

FEBRUARY 2010

*Staying Connected*

For the Alumni of the ECCB's  
Savings and Investments Course

YOUR FINANCES .....YOUR FUTURE

YOUR FINANCIAL  
NEWS



## Avoiding Financial Scams.

What you can do to protect yourself.



## How to Market Yourself In A

## Tight Job Market.

Your résumé is not just a piece of paper it is your marketing tool.



## Exit The Spending Highway

if you want to create lasting financial security.

Take  
control  
of your  
FINANCES.

Take  
control  
of your  
LIFE.



## Money Fixe\$

If you constantly find yourself needing credit to get you to the next payday, you are living beyond your means. Re-evaluate your budget and talk to your banker or someone else who can help you get your finances straight.



Unless you pay your credit card bill in full each month, don't use it for anything you can eat or wear.



Don't be tempted by the sale signs.

# AVOIDING FINANCIAL SCAMS Gordon Julien, Scotiabank

Unfortunately, in these difficult economic times a lot of people are looking for ways to make extra money and those with money are more likely to take chances to get more money. These conditions are ripe for scams and fraudulent activities which are actually growing. Technology has actually helped the perpetrators in carrying out their criminal activities. Scammers prey on the greedy, desperate and gullible.



I have heard too many horror stories of people losing their life savings to these criminals and I have seen many poor old ladies and old men fall victims to these criminal behaviour. People have lost their life savings.

## What is a financial scam

A scam is a dishonest attempt to trap you into parting with your **h a r d - e a r n e d m o n e y .**

The perpetrators of these scams are well-trained, well-rehearsed and the victims of these scams include not only the poor senior citizens but many supposedly intelligent people among us; lawyers, doctors, accountants, etc. Often, you never hear about these incidents because people are too embarrassed to tell anyone!!

## TYPES OF SCAMS

### Investment Scams (Ponzi schemes).

We have heard a lot about these schemes lately with Bernie Madoff and Allen Stanford always in the news.

**Beware of schemes that claim to be "safe" or "risk-free" - all investments have some degree of risk.**

These are based on the principle of "taking from Peter to pay to Paul" where money from later investors is used to pay unrealistically high returns to early investors, who then bring in their family members, friends and co-workers. Typically offer high rates of return above what the market can bear to entice victims to keep their money in. It often comes crashing down when these clients start requesting their money during times of economic crisis.

### Beware of schemes which:

- promise very high returns with little risk. These promises are too good to be true.
- claim to be "safe" or "risk-free" - all investments have some degree of risk.
- give few or no details about the person or company making the offer and there is very little information in writing.

To protect yourself against these schemes:

- invest only with registered, regulated and reputable financial institutions. (three Rs)
- make sure you understand the product being offered and don't invest blindly. Everyone is in business to make a profit and if they are going to pay you a high rate of interest they must be making a higher rate of interest somewhere else. The higher the promised rate of return, the greater the risk, and the more you should investigate. **“Remember, if it sounds too good to be true, it usually is.”**

## Identity Theft

"Identity theft" is the takeover of a person's identity by utilising stolen personal information, or fraudulently obtained, forged or stolen identity documents.

Identity theft often results in the takeover of a victim's existing bank accounts or by the fraudulent operation of new accounts opened by the perpetrator in the victim's name.

Identity theft brings with it additional problems of victimisation for the person whose name has been "stolen". These problems centre on the victim undoing the damage that has been caused to his/her name and reputation.

# AVOIDING FINANCIAL SCAMS Gordon Julien, Scotiabank

Many victims need to expend large amounts of time and resources convincing banks, financial institutions and other agencies that they were not responsible for the fraudulent activities that occurred in their names. Many victims have also found difficulty in restoring their credit rating to what it was prior to the theft of their names.

## Identity theft: How to prevent identity crime

- Protect your personal and business information. Take time to shred or destroy old bank statements, credit card bills, utility bills or other documents to prevent this material falling into the hands of criminals.
- Be careful to whom you give personal information especially over the phone or on the internet unless you know who you are dealing with.
- Check your bank and credit card statements to make sure there are no unauthorised transactions - this may be the first sign someone has stolen your identity.

