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Financial Basics WORKSHOP



Financial Consumer
Agency of Canada

Agence de la consommation
en matière financière du Canada

Canada



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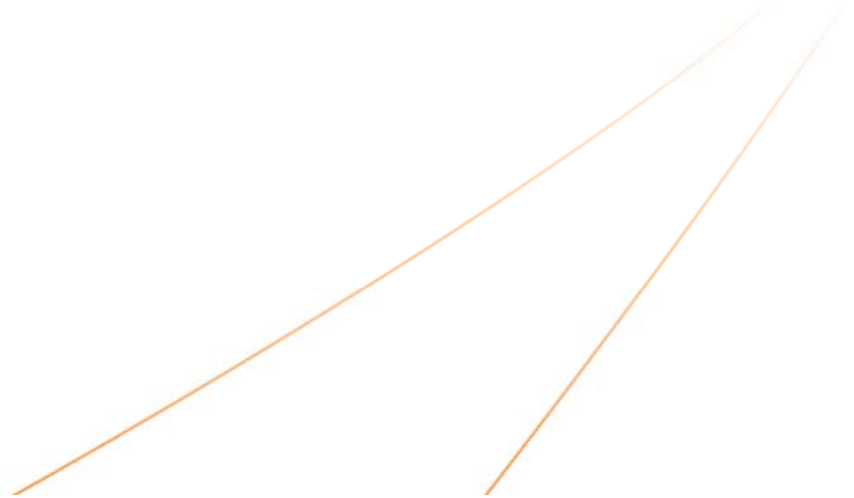
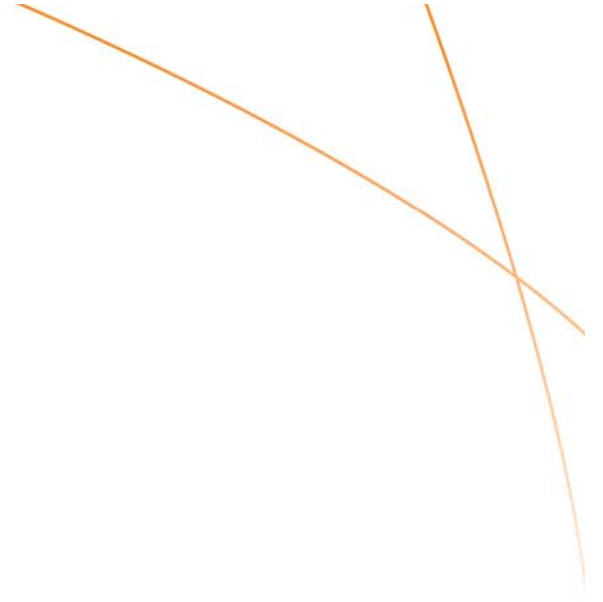
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INTRODUCTION





INTRODUCTION

What you will learn during this workshop

- How to manage your spending and prepare a realistic budget.
- Ways to save.
- How to pay off debt.
- How to invest to make your money work for you.
- How to plan to reach your own financial goal.
- How to protect yourself from fraud.



WHY LEARN ABOUT FINANCIAL LITERACY?

Benefits of being more financially literate

- Control your financial future.
- Achieve your life goals.
- Provide for yourself and your family.
- Be a smarter consumer.
- Reduce stress and sleep better at night.



ICEBREAKER ACTIVITY: STATISTICS QUIZ

The current average percentage of their income that Canadians save is:

- a) 5%
- b) 7.5%
- c) 10%



ICEBREAKER ACTIVITY: STATISTICS QUIZ

In 2010, the average household debt of Canadians was:

- a) \$26,000
- b) \$56,000
- c) \$96,000



ICEBREAKER ACTIVITY: STATISTICS QUIZ

In 2009, the total reported dollar loss by victims of identity theft in Canada was about:

- a) \$7 million
- b) \$9 million
- c) \$11 million



ICEBREAKER ACTIVITY: STATISTICS QUIZ

In 2009, the average debt:

For college graduates was:

- a) \$3,500
- b) \$8,500
- c) \$13,500

For a university graduates was:

- a) \$11,500
- b) \$26,500
- c) \$32,500



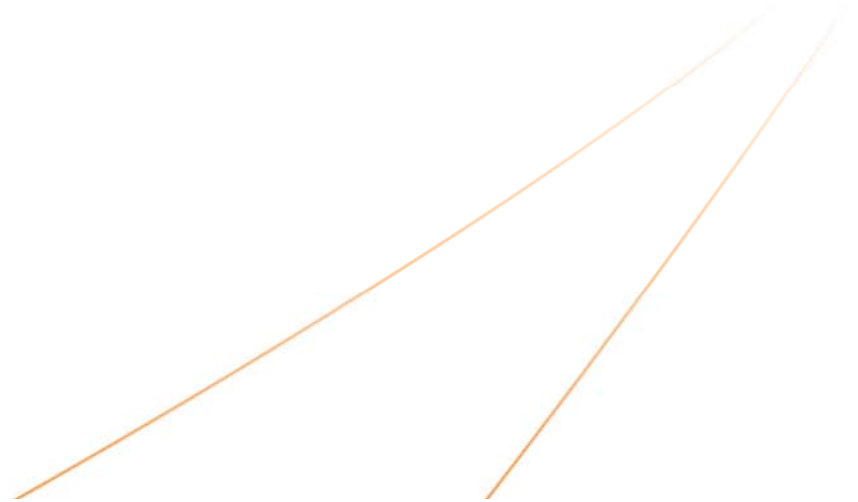
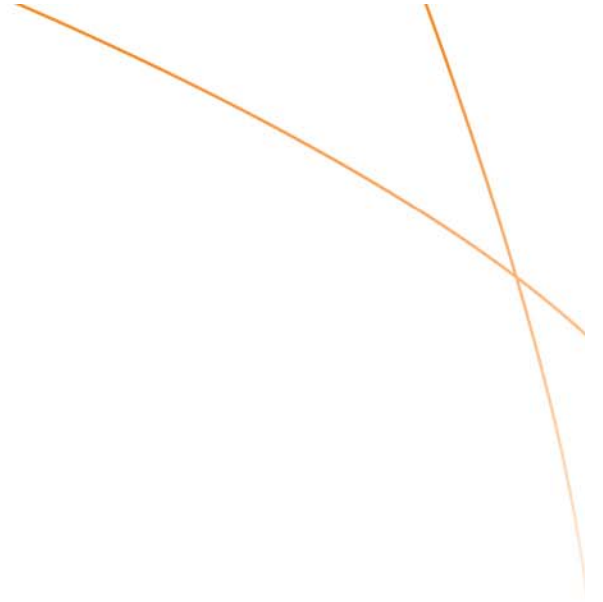
ICEBREAKER ACTIVITY: STATISTICS QUIZ

The percentage of Canadian youth whose parents are not expected to have any savings for education after high school is:

- a) 25%
- b) 35%
- c) 50%



BUDGETING





BUDGETING

Parts of a budget

- Income
- Expenses
- Difference between the two: surplus or deficit



Know what you spend

- Keep every receipt.
- Record every expense in a notebook or electronic device.
- Review bank and credit card statements.
- Do this for at least three months.
- Make a list of irregular expenses (gifts, donations, car or home repairs, vacations).
- Total your expenses at the end of the month.



