this long before the child is old enough to open a credit card themselves. It can destroy a child's credit history.

If your child is getting mail such as bills for products they didn't receive, an IRS notice that income taxes haven't been paid, or you or your child are turned down for government benefits because the benefits are being paid to another account linked to your child's Social Security number, then they may be the victim of identity theft.

To protect them, make sure you're not carrying around their birth certificate or Social Security card. Keep these locked in a fire-proof safe at home and have your home computer updated with virus protection software.

Also, be cautious about who you give your child's identifying details to. Ask why the information is needed before giving it out. Ask if you can use a different identifier or use only the last four digits of your child's Social Security number.

Your child shouldn't have a credit history at all before age 14, so any signs of credit history could mean fraud. Check with the three main nationwide credit reporting companies to make sure a credit history doesn't come up. You can also get a report every 12 months from [annualcreditreport.com](https://www.annualcreditreport.com/index.action).

One misconception about helping a child build credit is to open a credit card in their name and pay it off on time for years. Called "piggybacking," this practice was eliminated in 2007 by the three major credit bureaus because it was being exploited by people looking to boost their credit scores.

A credit card account can't be opened for a young child, such as age 5-10, as a way to build their credit history early. It could open the door to identity theft and creating a credit file could give a family member or stranger a chance to steal the child's credit identity.

Adding a young child to a parent's credit card account as an authorized user is also a bad idea. A clean credit history—meaning no use of credit at all—is best for a child when they do get a credit card someday.

What you may want to do—if you're comfortable with it—is add your child at age 15 or so as an authorized user to your credit card. This can boost their credit score if you have a good credit record.

Make sure they understand how a credit card works and keep tabs on their charging activity. You can also add them as a user but not allow them to use the card, or to only use it when you're shopping with them.

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**Lifestyle**

**Social Intro:** *For just a few dollars, your credit card data can be stolen and sold online.*

Did You Know? How Much it Costs to Buy Your Online Identity

Your online identity is probably worth a lot to you. To thieves, not so much.

For $1,170, a thief can illegally buy the entirety of the average person's stolen personal information on the dark web, according to a review of fraud-related listings by the VPN review site TOP10VPN. That's relatively cheap, considering that it includes hundreds of logins, passwords, credit card numbers and other identifying information.

In what it calls the [Dark Web Market Price Index](https://www.top10vpn.com/images/2018/02/Dark-Web-Market-Price-Index-Feb-2018.pdf), the site details how would-be scammers could spend more on going out to lunch than on getting hacked account information such as from Grubhub ($15), Walmart ($12) or Netflix ($8).

The VPN site's security experts reviewed tens of thousands of listings on three of the most popular dark web markets. These are encrypted websites that can only be reached using the Tor browser. Once there, criminals can anonymously sell stolen personal information and other illegal things such as illicit drugs and weapons.

## Credit Cards Wanted Most

Stolen credit card numbers can be used immediately to buy something online and are some of the most valuable hacked items on the list.

Credit cards sell for an average of $500, the same price as bank logins. Some hacked logins come with a credit card added, such as a Costco login with a credit card for only $5. A Pizza Hut login for ordering pizzas online is only $6 and includes a credit card that can then be used to buy much more than pizza.

Selling prices for credit cards tend to be 10 percent of the available credit balance, researchers found. PayPal accounts have much higher demand, asking double that of credit cards. Verified PayPal accounts with high balances of $10,000 that come with an email address and password cost $2,000.

Bundles of "full" identifying information, called "Fullz," cost as much as $515 for guaranteed access to a Wells Fargo online account. They can include an individual's name, billing address, mother's maiden name, Social Security number, date of birth and other personal data.

Setting up lines of credit in someone else's name is the main tactic of cybercriminals. Along with credit card and personal information, they'll buy digital proof of identity such as passport scans ($16) or a real passport ($2), selfies and utility bills. For $52, a driver's license scan, social security number and utility bill are included as a package.

## Online Shopping

For less than $10, hacked online shopping accounts are sold and provide many fraud opportunities. If you store payment details on Amazon, Best Buy and other online stores, hackers can order items online and sell them for cash. A hacked Amazon account is $6 and a Best Buy account is $15. For a Best Buy login with instant delivery, it's only $9.

