

Protecting Your Assets

FINANCIAL FOUNDATIONS

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DEVELOPING THRIVING COMMUNITIES

Vocabulary

Risk - A situation involving exposure to danger, harm, or financial loss.

Risk Pooling - The spreading of financial risk among a large number of insurance policy holders.

Premium - A regular payment you make to an insurance company (usually monthly, semi-annually or annually) to pay for insurance coverage.

Loss - An event of the type covered by your insurance policy which causes you a negative financial outcome (a car accident, a house fire, an illness).

Claim - A formal request to your insurance company asking for payment based on the terms of the insurance policy.

Deductible - The amount of money you must pay towards your loss before your insurance coverage will begin paying. Applies to most types of insurance, including car and health insurance. Generally, the larger your deductible, the smaller your premium.

Co-pay - The share of your cost that you will pay (as a percentage or dollar amount) after the deductible is met. Common in health insurance.

Liability coverage - Insurance coverage that pays for injuries to other people or damage to their property for which you may be legally responsible.

Comprehensive coverage - Part of auto insurance that pays for repairing your car if it is damaged due to theft, vandalism, fire, etc.

Collision coverage - Part of auto insurance that pays for repairing your car if it is damaged in an accident.

PIP coverage - Part of auto insurance that pays your medical costs if you are hurt in an accident.

Term life insurance - Life insurance that covers you for a period of one or more years and pays a death benefit if you die in that period. Generally offers the largest insurance protection for your premium dollar; does not build up cash value.

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212 Main Street
Springfield, OR 97477

257 SW Madison Avenue #200
Corvallis, OR 97333

437 Union Street NE
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DEVELOPING THRIVING COMMUNITIES

Whole life insurance - Life insurance that covers you as long as you live if premiums are paid. Part of the premium is invested and builds up cash value that you may borrow against or use in other ways. Premiums are significantly higher at the beginning than for insurance without a cash value.

Annuity - is a sum of money or an investment that is paid at regular intervals.

Deferred annuity - an annuity that commences only after a lapse of some specified time after the final purchase premium has been paid.

Immediate payment annuity - An immediate payment annuity is an annuity contract that is purchased with a single lump-sum payment and in exchange, pays a guaranteed income that starts almost immediately.

Fixed rate annuities - In exchange for a lump sum of capital, a life insurance company credits the annuity account with a guaranteed fixed rate of interest while guaranteeing the principal investment.

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You are the Underwriter

You are the underwriter: what are the risks in the following scenarios?

	Policyholder	Coverage
Alicia and Ben	Married couple, both 65, retired, drive 2010 Ford Taurus, each has had two moving violations in past 3 years, have homeowners policy with same insurance company, drive 5,000 miles annually for pleasure	Bodily Injury: \$100,000 per person/\$300,000 per accident Property Damage: \$50,000 PIP: \$15,000 Uninsured/underinsured motorist: \$100,000/\$300,000 Comprehensive: \$1500 deductible Collision: \$1500 deductible
Carlos	18-year-old single male, student/unemployed, drives 2002 Toyota Corolla, clean driving record, has taken Driver's Ed and has high GPA, drives 12,000 miles annually including commute to college	Bodily Injury: \$25,000 per person/\$50,000 per accident Property Damage: \$20,000 PIP: \$15,000 Uninsured/underinsured motorist: \$25,000/\$50,000 No collision/comprehensive coverage
Danielle	35-year-old married female, employed full time, drives 2014 Chevy Corvette, clean driving record, drives 20,000 miles annually including commute to work	Bodily Injury: \$100,000 per person/\$300,000 per accident Property Damage: \$50,000 PIP: \$15,000 Uninsured/underinsured motorist: \$100,000/\$300,000 Comprehensive: \$500 deductible Collision: \$500 deductible

What are factors that will increase premium?

Alicia & Ben:	Carlos:	Danielle:
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What are factors that will decrease premium?

Alicia & Ben:	Carlos:	Danielle:
---------------	---------	-----------

What are factors that will not affect premium?

Alicia & Ben:	Carlos:	Danielle:
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Consumer Advocacy Unit

Oregon Insurance Division
Consumer Advocacy Unit
350 Winter St. NE
P.O. Box 14480
Salem, OR 97309-0405

Website: www.insurance.oregon.gov

E-mail: cp.ins@state.or.us

503-947-7984 or
888-877-4894 (toll-free)

Medicare Assistance

Oregon Senior Health Insurance Benefits
Assistance (SHIBA), 800-722-4134
Website: oregon.gov/DCBS/SHIBA/

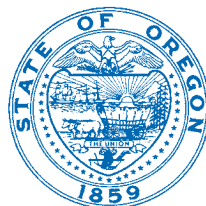


Visit us online

- Insurance tips! Auto, health, homeowners, life, and more
- Answers to common questions
- Links to key programs

www.insurance.oregon.gov

Click on “consumers”



440-3235 (6/10/COM)

Do you have insurance questions or complaints?