Monthly income

Monthly Income

Average monthly income from employment after deductions OR choose one from the following list and enter the typical monthly income

Food and beverage servers	\$ 911
Cooks	\$1,187
Early child educators and assistants	\$1,141
Musicians and artists	\$1,365
Retail salespersons and clerks	\$1,420
Hairstylists and barbers	\$1,027
Sales and service occupations	\$1,395
Dental assistants	\$1,439
Bookkeepers	\$1,568
Graphic art technicians	\$1,820
Construction trades workers	\$1,720
Banking, insurance and other financial clerks	\$1,583

Other sources of income (gifts, tax credits, investments, student loan or family, etc.)

Total monthly income



Monthly expenses

Fixed vs variable expenses

Monthly expenses – Fixed expenses

Housing	\$355 – 1,090
Car payments	\$220 – 1,305
Other loan payments	\$0 – 275
Insurance (car, home, travel, etc.)	\$10 – 380
Utilities (electric, gas)	\$70 – 90
Telecommunications (cable, Internet, telephone, cell phone, long distance, voice and data roaming charges)	\$30 – 260
Child care	\$240 – 710
Other	
Total fixed expenses	

Monthly expenses – Variable expenses

Groceries	\$165 – 275
Eating out	\$55 – 275
Household expenses (cleaning, maintenance, furniture)	\$55 – 165
Computer (hardware, software, accessories, supplies)	\$90 – 275
Pets	\$25 – 165
Transportation (transit, gas, car maintenance, etc.)	\$30 – 220
Health care (medical services plan, dental, glasses/lenses, medication)	\$35 – 120
Clothing and footwear	\$50 – 200
Personal care (toiletries, hair care, make-up, laundry)	\$45 – 130
Recreation (movies, games, VD/videos, clubs, concerts, sports, etc.)	\$60 – 300
Travel	\$40 – 275
Gifts and charitable donations	\$30 – 220
Education (post-secondary tuition, books, fees, etc.)	\$435 – 820
Other	\$5 – 75
Savings	\$0 – 275
Total variable expenses	

Total monthly expenses



Net surplus or deficit

Difference between total monthly income and total monthly expenses =

Net surplus _____

OR

Net deficit _____



MANAGING YOUR
COST OF LIVING –
BE A SMART
CONSUMER



Areas for saving

- Check your bills.
- Negotiate better plans (banking fees and services, telephone, cell phone).
- Pack a lunch.
- Consider whether you need to own a car, a home or the latest high-tech gadget.



**Check
your bills**

- Spot mistakes and overcharges.
- Pay less in late fees, interest and penalties.
- Get errors corrected before it's too late.



Negotiate better plans

Call each service provider and ask:


- How can I cut back my monthly bills?
- Am I currently on any plans?
- Do you have a better plan or deal for me?
- If so, what is the timeframe?
- Will I be put on contract for any new deals?
- Can I bundle services to save money?
- Can I avoid interest or late payment penalties?



**Reduce
banking
costs**

- What am I paying in monthly service charges?
- How much am I paying for ATM fees?
- Can I save by doing more banking online?
- Am I eligible for a low-fee deal if I'm a student?
- Can I get a reduced fee if I keep a minimum balance?
- Can you suggest a better plan for me?

Banking Tools



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BANKING TOOLS [Share this page](#)

Our interactive tools make it easy to compare features for different accounts, including interest rates and how you can use the account.

BANKING PACKAGE SELECTOR TOOL




Which chequing account is right for you?

Compare features and find the chequing account that best suits your needs.

[Rate this interactive tool](#)

SAVINGS ACCOUNT SELECTOR TOOL




Which savings account is right for you?

Compare interest rates and other features of different savings accounts

[Rate this interactive tool](#)

BANK BRANCHES CLOSURES TOOL



Is your bank branch closed?: A searchable list of branch closures in Canada



**Compare
phone
costs**

- What am I paying for land line and cell phone?
- How much do my long-distance calls cost?
- Can I bundle services together to save?
- Can I switch suppliers to save money?
- Do I have a contract? When does it expire?
- Have I called suppliers to ask how to cut costs?



**Bundling
services
pays
big-time**

- You pay \$25/month for home phone, \$30 for cell phone, \$35 for Internet and \$40 for cable TV = \$130
- Example of bundling discounts:
 - Combine 2 services, save 5%
 - Combine 3 services, save 10%
 - Combine 4 services, save 15%
- Save 15% of \$130 = \$19.50 per month



**How to
save on
food**

- Eat breakfast at home.
- Bring your lunch, drinks and snacks (and coffee).
- “Veg out” on meatless meals once a week or more.
- Cook one big dish on weekends and freeze.
- Shop with a buddy at discount supermarkets and split quantities.
- Set a budget and stick to it.
- Bring a list and don’t shop on an empty stomach.



**Do you
really need
a car?**

- Add up the real costs of ownership (gas, insurance, depreciation, interest and maintenance).
- Check out Driving Costs brochure www.caa.ca, select Public Affairs.
- Try the Lease or Buy Calculator www.ic.gc.ca, select For Consumers and click Money, Credit and Debt.
- Check out Where can I find car sharing? www.carsharing.ca, click City List.



**When
owning a
home
doesn't
make
sense**

- When you move frequently:
 - It takes at least 5 years to make it worthwhile.
- If you have a very low down payment:
 - You'll need mortgage default insurance.
 - You may have a higher interest rate.
- When your income covers only mortgage payments and taxes.



Can you afford it?