Hacked eBay accounts for $15 allow criminals to dupe buyers into sending them money for fake listings or to buy expensive goods with the account owner's funds to intercept and sell later.

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**Real Estate**

**Social Intro:** *A couple of missed payments are unlikely to be sent to a collections agency and shouldn't hurt your credit score.*

5 Surprising Things That Don't Affect Your Credit Score

There are some obvious things that can hurt a credit score: paying your bills late, using too much available credit in proportion to your income and defaulting on a loan. Some other financial transactions, however, don't affect a credit score. You may even be surprised by them.

Here are five things that don't affect a credit score, which is something you want to continue improving so you'll have access to the best mortgage rates and terms:

## Income

Creditors and lenders obviously want you to have an income, and information about your employer may be listed on your credit report, but your actual income isn't reported as part of a credit score.

Your income will be used to decide how much you can afford to borrow, but a high salary won't boost your credit score and a low salary won't hurt it.

## Overdrafts

Overdrawing your bank accounts can be costly, but they won't hurt your credit score as long as you clear them before they go to collections.

If your account remains overdrawn for weeks and the bank sends it to a collections agency, then expect your credit score to be dinged. It's not the overdraft account that's causing the credit score to drop, but the fact that it went to a debt collection agency.

## Missed Insurance Payments

A credit score can be used by an insurance company to calculate your insurance premium. But your insurer won't report your insurance premium payments—whether on time or late—to credit bureaus.

If you miss just one insurance payment, your insurance company could cancel the policy entirely or until payment is made. But it's unlikely they'll send it to a collections agency.

## Checking Your Own Credit

You can check your credit report or score as much as you want without being penalized for it. Start at [AnnualCreditReport.com](http://AnnualCreditReport.com) for a free report each year from three of the major credit reporting agencies.

If a lender checks your credit score, such as when applying for new credit, that will likely hurt a credit score, though only a little and not for long. Too many queries in a short time could drop it a little more.

## Credit Counseling

If you've sought help from a credit counselor to help manage your credit card payments, it may show up on your credit report. It won't, however, hurt your credit score.

As long as your creditor is getting your payments on time—either through you or the credit counselor—then the fact that you're getting credit counseling won't hurt your score. But if the payments arrive late, then expect to see your credit score drop.

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**Real Estate**

**Social Intro:**

4 Mistakes First-Time Homebuyers Should Avoid

Buying your first home is full of challenges you've probably never faced before—and they go well beyond finding a home you like.

Here are some mistakes to avoid as a first-time homebuyer:

## Not considering costs beyond the mortgage

Knowing that you can afford the monthly mortgage payment is important when deciding if you can buy a home, but don't forget to factor in the other costs that can add to your monthly bills.

These include property insurance, property taxes (which can go up every year), maintenance and higher electric and water bills. Some homes also have homeowners association (HOA) fees that need to be paid.

## Shopping for a loan after you find a home

Searching for a home can be fun, but it isn't where you want to start as a first-time homebuyer. Unless you have enough money to pay for a house in cash, you should start with a mortgage pre-qualification.

Going to a lender and finding out how much of a mortgage you qualify for will help narrow your home search and put it in a realistic price range.

## Spending your savings to get into a home

Spending most or all of your savings on the down payment and closing costs can set you off on the wrong foot. Coming up with a 20 percent down payment will allow you to avoid paying private mortgage insurance, but it isn't worthwhile if it leaves your savings account mostly bare.

With 20 percent or more down on a conventional mortgage, homebuyers don't have to pay for mortgage insurance, which can drop their monthly mortgage payment considerably. But having a rainy-day fund is a better use of savings. Eventually, when you get to 20 percent equity in your home, you can drop the mortgage insurance.

## Not getting professional help

A real estate agent, loan officer or broker—and even a lawyer—will all be a big help when it comes to buying a home. You could try to deal directly with the listing agent yourself, for example, but it's best to have someone working exclusively for you (a buyer's agent).