We can help

 DEPARTMENT OF
CONSUMER
& BUSINESS
SERVICES
Oregon Insurance Division

Consumer
Advocacy
Unit

Free help with questions or complaints, 888-877-4894

Consumer help

The Oregon Insurance Division's Consumer Advocacy Unit answers general insurance questions and assists consumers with complaints about insurance companies or insurance agents.

Consumer Advocacy will:

- Investigate your complaint.
- Help you get a clear response to your questions.
- Advocate on your behalf to resolve issues.
- Mediate misunderstandings.
- Provide information on your rights.
- Explain laws and rules.

Consumer Advocacy cannot:

- Recommend a particular insurance company, agent, or product.
- Provide legal advice that is sometimes required to settle complicated issues.
- Force an insurance company to pay claims or refund premiums.

Know your rights

Read your policy and ask your agent or insurance company about anything that is not clear. It's important that you understand what is covered and your responsibilities.

Before filing a complaint with the Insurance Division

Contact your insurance company or agent, since many times complaints can be resolved at the company level. A complaint

by letter is best. Always keep a copy of your letter. If you contact the company or agent by e-mail, copy all communications and document all phone calls.

Filing a complaint with the Oregon Insurance Division

The quickest way to file a complaint is online: <http://insurance.oregon.gov/consumer/tomake.html>.

Or, call and we will send you a complaint form: 503-947-7984 (Salem) or 888-877-4894 (toll-free).

The Insurance Division will ask for:

- Your name and the name of the insured person, if different.
- The name of the insurance company, your policy or group certificate number, or your claim number.
- An explanation of your problem, including what happened, who was involved, and why you think the company or agent is wrong.
- An explanation of how you tried to resolve the problem.
- What you feel would be an acceptable resolution to the complaint.

The Consumer Advocacy Unit resolves thousands of consumer complaints each year and will advocate on your behalf.

Send us copies of supporting documents, such as:

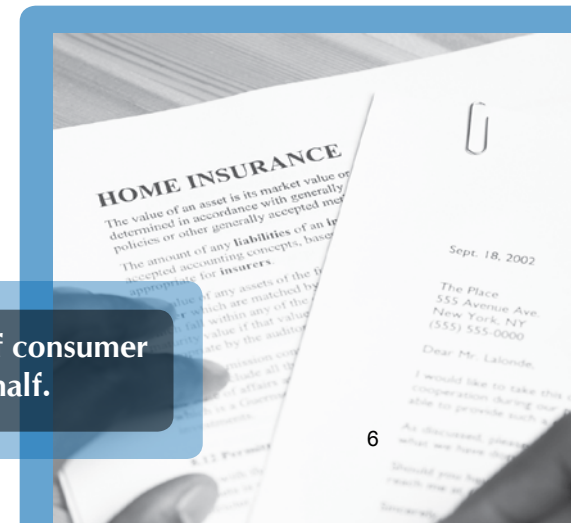
- The claim report or form you filed with the insurance company.
- Letters or e-mails you have written or received from the insurance company or agent concerning your complaint.
- Sales literature or worksheets that are relevant.

The consumer advocates will:

- Let you know we received your complaint.
- Keep your complaint confidential. However, a copy will be sent to your insurance company/agent for an explanation
- Determine what further actions, if any, will be taken.

How long will it take?

It depends on the type of complaint, but most complaints are resolved within 60 days.



Tool 1:

Red flags

When making purchasing decisions, watch out for the following red flags. Use this checklist when you are considering a product or services. If you find you have checked one or more of these items, be sure to take a closer look at the product, the service, or the business that offers it.

✓	Red flag	Description
Sales tactics and red flags for loans and other financial products or services		
	Pressured sales tactics	You are pressured to purchase things or to take out loans you don't want or can't afford.
	Lack of uniformity	Different staff or salespeople are telling you different things regarding pricing or other information.
	Won't put it in writing	No one will give you clear information in writing—even when you ask for it.
	Unexplained fees	No one can explain what certain fees are for or why they are so high.
	No clear cancellation or return policy	There's no clear cancellation or return policy. Don't assume that you are able to return a product or cancel a purchase.
	Inconsistent information on interest rates	The salesperson tells you about an interest rate, but the APR on the form is much higher.
	Pushed to purchase	You are being pushed to make a big-ticket purchase immediately.
	Steering and coercing	Aggressive sales tactics are used to steer and coerce you toward a high cost loan, even though you could have qualified for regular prime loans.