- Try it out:
 - Put the monthly costs of owning a home (mortgage, property taxes, maintenance, etc.) into a savings account.
 - Can you afford to live on what's left?
 - Could you afford higher costs for heating, taxes or insurance?
- Use a Buy or Rent calculator:
 - www.ic.gc.ca, select For Consumers and click Money, Credit and Debt
 - www.getsmarteraboutmoney.ca/tools-and-calculators/rent-vs-buy/default.aspx



How to cut \$100/month of spending

Category	Behavior change	Daily saving	Weekly saving	Monthly saving	Annual saving
Food	Take lunch 3 x week	\$5/day (\$8 saved – \$3 cost)	\$15	\$60	\$720
Transportation	Take transit, not car, once a week	\$13 (\$12 parking + \$3 gas – \$2 transit fare)	\$13	\$52	\$624
Cell phone plan	Pay as you go vs. monthly	\$1 (\$55/mo. – \$25 = \$30)	\$7	\$30	\$360



MANAGING YOUR
COST OF LIVING –
NEEDS AND WANTS



**What is
your latte
factor?**

“We’ve all got a latte factor, regardless of our income level.” – David Bach

- Designer coffees
- Lunch in restaurants
- Impulse buys
- The latest, greatest [fill in the blank]



**Questions
to ask
yourself**

- When does a want become a need?
- What motivates you to buy – advertising, friends, trendy styles?
- Does the urge to buy die the next day?
- Do your purchases make you happier?
- What “needs” are now collecting dust?
- What can you learn to live without?

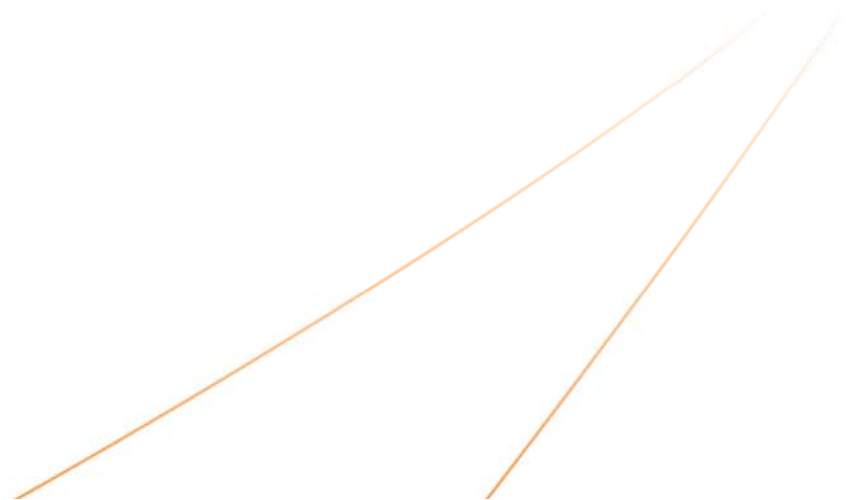
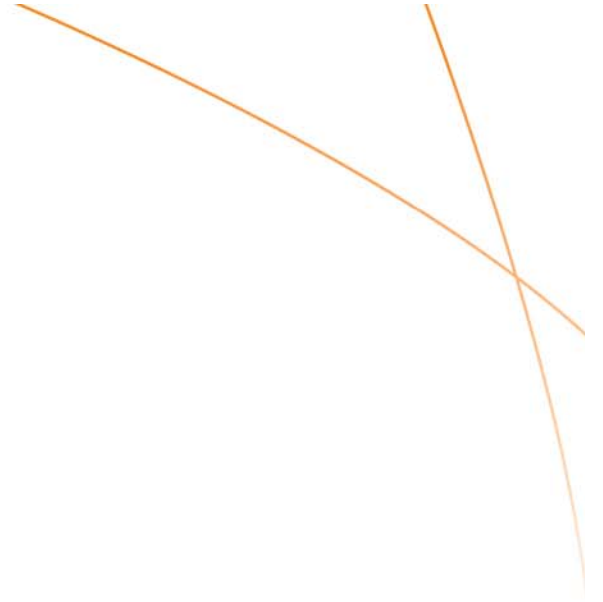


Reduce impulse buying

- Avoid trips to stores and shopping malls and online buying sites.
- Pay cash or cheque for purchases and only carry the cash you are willing to spend.
- Reduce available credit on your credit card and line of credit.
- Leave credit cards at home.
- Sleep on it and see if you still want it the next day.
- Take baby steps and cut costs by increments.



CREDIT AND DEBT MANAGEMENT





Paying your credit card bill just a couple of days after the due date won't affect your credit report.

True or false?



All credit cards have the same grace period (also known as an interest-free period).

True or false?



Last month, your credit card balance was zero. This month, your statement shows that you made a \$500 purchase. If you pay off \$400 by the due date, you will be charged interest only on the \$100 left to pay.

True or false?



If you use your credit card to take money out as a “cash advance,” you don’t have to pay interest on the amount you’ve withdrawn as long as you pay your credit card bill in full by the due date on your statement.

True or false?



Without a good credit history...

- A. Your bank may charge you higher interest rates on a personal loan for a car, house, etc.
- B. Your bank may refuse to give you a loan.
- C. You might not be able to get a lease on an apartment.
- D. A and B only.
- E. All of the above.



**How to
stay out of
trouble**

- Pay the balance in full each month.
- If you can't pay it in full, pay as much as you can.
- Don't make only the minimum payment.
- If you always carry a balance, get a low-rate card.
- Transfer the balance to a line of credit with a lower rate.
- Pay a few days *before* the due date.



Minimum vs. fixed payments

- Initial balance: \$3,000
- Interest rate: 18%

	Make minimum payments of 2.5%/month	Make fixed payments of \$100/month	Difference
Time to pay off balance	263 months	41 months	222 months
Total interest paid	\$4,115.41	\$1,015.49	\$3,099.92



Tips for managing debt

- Shop around.
 - Compare interest rates. Don't accept your first offer.
- Keep within your budget.
 - Borrow only what you can afford to pay back regularly and on time.
- Pay back more and pay more often.
 - Additional payments mean you'll pay it off sooner and pay less interest.



- Canada Student loans**
- For students in financial needs
 - Interest-free while you are enrolled in post-secondary education
 - Become payable 6 months after you leave you studies
 - Apply for this federal support through your provincial or territorial student assistance office
 - For more information, visit www.Canlearn.ca



Student Debt Calculator

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Text Size **AA** **A** **A** Print Like Tweet

When will I be able to pay back my student loan?



This calculator compares three different plans for paying back your student loans. By filling in different information for each option you can see which scenario best fits your repayment goals.

Option 1 | Option 2 | Option 3

Name of loan:

Total amount of loan: \$

Type of loan: Government-sponsored

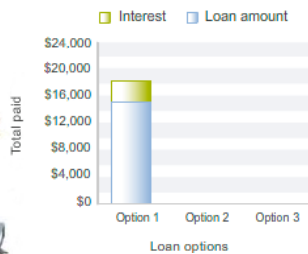
Yearly interest rate: %

Payback period: Yrs

Monthly payment amount: \$

CALCULATE

Results: Option 1 will save you the most amount in interest. It will take you 10 years to pay back this loan. Consider that interest paid on government sponsored loans generates a tax credit. Interest paid on commercial loans does not.