In whatever areas you need help in buying a home, seek professionals who will give you independent advice. Good real estate agents, for example, can be found with a referral from friends and family, and previous buyers can be used as references.

There are a lot of new areas you'll be wading into as a first-time homebuyer, and professionals can help you save money and time with their expertise.

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**Real Estate**

**Social Intro:**

How to Freeze Your Credit for Free

To stop a criminal from using your personal information to open a credit card in your name, start by preventing lenders from checking your credit unless you first unfreeze your information.

Even if you have poor credit—or not much money—protecting your credit from identity thieves by taking advantage of a free credit freeze is a good idea.

Thieves can steal your personal information (i.e., Social Security Number, driver's license number and birth date) and create new identities to fraudulently get loans and open credit card accounts in your name.

A credit freeze prevents lenders from checking your credit in order to open a new account. So, if a criminal has your personal information and tries to open a credit card in your name, a credit freeze will stop the lender from checking your credit. If you have a credit freeze in place, you must remove it to apply for credit.

Also called security freezes, credit freezes were required under federal law in May 2018. The three major credit reporting bureaus—Equifax, TransUnion and Experian—now allow free freezes of consumers' credit files. The freezes prevent information from being provided to lenders unless you "thaw" the freeze with a personal identification number.

While identity thieves can steal personal information through data breaches such as the one that occurred at Equifax in September 2017 that compromised sensitive information for nearly half the population of the United States, it's important to remember that consumers are responsible for initiating the freeze.

In addition, consumers must also keep track of the necessary PINs in order to lift the freeze before applying for any new credit. It's also important to note that credit freezes will need to be thawed at all three credit bureaus since it's impossible to know in advance which credit bureau a lender will use.

The new law also allows parents to create and freeze credit files for children under the age of 16 so that their identities aren't misused.

If you're looking to protect yourself by setting up a credit freeze, make sure you freeze your information at the three major credit reporting bureaus, as well as at the National Consumer Telecom & Utilities Exchange (NCTUE). A consumer reporting agency that provides data to some cellphone, subscription-based television services and utility companies, a freeze with the NCTUE is free. Bear in mind that freezing your credit reports at the main credit bureaus isn't always enough, as identity thieves can still steal your information by hacking cellphone companies and other utilities.

Setting up a security freeze is a good start when it comes to protecting your credit from identity thieves, but it won't protect you from other types of fraud that involve someone using the credit card number you already have, or impersonating you online to claim your Social Security benefits.

To prevent these types of fraud, check your credit card statements for suspicious charges, check your credit reports periodically and monitor your online Social Security account.

This article is intended for informational purposes only and should not be construed as professional or legal advice.

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**Lifestyle**

**Social Intro:**

How to Save for Retirement If You're Self-Employed

Working for yourself comes with a lot of responsibilities—and funding a retirement plan should be one of them. After all, if you don't think ahead to your retirement, who will?

Payroll deductions and 401(k) retirement plans set up by employers make it easy for workers at 9-to-5 jobs to contribute to retirement plans. But for the self-employed, it can be more of a challenge simply because there's no one to do it for you.

Here are some ways to take the process of funding a retirement plan into your own hands:

## Traditional or Roth IRAs

If you're just starting out or saving less than $55,000 a year, a traditional or Roth IRA is a good option. If you're leaving a job to start a business, you can roll your old 401(k) into an IRA.

As of 2018, the annual IRA contribution limit is $5,500, plus $1,000 catch-up contribution if you're 50 or older. The Roth IRA has income limits for eligibility, meaning that those who earn too much can't contribute.

With a variety of differences between the two, depending on your situation, one may prove to be a better choice for you.

For example, a Roth IRA might be best if your business isn't making much money. While there's no immediate tax deduction for a Roth IRA, withdrawals are tax-free in retirement when your tax rate is likely to be higher. In addition, a Roth IRA doesn't require withdrawals at a specific retirement age.

On the other hand, a traditional IRA offers immediate tax deductions on contributions, and ordinary income taxes on withdrawals at retirement must be paid. You must start withdrawing from a traditional IRA when you retire or reach age 701/2.