## 419 Advanced Fee Fraud (Nigerian Letters)

Essentially, these scams attempt to entice the victim into a bogus plot to acquire and split a large sum of cash. We have all seen a number of these and it is the most common here and believe it or not still fools a lot of intelligent people in our community.

Many perpetrators of this kind of fraud have been Nigerian citizens. Consequently, the name “419 scheme” is taken from the section of the Nigerian penal code that addresses fraud.

These schemes work by getting the victim to take the initial bait, then slowly convincing him or her of the legitimacy of the plot through a series of forged documents, carefully crafted communications, and even visits by the victim to the country of origin for meetings with bogus “officials” in phony “government offices.” At key junctures in the scam, the perpetrators will ask the victim to advance them money to pay bogus fees or bribes. Additionally, they may extract what amounts to an extortion payment by threatening to cut the victim out of the plot. Once the perpetrators believe they’ve gotten all they could from the victim, they cut off communication and vanish.

### Banking scams

Banking scams involve the use of technology to obtain access to consumers personal information and banking access details in order to empty a person's bank account.

### **There are two examples:**

#### Phishing

Phishing emails are crafted to look as if they’ve been sent from a legitimate organisation. These e-mails attempt to fool you into visiting a bogus web site to either download malware (viruses and other software intended to compromise your computer) or reveal sensitive personal information.

The perpetrators of phishing scams carefully craft the bogus web site to look like the real thing.

For instance, an e-mail can be crafted to look like it is from a major bank. It might have an alarming subject line, such as “Problem with Your Account.” The body of the message will claim there is a problem with your bank account and that, in order to validate your account, you must click a link included in the email and complete an online form.

#### Skimming

Skimming is a method used by criminals to capture data from the magnetic strip on the back of an ATM card. The criminals then obtain your PIN number through either the use of hidden cameras, mirrors or through thieves observing the card in use and noting the PIN number. They then make replica cards which are used to clean out your account.

Consumers can protect themselves from this type of scam by simply hiding the entry of their pin from anyone who may be observing them complete a transaction. Scotiabank has stickers at our ATMs saying “protect your pin”.

#### Prize and lottery scams

These start with an e-mail informing you that have won a prize for a competition that you never entered. **Folks, you can’t win a competition if you didn’t even buy a ticket!!**

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The prize promoters then ask for a fee (for administration or "processing") to be paid in advance. **Legitimate lotteries don't ask for funds in advance of paying out prize money.**

After you have paid the fee you may receive a fat cheque which turns out to be fraudulent (fake).

## HOW TO IDENTIFY SCAMS AND HOW TO PROTECT YOURSELF

In general, if it looks too good to be true, it probably is. Here are some pointers on what to look out for:

- Use the internet to do your research before getting involved; Google is a powerful tool.
- Be wary of companies that ask for **upfront charges** for services (especially those that are usually available for free).
- Be wary of anything resembling a **pyramid scheme**, where you make commissions by recruiting more participants.
- **Regard Unsolicited E-mail with Suspicion.** Don't automatically trust any e-mail sent to you by an unknown individual or organisation. Never open an attachment to unsolicited e-mail. Most importantly, never click on a link sent to you in an e-mail.
- **Use Common Sense** When e-mail arrives in your mailbox promising you big money for little

effort, or inviting you to join a plot to grab unclaimed funds involving persons you don't know in a country on the other side of the world, take a moment to consider the likelihood that the e-mail is legitimate.

**DO NOT BE FOOLED. Remember if it sounds too good to be true then it most probably is!!!!**

**YAHOO! OFFICIAL WINNING NOTIFICATION**

From: THE DESK OF THE INTERNATIONAL  
E-MAIL PROMOTION'S COORDINATOR  
YAHOO INTERNATIONAL LOTTERY  
AWARD DIVISION, 19 NORTH BRIDGE,  
EDINBURGH, EH1 1SD UNITED KINGDOM

Date: 7th July, 2008.

**RE: WINNING NOTIFICATION**

Dear Winner Number 4,

We are pleased to inform you that you have been announced as the fourth lucky winner of our Yahoo! Internet **MEGA JACKPOT LOTTO PROGRAMME** held on the 4th of July, 2008. Your company or your personal email address is attached to the winning number Four (4) with Batch number: YLM-89705, Lotto number: YLM-65812 and Winning number: YLM-43668.