	Option 1	Option 2	Option 3
Monthly payment:	\$151.87	\$0.00	\$0.00
Total payable:	\$18,224.06	\$0.00	\$0.00
Payback period:	10 Yrs	1 Yr	1 Yr
Total interest:	\$3,224.06	\$0.00	\$0.00

DETAILED RESULTS **PRINT**

*Calculation results are approximations and for information purposes only. [View assumptions here.](#)



Getting a copy of your credit report is:

- a) A good way to check for identity theft
- b) The only way to know if your report is accurate
- c) Free of charge, if you request the report be sent to you by mail
- d) All of the above



If you have applied for several credit cards or other forms of credit within a short period of time, this could have a negative impact on your credit score.

True or false?



Which of the following does *not* affect your credit score?

- a) Your payment history – whether you have ever missed a debt payment
- b) Any collection of bankruptcy that has been recorded against you
- c) Your history of repaying informal loans from family or friends
- d) Any outstanding debts you have
- e) Your account history – how long you have had credit, and the type of credit you have



Recognize the danger signals

- You use your credit cards as a necessity instead of a convenience.
- You use credit or cash advances for your daily living expenses.
- You miss payments or due dates.
- You're near the credit limit on most of your cards.
- You borrow from one card to pay another.
- You transfer balances every few months just before the introductory offer expires.

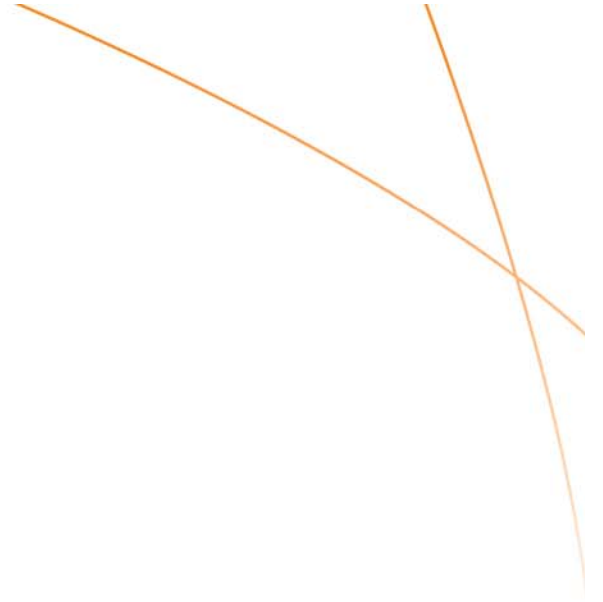


Take control of your debt

- Use savings to pay off balances.
- Pay down your highest interest rate debts first.
- Switch to less expensive credit cards.
- Call creditors to negotiate for lower rates.
- Start automatic/online bill payment to stay on schedule.
- Leave your credit card at home.
- Avoid “buy now, pay later” offers.
- Get a consolidation loan to make one low-interest payment.



SAVING AND INVESTING





**Why save
for the
future?**

- Feel more secure and in control.
- Be prepared for emergencies.
- Reduce stress and conflict.
- Spend with less guilt or fear.
- Afford major purchases.
- Pay off debt and avoid new debt.
- Retire comfortably.



**Make your
goals
specific**

- Set a dollar amount and deadline.
- Break your goal into smaller goals.
- Write down your goal and post it where you can see it every day.



- Savings**
- Set up an emergency fund.
 - Pay yourself first.
 - Make savings automatic.
 - Grow your savings.

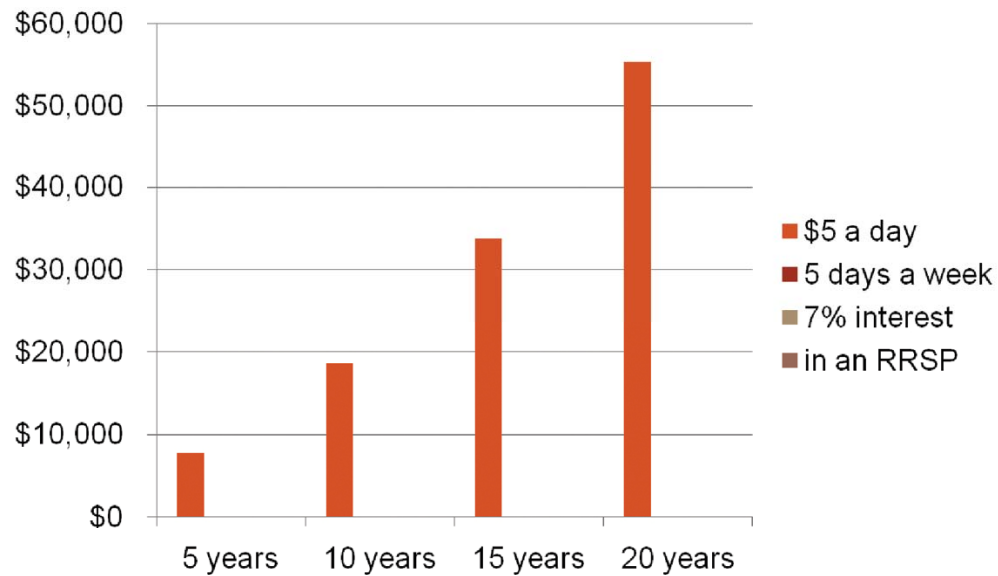


Make your savings automatic

- Set up direct debits from your bank account or paycheque.
- Save 5% to 10% of your take-home pay.
 - If you earn \$2,000 a month after tax:
 - Saving 5 percent = \$100 a month = \$1,200 a year.
 - Saving 10 percent = \$200 a month = \$2,400 a year.
- Extra money (from gifts, tax refunds, etc.) or a raise? Save it.