## Solo 401(k)

For the self-employed or a business owner with no employees, except a spouse, a solo 401(k) plan is a good way to save a lot more money for retirement than through an IRA. A solo 401(k) is like the 401(k) retirement plan you may have had when you worked full-time for someone else, but is operated and used by a single person.

As of 2018, the contribution limit is up to $55,000 (plus $6,000 in catch-up contributions if you're 50 or older), or 100 percent of earned income, whichever is less. Being self-employed basically allows you to contribute to the plan twice, or double the limits in a traditional 401(k) plan, as both an employee and employer.

As an employee to yourself, a solo 401(k) allows you to contribute up to all of your compensation or $18,500, whichever is less. As the employer who administers the plan, you can match contributions of up to 25 percent of compensation.

The tax advantages are the same as a standard, employer-offered 401(k). Contributions are made pre-tax, and distributions after age 591/2 are taxed.

## SEP IRA

A Simplified Employee Pension Individual Retirement Arrangement (SEP IRA) is best if you have few employees or none altogether.

The 2018 contribution limit is the lesser of two options: $55,000 or up to 25 percent of compensation or net self-employment earnings, with a $275,000 limit on compensation that can be used to factor the contribution. Net self-employment income is net profit less half your self-employment taxes paid and your SEP contribution. No catch-up contributions are allowed.

For tax purposes, either the contributions can be deducted from your taxes, or 25 percent of the net self-employment earnings or compensation can be deducted. Distributions in retirement are taxed as income.

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**Lifestyle**

**Social Intro:**

Lifting of Gag Clauses on Pharmacists Could Save Consumers Money

Getting a prescription filled at your local drugstore could be cheaper under a federal law passed in late 2018.

The new legislation that was passed in October 2018 bans gag clauses used in pharmacy contracts with insurers in more than a dozen states. The clauses prevented pharmacists from telling customers when they could save money by paying out of pocket instead of using their insurance.

The new rules have a catch though. Pharmacists won't be required to tell patients about the lower cost option. If they don't, it's up to the customer to ask.

The gag clauses are now banned for private insurance. They'll take effect in [Medicare](https://www.medicare.gov/sign-up-change-plans/types-of-medicare-health-plans/medicare-advantage-plans/how-do-medicare-advantage-plans-work) Advantage and Part D prescription drug plans on Jan. 1, 2020. At least 29 states have passed laws to ban the gag clauses.

Without the gag rules, pharmacists will be able to talk honestly and candidly about drugs and costs. For example, a consumer with a large co-pay may pay less by buying the drug themselves and not using their insurance. A pharmacist can now tell them about this option.

But for Medicare Advantage or Part D patients, they'll still be restricted on what discounts they can access, regardless of if a gag clause exists, until the new law takes effect in 2020.

People with Medicare Part D drug insurance overpaid for prescriptions by $135 million in 2013, according to research published in The Journal of the American Medical Association (JAMA) in March 2018. Co-payments in those plans were higher than the cash price for nearly one-in-four drugs purchased in 2013. For 12 of the 20 most commonly prescribed drugs, patients overpaid by more than 33 percent.

Federal law prohibits drug companies from giving coupons or discounts to people who get their health benefits through the federal government because it's considered a violation of the government's anti-kickback statute.

Medicare patients don't have to wait until 2020, however, for the gag order ban to take effect. The Medicare rule allows a pharmacist to answer questions about lower price options if a customer asks.

Medicare patients looking to cut costs should ask their pharmacist if a generic or lower-cost drug is available, then figure out if paying out of pocket or using a discount card would be less expensive than the insurance co-pay.

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**Lifestyle**

**Social Intro:**

What Not to Keep in a Safe Deposit Box

Having a safe deposit box at your local bank can seem like a relic from the past, but keeping important documents and possessions (i.e., your birth certificate or your grandmother's wedding ring) in your bank's vault can be safer than storing them at home.

Some things, however, shouldn't be kept in a safe deposit box. While items stored in a safe deposit box can be hard to access in the event of an emergency, worse yet, they may not be covered by the bank's insurance.