Therefore, you have been approved for lump sums payout of £750,000.00GBP (SEVEN HUNDRED AND FIFTY THOUSAND GREAT BRITISH POUND STERLING) in cash and have been credited to Ref Payment No: 89680YH. This is from total prize money of £7,500, 000.00GBP POUNDS STERLING, shared among the Ten (10) international winners in July 2008.

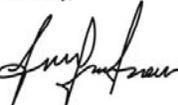
To claim your won prize, you are to contact the Financial Controller (Dr. Steve D. Woodgate). Below is his contact information.

Contact E-mail: financialcondept@aol.co.uk

Name: Dr. Steve D. Woodgate

Tel: +44 (0)7031900558

Sincerely,

  
Mrs. Lillian Morgan  
Yahoo Lottery Inc Coordinator.  
www.yahoo.com

OFFICIAL SPONSORS

MasterCard YAHOO! moneybookers.com and money moves PayPal BARCLAYS VISA NIKE



# M

## Marketing



## Marketing Yourself in a Tight Job Market

Many persons are job hunting and even many more will be on the job prowl when summer comes around and the market gets flooded with school leavers and university graduates. So if you think competition is stiff now, think about the fact that summer will make for an even more overcrowded market - an oversupply of labour and a shortage of jobs.

So, how do you find a good job in a tight job market?

It is all about marketing yourself effectively.



**First step - Update your résumé.**

### Marketing Yourself.

Think of your **résumé** as a billboard among several hundreds on the side of a busy street. You have 30 seconds to broadcast your message and attract attention to your billboard: **What do you want people to know about you?** How will you market your experience and your talents? Paint a picture for the prospective

employer demonstrating the scope of your current and past responsibilities and the results you have achieved.

### Résumé Formats

There are two basic formats for résumés— chronological and functional. Most résumés follow one of these formats or use a combination.

In dissecting the merits of the various formats, an instructional leaflet published by American University, Washington D.C. USA notes the following:

**The chronological format** is best used when your job history shows growth and development, when you are staying in the same field, when the name of the last employer is an important consideration, when prior job titles are impressive and when you are in highly traditional fields such as accounting, banking and teaching. It is not recommended when work history has large gaps or when you have changed jobs frequently. **Begin with your most recent experience and work backward.**

**The functional format** is best used when you have a variety of

unconnected work experience and want to emphasize your skills more than your work history. It is also helpful when changing career paths. The functional format is not recommended if you are in a highly traditional field such as teaching or accounting; you have performed a limited number of functions in your work; you want to emphasize the place you have worked as opposed to the skills you possess.

### Résumé Tips

- **Proof, proof, proof your résumé. Nothing will eliminate you from an interview list more quickly than a typographical error!**
- The amount of experience you have will affect the length of your résumé. Keep in mind, however, that **the employer will only continue to the second page if you capture his attention with the information on the first page.**
- Before listing anyone as a reference, you should call him

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## Marketing

### Yourself in a Tight Job Market

first. This gives you a chance to ask his permission. Call each reference to tell him; a) who will be calling, b) what job you have applied for and c) what skills you would like him to emphasize.

Even if you are comfortably employed and not thinking about job hunting, now is still a good time to dust off your old résumé and give it an overhaul.

Updating your résumé will not only remind you of your strengths and achievements but also highlight the gaps in your skill sets that you need to address to remain relevant in the job market.

The pace of change relating to what is required in today's job market continues to move at a rapid pace. Flexibility and adaptability cultivated as a result of a willingness to pursue ongoing learning will be your key to staying hired and moving up in the ranks. You not only have to be ready to embrace change in the job market you have to pursue it. This means increasing your knowledge base.

Remember that you never know when circumstances may arise that

cause you to get laid off. Complacency in the job market is a sure path to being overlooked for a promotion or even being forced out the door. However, even in this tight job market there is still a demand for persons who are highly knowledgeable and skilled. **There is always room at the top for the highly competent and business savvy individual!**

**Second stop - Network.** On its own, your résumé, no matter how well updated, will not be enough to keep you ahead of the

pack. Business networking and connections are critical to mapping out a successful career strategy.