Compounding makes your money grow





SAVING AND INVESTING



Actions	Amy	Amanda
Starts saving at:	20	30
Puts \$1,000 a year into her RRSP to age:	34	64
Total she saved:	\$15,000	\$35,000
Total she earns at age 65:	\$141,700	\$116,100



Actions	Amy	Amanda
Total she earns at age 65:	\$141,700	\$116,100

Conclusion:

- Start saving as soon as possible (the sooner is better)
- Save as long as you can (for a long period of time)

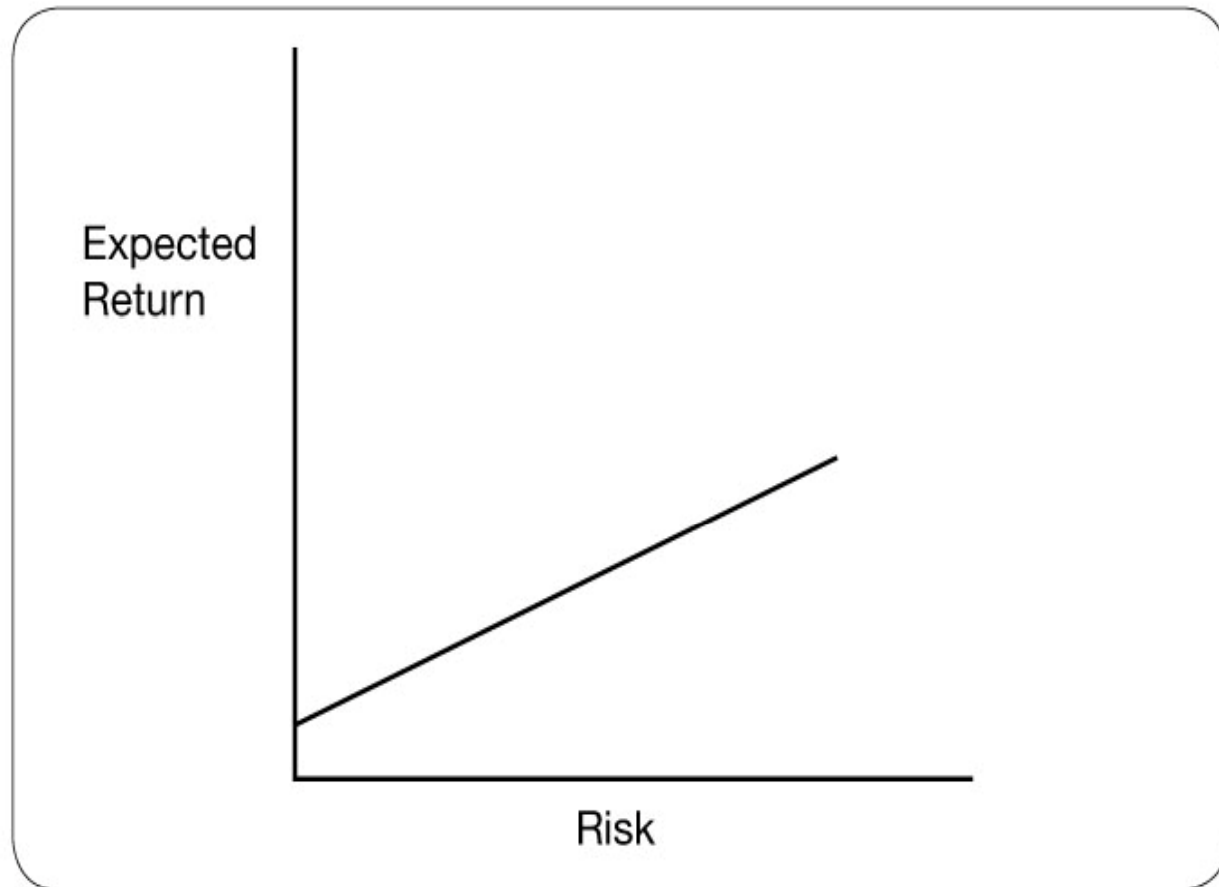


Rule of 72: Time it takes to double your money

Interest rate	Your money doubles in:
2%	36 years
4%	18 years
6%	12 years
8%	9 years
10%	7.2 years
12%	6 years



Risk and return





Four types of investment

- Investments that pay interest (savings accounts, CSBs, GICs, etc.)
- Shares in a company (stocks, mutual funds that invest in stocks, etc.)
- Property (real estate, art, precious metals, etc.)
- Direct investment in a business



Savings Account Investor Tool


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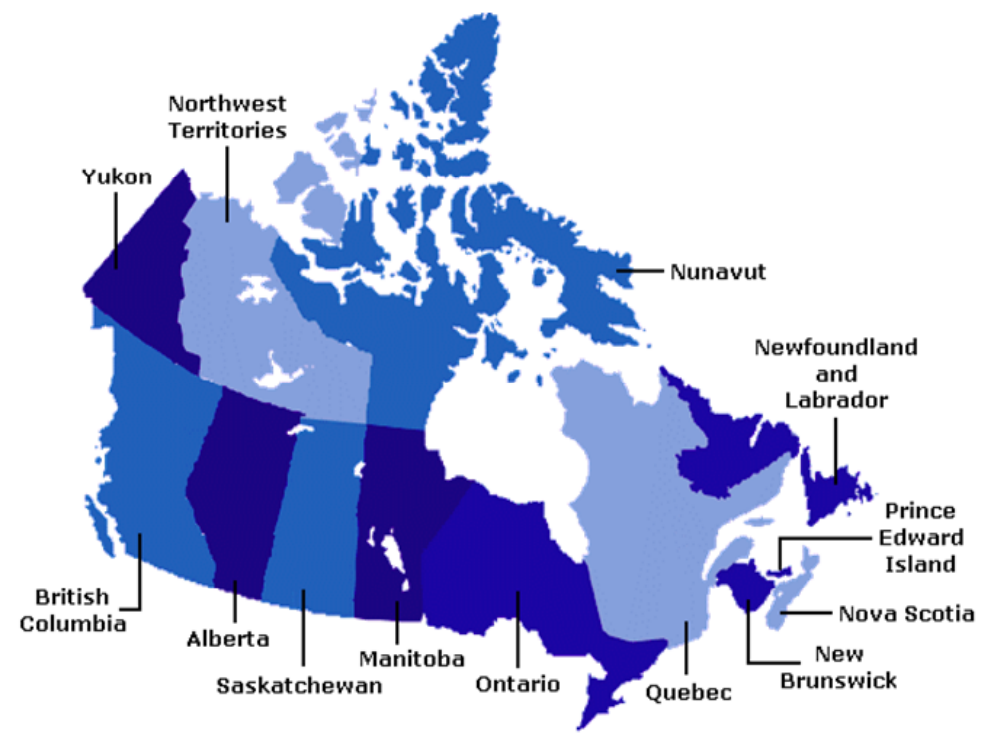
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SAVINGS ACCOUNT SELECTOR TOOL

STEP 1 OF 3

Choose your province or territory



[\[Alberta\]](#)
[\[British Columbia\]](#)
[\[Manitoba\]](#)
[\[New Brunswick\]](#)
[\[Newfoundland and Labrador\]](#)



Canada Savings Bonds

- Available from early October to December each year
- Opt for regular or compound interest
- Buy online, where you bank or invest, or at your workplace through payroll deduction
- Canada Savings Bonds:
 - Cashable any time, but no interest paid if cashed within first 3 months
- Canada Premium Bonds:
 - Cashable only once a year but pay more



- GICs**
- Your money is locked up for a period of time, ranging from less than 1 month to 10 years.
 - Generally, the longer the term, the higher the rate of interest.
 - Traditional GICs: principal and return are guaranteed.
 - “Market-linked” GICs: principal is guaranteed, but returns are linked to a stock market index, so they fluctuate.
 - You can also get cashable GICs; more flexible but with lower rates.



