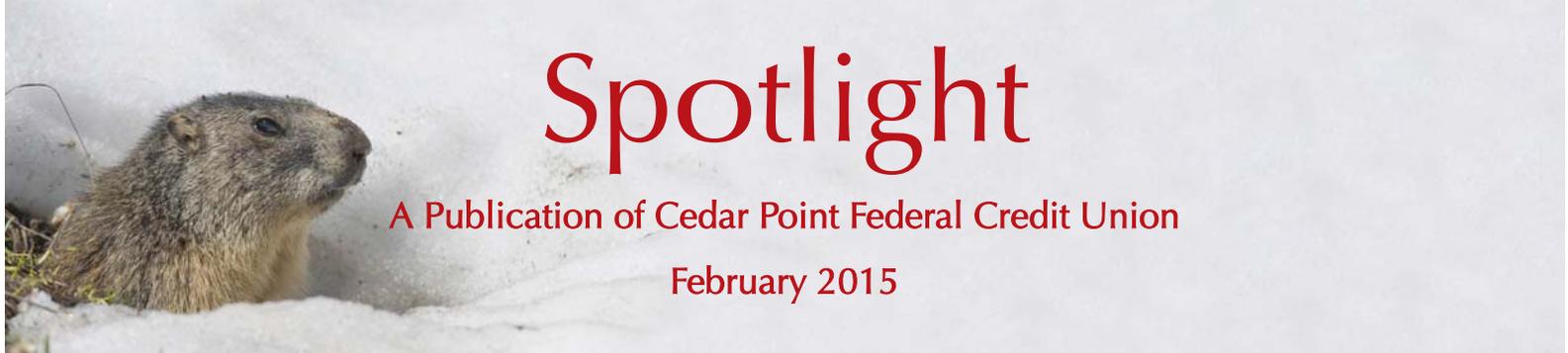


# Spotlight

A Publication of Cedar Point Federal Credit Union

February 2015



## To Avoid Scammers, Be Wary of the Phone

While scams keep changing, the targets stay the same. Seniors continue to be the marks of a variety of low-risk crimes that prey on their sense of duty and exploit their fear of cognitive loss.

The Federal Trade Commission's Bureau of Consumer Protection logged 1.1 million consumer fraud complaints in 2013; 47% of the victims were age 50 or older, with a median payout of \$400 a complaint.

Retirees make ripe targets because they have access to cash via retirement savings and equity in their homes.

Here is what to do to avoid being targeted:

- **Ditch the landline.** The most common way scammers make contact is by phone, which accounts for 40% of all fraud contacts, up from 30% two years ago. One reason seniors are targeted is because they still use landlines—so they're easy to find through commercially sold phone lists—and they often answer their phones.
- **Sign up for AARP's Fraud Watch Network alerts** (<http://www.aarp.org/money/scams-fraud/fraud-watch-network/>) and check its online map. This will help you keep up-to-date on the scams happening where you live, as scammers frequently change the areas they're targeting.
- **Call the U.S. Senate Special Committee on Aging Fraud Hotline.** If you suspect someone is a victim of fraud, call the hotline (855-303-9470) where fraud investigators can offer advice about how to proceed.
- **Hang up.** Whether it's a purported relative imploring you to send money right away or a sweepstakes requiring you to pay taxes in advance—two common scams—say you'll call back. Then research the situation. If the caller is putting pressure on you to pay immediately, it's a scam.



## Be Careful About Security Breach Emails

Major retailers have sent emails to millions of customers potentially affected by mega security breaches. Be on the lookout for scammers who mimic them.

If you receive email from a retailer regarding a security breach, here's what to do:

**Don't automatically open the email:** First go to the retailer's website or call to make sure the information online matches the email you received.

**If you've already opened the email:** Don't click on any links until you verify the information with the retailer by going online or calling.

**If you've already clicked a link to an external website and entered personal information:** Verify the information in the email with the retailer at its website. Then...

If the information in the email doesn't match the retailer's information: Take action quickly:

- If the retailer is offering free fraud-monitoring, take advantage of it. Or ask your favorite Member Service Representative about the Benefits Plus Security Center.
- Go online and confirm your debit and credit card transactions every day.
- Alert us and all your financial institutions and credit card companies.
- Call the "big three" credit reporting agencies--Equifax, TransUnion, and Experian--to tell them you clicked through on a bogus ink and shared info you wish you hadn't.
- Ask to have a fraud alert placed on your account. It costs nothing to place a fraud alert on your credit report if your information is compromised, and the alert will remain in place for 90 days.
- Alert the Federal Trade Commission (FTC). Report fraud at [FTC.gov](http://FTC.gov)\* or by calling 877-438-4338.
- If you're really worried, request a credit freeze, which prohibits any credit from being extended under your name.

To learn more about protecting your accounts from fraud, talk to your favorite Member Service Representative at Cedar Point Federal Credit Union. We can recommend steps you can take to keep your information safe.



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## Make Sure Your Loan is Approved

Nobody likes getting turned down for a loan. And although Cedar Point Federal Credit Union makes every effort to approve all loan requests, it's sometimes necessary to deny an application--to protect the applicant's financial health, as well as the credit union's.

When the credit union denies a loan, it's because the applicant has either (1) a poor credit history, or (2) a high debt-to-income ratio. Your debt-to-income ratio is the percentage of your total debt compared to income. For example, if each month you pay \$400 toward debt with a \$1,000 estimated net monthly income, your debt-to-income ratio is 40%.

Although there's no magic ratio to shoot for, a rough guideline is that total debt shouldn't exceed about 50% of total income. The credit union also weighs other factors, and requirements vary for different loans.

If your loan request gets rejected, here are a few things you can do to improve your chances for approval on your next application:

- Devise a plan to pay off old loans, including credit card balances, thus reducing your debt-to-income ratio.
- You may qualify to consolidate your loans and credit card balances into one loan at Cedar Point Federal Credit Union; then stop overusing credit cards.
- Get a handle on your budget by comparing what you spend with what you earn. A budget can help you trim expenses and funnel money toward paying off old debts.
- Fix your broken credit history. We will be happy to work with any member who is sincere about re-establishing good credit.

If you have any questions about why your loan was turned down, don't hesitate to ask. Our Member Service Representatives are always happy to help.



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