In his book, *Outliers - The Story of Success*, Malcolm Gladwell debunks the notion of the 'self-made man' and opines that success is not driven largely by having a skill that others do not have but rather by having the opportunity to work hard and to excel.

It follows therefore that to be successful in your career path you have to seek out those opportunities, those lucky breaks, those communities of mentors that will help guide your path to success. **SLW**

#### Sample functional résumé from the www

#### Rhonda Dolliver

87 Dearborn Avenue, Acton, TN 98543 • (324) 209-6543

##### Qualifications Summary

Administrative Support professional experienced working in fast-paced environments demanding strong organizational, technical, and interpersonal skills. Trustworthy, ethical, and discreet; committed to superior customer service. Confident and poised in interactions with individuals at all levels. Detail-oriented and resourceful in completing projects; able to multi-task effectively. Capabilities include:

- Customer Service & Relations
- Accounts Payable/Receivable
- Telephone Reception
- Word Processing & Typing
- Filing & Data Archiving
- General Accounting
- Computer Operations
- Office Equipment Operation
- Problem Solving

##### Experience Highlights

###### Administrative Support

- Performed administrative and secretarial support functions for the Vice President of a large sportswear manufacturer. Coordinated and managed multiple priorities and projects.
- Provided discreet secretarial and reception services for a busy family counseling center. Scheduled appointments and maintained accurate, up-to-date confidential client files.
- Assisted with general accounting functions; maintained journals and handled A/P and A/R. Provided telephone support; investigated and resolved billing problems for an 18-member manufacturer's buying group. Trained and supervised part-time staff and interns.

###### Customer Service & Reception

- Registered incoming patients in a hospital emergency room. Demonstrated ability to maintain composure and work efficiently in a fast-paced environment while preserving strict confidentiality.
- Conducted patient interviews to elicit necessary information for registration, accurate prioritization, and to assist medical professionals in the triage process.
- Orchestrated hotel special events and reservations; managed customer relations and provided exemplary service to all customers.

###### Management & Supervision

- Promoted rapidly from front desk clerk to assistant front office manager at an upscale hotel. Oversaw all operations including restaurant, housekeeping, and maintenance. Troubleshot and resolved problems, mediated staff disputes, and handled customer complaints.
- Participated in staff recruitment, hiring, training, and scheduling. Supervised a front-desk staff.

##### Employment History

ACCOUNTING ASSISTANT, Guardian, Inc., Gonic, IL.  
 PATIENT SERVICES REGISTRAR, Grogan Health System Hospital, Grogan, MA  
 ASSISTANT FRONT OFFICE MANAGER, Sheraton Exeter, Exeter, CA  
 RECEPTIONIST / SECRETARY, Family Counseling & Guidance Center, Griffith, CA  
 ADMINISTRATIVE ASSISTANT, Greenland Sportswear, Grant, CA

##### Education & Training

Grogan College, Exeter, CA (1988 - 1989)  
**Concentration in Business Administration**  
 Technical College, Gonic, IL (1999 - Present)  
 Hager College, Grogan, MA (1996)  
**Introduction to Computers and MS Office 2000**

##### Community Involvement

Committed to community service. Extensive volunteer history includes involvement in public schools, Habitat for Humanity, children's homes, and community soup kitchens, work with the elderly, and quilts for children with cancer.

# Exit the \$pending Highway



**“Lord I want to know what it feels like, in this life, to live a rich life, to have money...”** So chants Kittitian writer and singer Infamus. In his song “Gonna Make It” he laments about his numerous bills and pleads with the boss man for a raise...

The financial plights echoed in the song sound so familiar that many of us could have penned those same words. Many of us also see the acquisition of more money as the solution to our money problems. However, when all is said and done, our money problems cannot be solved with just having more money coming in. The solution involves an adjustment of our spending habits.

If only our money could talk we would hear repeated tales of our wanton spending; our pursuit of frivolous wants to the detriment of our needs and our financial security.

The following story **“Money Talks”** is a fictitious story about our relationship with money.