- Stocks**
- Shares in a company; you are partial owner of the company.
 - Share prices and returns can be positive or negative.
 - No guarantee of income: you could lose your whole investment.
 - Traded on stock exchanges or over-the-counter markets.
 - Stocks have outperformed other investment options by a wide margin over periods of 10 years or more.



Why invest in mutual funds?

- Professional management
- Diversification: your money is spread over several investments
- Ease of access: you can generally sell any time
- Readily available through most financial institutions



**Questions to
ask a
prospective
financial
advisor**

- What is your background, experience and track record?
- Is your firm registered with a securities commission or other formal body?
- What can you do for me? Provide advice only, sell products, help me build a financial plan?
- What products do you sell?
- How do you get paid?
- How do you work with your clients?
- Can you provide references?



**The three
knows**

- Know yourself: your investment goals and timeline, your risk tolerance.
- Know your investment: is it right for you?
- Know your advisor.

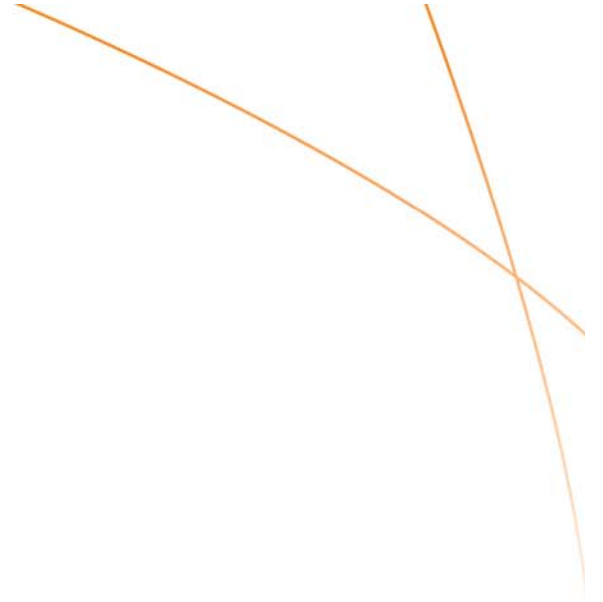


Registered tax plans

- Tax-Free Savings Accounts (TFSA): earn income from investments without paying taxes on the income
- Registered Retirement Savings Plans (RRSPs): defer paying income tax until retirement
- Registered Education Savings Plans (RESPs): shift the tax to a student
- Registered Disability Savings Plans (RDSPs): shift the tax to someone with a disability



FINANCIAL PLANNING





Budget and financial plan

Budget	Financial plan
does not set out goals	states a goal
shows current income and current expenses	shows expected future income and expected future expenses
shows sources of income and allocation of expenses	shows how income and expenses will be organized over time to achieve objectives
doesn't include present or future assets	shows investments, savings and other assets that are available or will be generated or acquired
doesn't include debts, such as loans	shows loans that may be required
doesn't include steps to be taken	shows steps that will be needed to meet financial goals



How can a financial plan help you?

- Minimize your taxes.
- Cover insurance needs.
- Buy a home and pay off the mortgage quickly.
- Fund your children's education.
- Optimize employee benefits and pensions.
- Save and plan for retirement.
- Fund long-term health issues.
- Care for elderly parents.
- Manage estate planning and how to transfer wealth in families.



FINANCIAL PLANNING

1. What do I want to do?

My financial goal is to:

Total amount needed for this goal: **A**

2. What will I be starting out with?

Assets

My savings	<input type="text"/>
My investments	<input type="text"/>
My other assets	<input type="text"/>
My scholarships/bursaries	<input type="text"/>
My student loans (the money I'll get)	<input type="text"/>
RESP in my name	<input type="text"/>
Contributions from family and friends	<input type="text"/>
Other	<input type="text"/>
My total assets	<input type="text"/> B

Debts

My credit card balances	<input type="text"/>
My student loans (the money I'll owe)	<input type="text"/>
My car loan	<input type="text"/>
My bank or other loans	<input type="text"/>
My other debts (money owed to family and friends)	<input type="text"/>
My total debts	<input type="text"/> C

My net worth (total assets minus total debts) **D=(B-C)**

**Needed to reach my goal
(Total needed minus net worth)** **E=(A-D)**



FINANCIAL PLANNING

3. What will my yearly income be?

Tip: Don't include scholarships, bursaries, loans, gifts or similar one-time receipts of money. List them as Assets in Part 2.

Income after deductions	
Income from investments or other sources	
On-going financial support from family	
Total Yearly Income	F

4. What will my yearly expenses be?

Fixed	
Housing	
Car payments	
Other loan payments	
Insurance	
Car	
Home or contents	
Other (e.g.: travel medical)	
Utilities (electricity, gas)	
Telecommunications (cable, Internet, telephone, cellphone)	
Other	
Total fixed expenses	\$
Variable	
Food	
Groceries	
Eating out	
Household (cleaning, maintenance, furniture)	
Computer (hardware, software, accessories, supplies)	
Health care (medical insurance, dental, glasses/lenses, medications)	
Childcare	
Pets	
Transportation	
Car (gas, maintenance, repairs)	
Public transit	
Clothing	
Personal care (toiletries, hair care, make-up, laundry, etc.)	
Recreation (movies, games, music, DVD/ videos, clubs, concerts, sports, etc.)	
Travel	
Gifts and charitable donations	
Education, lessons, etc.	
Tuition, fees	
Books, supplies	
Other	
Savings	
Total variable expenses	\$
Total yearly expenses	G



FINANCIAL PLANNING

5. Will I have enough money to meet my goals?

Income	from F	<input type="text"/>	
Expenses	from G	<input type="text"/>	
Difference		<input type="text"/>	H

If the difference is a positive number, you can add it to your savings.

Savings available to meet my goal:	from H (if positive)	<input type="text"/>	I
Years required to meet my goal:		<input type="text"/>	J

If the difference is a negative number, or if the time needed to reach your goal is too high, you have a few options:

- 1) Cut back! Reduce your expenses and adjust Step 4.
- 2) Push on! Work more to earn more money and adjust Step 3.
- 3) Use your resources! Try the funding strategies in Step 6.

6. What can I do to get the extra money I need?

Use the assets listed in Step 2

- Ask family for support
- Use my scholarships and bursaries
- Use my student loan
- Use my savings
- Use my RESPs and other investments
- Earn additional income in part-time or full-time employment
- Earn income from self-employment
- Apply for additional scholarships, bursaries or student loans
- Apply for a bank loan or line of credit

Amount

<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
<input type="text"/>			
Total	\$	<input type="text"/>	K

Years required to meet my goal now:	<input type="text"/>	L
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Tip: If your resources are greater than your excess expenses, decide which resources you'll use first.