Here are some things you'd be better off storing in a fireproof safe within your home, rather than in a safe deposit box:

## A large stash of cash

If you need cash in an emergency, storing it in a safe deposit box might not be a good move. Banks aren't open nights and holidays, and sometimes not even weekends, so immediate access to your cash when you need it isn't always possible.

Additionally, some banks don't allow cash to be stored in a safe deposit box. If it is allowed, it won't be protected by the Federal Deposit Insurance Corporation, or FDIC. The FDIC covers up to $250,000 per depositor per insured bank, but only for money deposited in an account such as a checking or savings account, or a certificate of deposit (CD). Also, you won't earn any interest on cash stored in a box.

## Passport

You don't want to lose or misplace your passport, so keeping it in a safe deposit box can sound like a good idea. But if you have to take an emergency trip overseas to visit a sick family member during non-banking hours, leaving the country quickly can be difficult—if not impossible—without your passport.

## Your will

Keeping copies of your will or a spouse's will in a safe deposit box is okay, but be sure it's not the original copy.

If you're the sole owner of the safe deposit box and you pass away, the bank will seal the safe deposit box until an executor can prove that they have the legal right to access it. A better idea is to keep the original copy of your will with your attorney—or someplace else where the executor won't have to jump through legal hoops to get it.

## Health documents

Think twice about keeping important documents that others may need quickly in a safe deposit box, especially if you're the only person who can access them.

These include a Power of Attorney, or POA, that gives someone the ability to act on your behalf if you become incapacitated or unable to handle your legal or financial affairs.

Advance directives should also be kept somewhere other than in a safe deposit box. A living will states your wishes for end-of-life care, and a healthcare power of attorney designates someone to make decisions for you if you can't make them for yourself.

## Uninsured jewelry

Jewelry, rare coins, rare baseball cards and other high-value items that aren't properly insured shouldn't be stored in a safe deposit box.

The FDIC doesn't insure the contents of a safe deposit box, and neither does the bank unless it's explicitly stated in your agreement. Be sure to check your homeowners insurance for personal property coverage on items kept outside your home.

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**Lifestyle**

**Social Intro:**

How to Get a Cash Advance at the ATM

Cash is often easier to use than credit cards at many businesses, especially small ones where small purchases are common.

Without much cash in your checking or savings account, however, you may not have the cash you need when you need it. A credit card can solve that problem, though potentially at a high cost.

Called cash advances, withdrawing money at an ATM with a credit card is a form of borrowing cash on your credit card that must be repaid—usually with high fees and interest rates.

## Paying 25 percent interest

Fees are the first thing you'll pay on a cash advance. They're usually based on the amount of cash you borrow, such as $10 or 5 percent of the amount, whichever is greater. That equates to a $10 fee for borrowing up to $200, or 5 percent of the amount borrowed if it's more than $200.

Immediate interest charges are another reason to think twice before taking a cash advance. They don't have grace periods—as your normal credit card purchases do for about a month—and the credit card company will start charging you interest on a cash advance as soon as you borrow the money.

Cash advances also have APRs that are much higher than normal purchases. That being said, you can expect to pay 25 percent interest on a cash advance, and without a grace period.

## How to get a cash advance

To get a cash advance on your credit card, check that it will work in an ATM. Either call your credit card company or check the cardholder agreement that came with your card. Look for the sections on "Cash Advance APR" and "Cash Advance Fee." If these items are listed with dollar figures or percentages charged, that's a telltale sign that your card can be used at an ATM.

Your credit card statement may list a cash advance credit line or cash advance credit limit, which is the maximum amount of cash you can take out. The credit limit for cash advances is usually smaller than your credit limit for regular purchases.

To use your credit card at an ATM, you'll need to find or set the PIN that's tied to your credit card, which you may have gotten when the card came in the mail. If you don't have access to the PIN, you might have to request it from the credit card issuer by logging into your account online or calling the phone number on the back of the card. And it may take seven to 10 days to set up the PIN.

You may get charged a fee for using an ATM that's outside the network linked to the credit card. Check with your credit card provider or your bank to find out how much it is, and if you can avoid it.

This article is intended for informational purposes only and should not be construed as professional or legal advice.