

## FDIC CONSUMER NEWS

### Taking Your Money on a Trip: Safe Travels Financially

Your suitcase is packed, you've got your travel itinerary, and you're prepared for the weather where you are going. But are you all set financially? Unless you have taken the time to consider your money needs, including safety precautions, that pleasure or business trip could turn into a big disappointment and a major expense. *FDIC Consumer News* offers the following suggestions before you leave.

**Decide on the amount of cash you may need.** You may want to take some cash to pay for small purchases where credit cards may not be accepted. But for your own security, it's not a good idea to take a lot of cash anywhere. If your cash is lost or stolen, you cannot replace it.

**Take a couple of credit cards.** They are generally widely accepted (even in other countries), easy to replace if lost or stolen, and your maximum legal liability for unauthorized use is \$50 per card. "Just as when you are not travelling, it is best not to carry any more cards than what you expect to use, in case you lose your wallet," advised Luke W. Reynolds, Chief of the FDIC's Outreach and Program Development Section. And, Reynolds suggested taking two credit cards, each with a different payment network logo on the front, such as American Express, Discover, MasterCard or Visa. That is to increase the likelihood, particularly when you are travelling internationally, that you can pay with plastic if a merchant doesn't accept cards licensed or issued by a certain payment network you want to use.

Note: Using your credit card at an ATM or in a bank to get a cash advance can cost you substantial fees.

**Consider other alternatives to cash.** Debit cards, which can be used at stores and at ATMs, deduct funds automatically from a bank account. Prepaid debit cards, which are generally not linked to your bank account, allow you to load a specific amount of money on the card for purchases and ATM cash withdrawals. With these or other alternatives, research the potential costs, limitations on their use, and your protections if they are lost or stolen.

**Don't flaunt your cash, bank cards, jewelry or other valuables.** "When you travel, modesty is not only the best policy, it may also deter a robber," said Michael Benardo, manager of the FDIC's Financial Crimes Section. If possible, leave your jewelry and other valuable items in a safe deposit box at your financial institution or leave expensive items at home. Pickpockets thrive in certain communities, so don't ever leave your purse, wallet or keys out in the open. Consider hiding extra money under removable insoles in your shoes and putting your credit card in your inside pocket or a waist pack under your shirt or jacket. "You could take a backup or 'emergency' credit card with you, but make sure to lock it up in the hotel safe," Benardo added. In general, it makes sense to keep your cash, cards, wallets and passports in separate places. If you have a travel companion and you share the same credit card accounts, it may be a good idea to carry one card each

from different accounts so you can avoid losing all your cards at once.

**Pay your bills before you go, especially if you're going to be away for two or more weeks.** Doing so will eliminate hassles when trying to pay bills from the road, which could include finding a secure Internet connection to log into your financial accounts. You'll also avoid the risk of forgetting to make a payment during your trip and incurring late fees.

**Make a list of key numbers and copy important documents in case they get lost or stolen.** Your list could include phone numbers for your credit card companies, banks and insurance companies. Consider scanning and e-mailing this list along with a copy of your driver's license and (if you're going abroad) your passport identification page to a secure place, such as your own e-mail address or the e-mail of a trusted friend or family member.

**If you are traveling outside of the country, make additional preparations.** Notify your bank and credit card companies where and when you will be traveling so that transactions won't be denied based on incorrect assumptions that your credit or debit card has been stolen. Also remember to verify that any credit card or debit card you plan to use can be used internationally. "Transaction fees and other costs can add up, so do some advance research," Reynolds added. "Identify what you will be charged by your credit card issuer for foreign transactions and consider using a credit card to charge expenses instead of converting your cash to local currency. But also be cautious of offers by overseas merchants to process a credit card transaction in U.S. dollars because that may result in additional fees."

For more tips about traveling abroad, including a checklist before you go and how to stay safe in certain countries, see the U.S. State Department's main Web site on international travel at <http://travel.state.gov/content/passports/english/passports.html>.

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