## Money Talks

**Ben Ten (\$10)**-Good day Hi-5. How are you doing? We missed you last week? What have you been up to?

**Hi-5 (\$5)** – Brother, it was a real roller coaster ride. I passed from hands to pockets to wallets to hands and then to some places you don’t want to know about. No respect for the money that makes the world go around. And if that is not bad enough, they destroy my beautiful face by writing on me like I am some piece of scrap paper. No respect I say. No respect! Sometimes I just wish I could relax for a while instead of being passed around so much. All that moving around is bound to shorten my life span.

**Señor Twenty (\$20)** - That’s what happens when you are the most popular currency...You know you circulate more than any of us.

**Dollar Coin (\$1)** - I remember when I was king of the pack. One of me, and you could buy the world...ice-cream, popcorn, sweets.

**Two cent (2¢)** - Those were the good old days, when even I was good for something besides small change. Back then you could buy sweets for two cents. Now, many persons don’t even bother to pick me up when I fall on the ground.

**Little One (1¢)** - That’s silly of them. Don’t they know the saying “*one one full basket*” which means every cent counts? Ten of me equal ten cents, a hundred of me equal a whole dollar, and a thousand of me equal ten dollars. That’s not small change.

**Señor Twenty (\$20)** - Certainly not, Little One. But persons sometimes forget that every cent counts and unfortunately, inflation happens and you get left out in the cold...or should I say on the ground.

**Little One (1¢)** – Inflation!!!! Is it the same as when a balloon inflates with air and gets bigger and bigger?

**Señor Twenty (\$20)** You are not too far off, Little One. Inflation means that prices keep increasing and increasing so you need more and more money to buy the same amount of goods from one point in time to another.

## Exit the \$pending Highway

**Two Cent (2¢)** – Yes. Penny bread no longer costs a penny, now it costs twenty-five cents.

**Dollar Coin (\$1)** And a dollar bread no longer costs one dollar it costs two dollars and fifty cents. Prices just keep on rising.

**Little One (1¢)** - So, is that why it is so important to save and earn interest on one's money? Because, one would probably need more money next year to buy the same amount of goods that he bought this year?

**Señor Twenty (\$20)** - Little One, you are spot on. I think you have a good understanding of the word 'inflation'.

But tell me Hi-5, what had you moving around so much after you left the bank?

**Hi-5 (\$5)** – Well, when I left the bank with my other currency buddies, we landed first in the wallet of this young lady who did the unwise thing of emptying her savings account to go on a shopping spree. We never got to know her name since we did not remain in each other's company for too long

but I called her "Spending Susan". Boy she could spend!

No sooner that we landed in her wallet we were out again as she shopped till she dropped for Valentine's Day... *new shoes, new clothes, new jewelry, and a new hairstyle, pedicure and manicure.* You name it she bought it.

**Little One (1¢)** - I guess she never learnt about the importance of saving.

*(Little One starts singing) 'Save for your future...Save for your future. You got to save and invest, you got to save and invest, to enjoy tomorrow'*

**Hi-5 (\$5)** - We kept shouting to the top of our security threads...I shouted until it felt like mine would burst... *'Young lady you don't need all that stuff ...focus on your needs...not your wants'*. But she was not listening. She kept on spending until there was nothing left.

**Señor Twenty (\$20)** - You know once Valentine Day passed her tune changed from "I am in love" to "Woe is me. I am so broke". *(laughter)*

**Hi-5 (\$5)** – From cash registers to wallets to back pockets and

back to cash registers was my life...On one journey I ended up among a big wad of currency buddies in the back pocket of a man called Sam. He seemed to like the bars because we spent all night there. I was payment for beer number twenty. Imagine a whole week of travel and not one stop at the grocery store to buy food, at the landlord to pay the rent, at the electricity department to pay the bill or at the investment firm to buy Treasury bills, bonds or stocks. People are not focusing on the things they need. They are just buying a lot of unnecessary wants. **When will they learn that saving and investing are the foundations of a secure financial future?**

**Little One (1¢)** – Hi-5, maybe you need to shout out this message a little louder, even if it means bursting out your serial number *(laugh)*.

**Señor Twenty (\$20)** - Well, here we are back at the bank...I wonder what this week's journey will look like.

**Hi-5 (\$5)** - (sighs) Another week of foolish spending is my bet. **SLW**

 **Quote**

I'm living so far beyond my income that we may almost be said to be living apart.

E.E. Cummings