FINANCIAL PLANNING

7. What could go wrong?

Use this checklist to think ahead about possible problems and how you'd solve them.

How will I make sure I don't miss any important dates and deadlines?

What will I do if the cost of tuition or some of my other expenses go up a lot?

What will I do if I don't meet my savings goal?

Do I have an emergency fund for unplanned expenses?

Do I have enough insurance?

How will I make money if my job falls through or if I am sick?

Who can I call for emergency advice if things don't work out?

What other problems might come up?

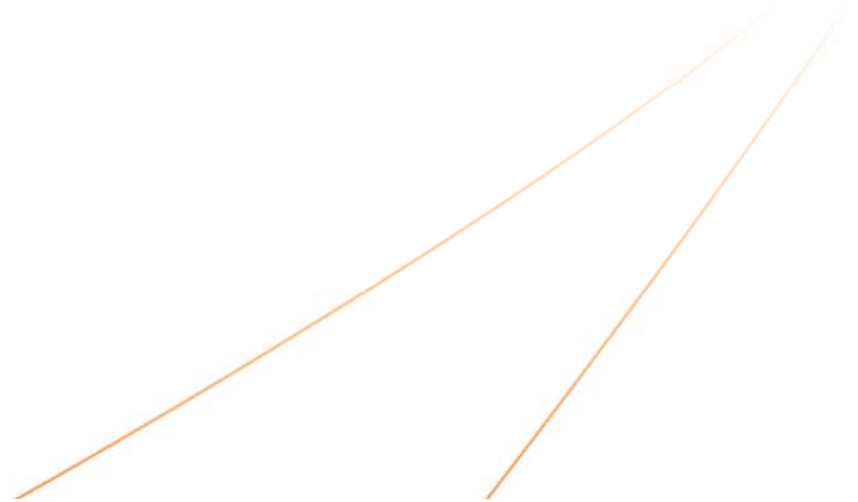
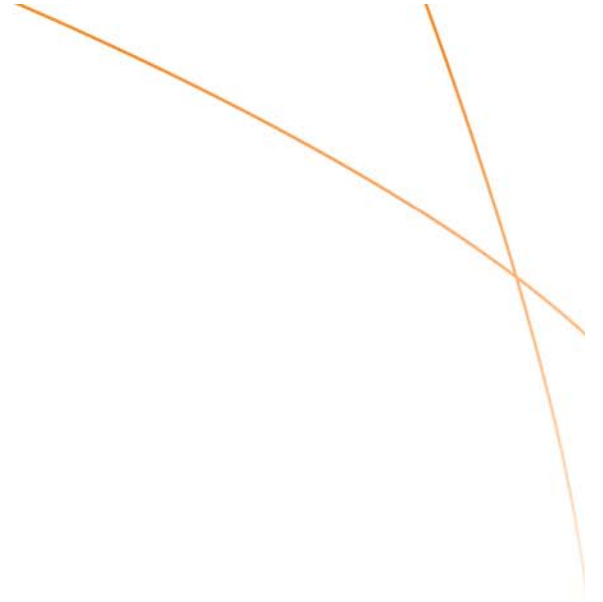
8. How do I keep my plan up-to-date?

To keep my plan up-to-date, I will:

I'll review it and revise it on [date] of each year.



PROTECTING YOURSELF





Identity theft statistics

- 4 million North Americans fell victim to identity fraud
- Average loss to identity fraud: \$1,086
- Average loss per phishing attack : \$1,244
- Scholarship and loan scams: more than \$100 million
- Average loss from a scholarship or loan scam: \$263



Transfer of fund scam

THE SOURCE OF THIS FUND IS AS FOLLOWS; DURING THE LAST MILITARY REGIME HERE IN NIGERIA, THE GOVERNMENT OFFICIALS SET UP COMPANIES AND AWARDED THEMSELVES CONTRACTS WHICH WERE GROSSLY OVER-INVOICED IN VARIOUS MINISTRIES. THE PRESENT CIVILIAN GOVERNMENT SET UP A CONTRACT REVIEW PANEL AND WE HAVE IDENTIFIED A LOT OF INFLATED CONTRACT FUNDS WHICH ARE PRESENTLY FLOATING IN THE CENTRAL BANK OF NIGERIA READY FOR PAYMENT.

HOWEVER, BY VIRTUE OF OUR POSITION AS CIVIL SERVANTS AND MEMBERS OF THIS PANEL, WE CANNOT ACQUIRE THIS MONEY IN OUR NAMES. I HAVE THEREFORE, BEEN DELEGATED AS A MATTER OF TRUST BY MY COLLEAGES OF THE PANEL TO LOOK FOR AN OVERSEAS PARTNER INTO WHOSE ACCOUNT WE WOULD TRANSFER THE SUM OF US\$21,320,000.00 (TWENTY ON MILLION, THREE HUNDRED AND TWENTY THOUSAND U.S. DOLLARS). HENCE WE ARE WRITING YOU THIS LETTER. WE HAVE AGREED TO SHARE THE MONEY THUS; 1. 20% FOR THE ACCOUNT OWNER. 2. 70% FOR US (THE OFFICIALS) 3. 10% TO BE USED IN SETTLING TAXATION AND ALL LOCAL AND FOREIGN EXPENSES. IT IS FROM THE 70% THAT WE WISH TO COMMENCE THE IMPORTATION BUSINESS.

PLEASE, NOTE THAT THIS TRANSACTION IS 100% SAFE AND WE HOPE TO COMMENCE THE TRANSFER LATEST SEVEN (7) BANKING DAYS FROM THE DATE OF THE RECEIPT OF THE FOLLOWING INFORMATION BY TEL/FAX; 234-1-7740449, YOUR COMPANY'S SIGNED, AND STAMPED LETTERHEAD PAPER THE ABOVE INFORMATION WILL ENABLE US WRITE LETTERS OF CLAIM AND JOB DESCRIPTION RESPECTIVELY. THIS WAY WE WILL USE YOUR COMPANY'S NAME TO APPLY FOR PAYMENT AND RE-AWARD THE CONTRACT IN YOUR COMPANY'S NAME.



Lottery scams

UK-LOTTO Headquarters:

Customer Service
580 N. Tenth Street, CA 85914
Arena Complex Km 18 Route de Rufisque
I.P.P. Award Dept.
Johannesburg, South Africa.
Ref: UK/9420X2/68
Batch: 074/05/ZY369

WINNING NOTIFICATION:

We happily announce to you the draw of the UK-LOTTO Sweepstake Lottery International programs held on the 27th of February, 2004 in Johannesburg, South Africa. Your e-mail address attached to ticket number: 564 75600545 188 with serial number 5368/02 drew the lucky numbers: 19-6-26-17-35-7, which subsequently won you the lottery in the 2nd category.

You have therefore been approved to claim a total sum of US\$2,500,000.00 (Two Million, Five Hundred Thousand United States Dollars) in



**Phishing
emails
and
phony
Web
pages**

BANQUE ABC

1-800-ABC-BANQ

To: John Dorman
From: ABC Bank <info@abcbank.com>
Subject: ABC Bank Security Breach – Immediate action required

Dear Client,

Due to a recent security breach in the ABC Bank computer systems, we are asking all customers to immediately update their client profile using the link below and immediately report any unnoticed information changes, unexplained funds depletion or the likewise. Rest assured that we have the safety and privacy of our customers as our top priority but please help us by following the instructions below:

Update and verify your information by clicking the link below:
<https://update.abcbank.com>

If your account information is not updated within 48 hours, then any complaints will be dealt with as a separate incident from this security breach. Please update your profile as soon as possible.

The ABC Bank Team
This is an automatic message. Please do not reply.



Items for sale over-payment scam

Hello Mr. (edited by Roadfly to protect identity)

Good to hear from you and thanks for the mail, my client who said he's interested in your vehicle has promised to be buying it and will be issuing a certified cashier's cheque of \$32, 500 and you deduct the amount of your vehicle which is \$24, 000 after which you will send the difference \$8,500 via Money Gram money transfer to my P.A. here in Europe to settle our shipper to book us for their cargo and also pay for the insurance, she would be coming over to your place to pick the vehicle up and get it transported to the Europe and also to sign all require documents.

To bring to your attention, it only takes (24HRS) for the certified cashier's cheque to get in the US, so I will like you to get the cheque cashed the same day it's presented on the counter and I will also like to know if I can count on you to send the difference of the money to my P.A. as soon as the cheque get to you and verified. To make things fast and convenient for the both us, I will like you to give me the exact name you want on the check...Your mailing address...(Street, City, State and zip code) and your Phone # so I can forward it to my associate, so he could start with the procurement of the cheque and won't mind to engage is a long lasting business relationship.

Thanks and hope to hear from you soon.

Best Regard,

Madida



**Signs of
bogus
job ads**

- Offer considerable pay with few to no duties
- Promise payment of wages in cash
- Contain no physical address or contact person
- Require you to open a new bank account or accept company cheques to “test” a wire transfer service



Protect yourself

- Don't share personal information freely.
- Destroy documents with personal information.
- Keep your wallet or purse safe.
- Don't carry ID you don't need (such as SIN).
- Lock your household mailbox if possible.



**Protect
yourself,
cont.**

- Limit the number of credit cards you hold.
- Check your credit report once a year.
- Make sure websites are secure before transmitting personal information.
- Delete emails that ask for personal information.
- Keep computer firewalls and spyware up-to-date.



Protect yourself, cont.

- Keep your computer passwords safe.
- Don't give telemarketers personal information.
- Destroy old documents that contain identity information.
- Be skeptical – if an offer sounds too good to be true, it is!
- Save paper bank records for at least a year.

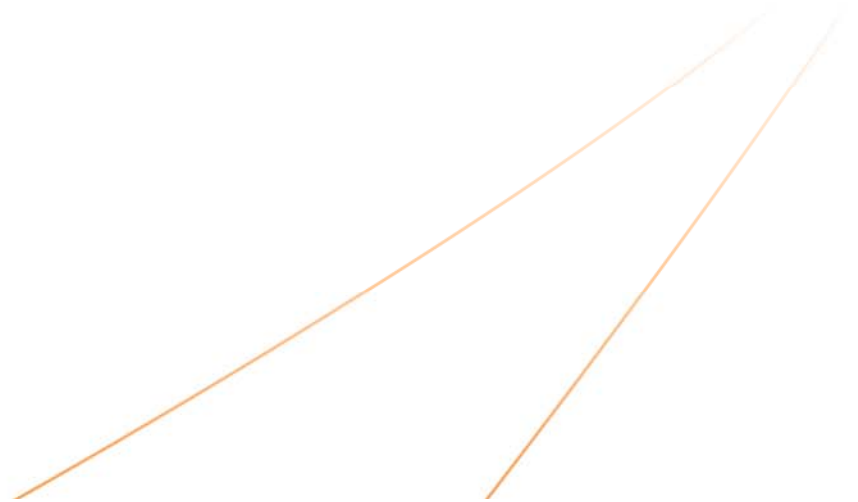
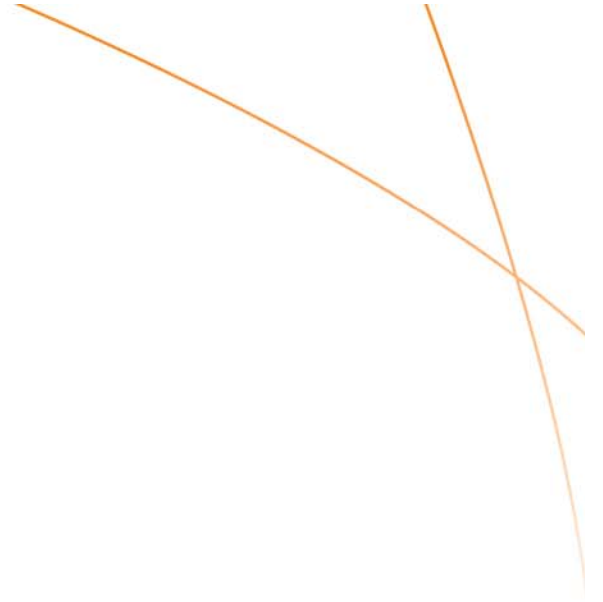


What to do

- Contact your financial institution immediately.
- Notify Canada's credit bureaus (Equifax Canada at www.equifax.ca and TransUnion Canada at www.transunion.ca).
- Notify your local police as soon as you are aware of it.



SUMMARY AND WRAP-UP





What have we learned?

- Keep track of your income and your expenses in a budget.
- Save money by questioning your bills and reducing your “latte factor.”
- Pay yourself first with automatic savings.
- Start an emergency fund.
- Shop around for the best banking accounts.
- Pay all debts on time and in full, if possible.
- Set clear savings goals.
- Find a licensed financial advisor for long-term investment guidance.
- Use RRSPs and TFSAs to let your savings grow tax-free.
- Secure your identity and avoid identity theft.



FEEDBACK

Please complete the participant evaluation form that is included in your participant handbook