Red flags when signing loan documents		
	Paperwork doesn't match the sales pitch	The promises made to you by a salesperson are not in the papers that you are asked to sign.
	Confusing fine-print	A good rule of thumb is to refuse to sign anything that you don't understand.
	Incomplete paperwork	You are asked to sign a contract with blank spaces to be filled in later.
	Additional insurance and other add-on products	Some lenders may insist on, intimidate, or imply that borrowers must buy unnecessary items—additional insurance, unneeded warranties, monitoring services, etc. They get incorporated into the loan amount, and the borrower pays interest on them over the life of the loan.
	Prepayment penalties	Prepayment penalties are fees lenders require a borrower to pay if the borrower pays off a loan early.
	Mandatory arbitration	Language is included in the fine print of the loan terms and conditions making it illegal for the borrower to take legal action against the lender. The loan documents require the borrower to submit to arbitration. Borrowers can find it difficult to find legal representation for mandatory arbitration proceedings.

This Tool is included in the Consumer Financial Protection Bureau's toolkit. The CFPB has prepared this material as a resource for the public. This material is provided for educational and information purposes only. It is not a replacement for the guidance or advice of an accountant, certified financial advisor, or otherwise qualified professional. The CFPB is not responsible for the advice or actions of the individuals or entities from which you received the CFPB educational materials. The CFPB's educational efforts are limited to the materials that CFPB has prepared.

A Guide to Consumer Protection in Oregon

Navigating among the agencies that protect consumers can be challenging. The following is a list of topics and the state agencies or other organizations that cover them.

Auto repair

“The auto repair shop did not repair what I requested.”

Oregon Attorney General’s Office
877-877-9392 (toll-free)

Bankruptcy

“I think I need to file for bankruptcy. Who do I turn to?”

Oregon Law Center
<http://oregonlawhelp.org/issues/consumer/bankruptcy>

Career (vocational) schools

“The career school (beauty, welding, etc.) I attend closed without notice. Who do I call?”

Oregon Private Career Schools Licensing Unit
503-947-5751
Website: www.ode.state.or.us/go/pcs



Debt collection

“How do I stop debt collectors from harassing me at work?”

Oregon Attorney General’s Office
877-877-9392 (toll-free)

Debt reduction companies

“I need help with my debt. Who can help me?”

Oregon Division of Finance and Corporate Securities
866-814-9710 (toll-free)

Direct deposit advances

“I’m getting an advance on my Social Security disability check. Can they charge these fees?”

Consumer Finance Protection Bureau
855-411-2372 (toll-free)

Home repair scams

“I paid for home repairs, but they were never done.”

Oregon Construction Contractor’s Board
503-378-4621

For-profit degree schools

“The private college or university I enrolled in abruptly closed. What do I do?”

Oregon Office of Degree Authorization
503-373-0014

Loans – payday, short term, title

“Is this Internet lender legitimate? Should I wire money upfront to get a loan?”

Oregon Division of Finance and
Corporate Securities
866-814-9710 (toll-free)

Medical insurance

“I was told this medical procedure was covered but I was charged.”

Oregon Insurance Division, consumer advocates
888-877-4894 (toll-free)

Prepaid cards

“Why am I charged for so many fees?”

Consumer Finance Protection Bureau
855-411-2372 (toll-free)

Wiring or transferring money

“I wired money but it didn’t go through – why?”

Oregon Division of Finance and
Corporate Securities
866-814-9710 (toll-free)



A Word about refund anticipation loans

Refund anticipation loans (RALs) provide fast tax refunds but at a high cost. Consider filing online and choosing direct deposit. You will get your Oregon refund in as little as four to 10 days (the federal return may take a little longer).

Check if you qualify to file your federal tax return online for free at www.irs.gov. Click on the free e-file logo (for Oregon visit <http://www.oregon.gov/dor/ESERV/Pages/elf-individuals.aspx>).

If you do not have access to a computer, or need help with filing, the Volunteer Income Tax Assistance (VITA) program offers free help for those who qualify: 800-906-9887 (toll-free). The Tax Counseling for the Elderly (TCE) also offers free help: 888-227-7669 (toll-free).

An easy way to save

Saving is the best way to avoid taking out loans or maxing out credit cards. Intimidating? Try small steps. Start with loose change and place it in a jar or piggybank. Pay yourself first – take out \$3 from each paycheck – before you pay bills and then increase it every couple months. When shopping, ask yourself: Do I really need this? Can I buy the same thing only cheaper?

Produced by
Oregon Division of Finance and Corporate Securities
350 Winter St. NE, Room 410
Salem, Oregon 97301-3881
866-814-9710 (toll-free)



Consumer Protection & Complaints

CONSUMER RESOURCES – OREGONLAWHELP.ORG

<http://oregonlawhelp.org/issues/consumer/consumer-protection-and-complaints>

Consumer Protection Information

Publications on many consumer topics, including Seniors' issues. Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Oregon Attorney General's Consumer Hotline

A hotline for consumers with questions or complaints about business practices. Also, how to file a consumer complaint on-line. Content Detail

By: Oregon Department of Justice

Read this in: Spanish / Español

Unlawful Trade Practices

Information about things sellers can't do when you buy or rent consumer goods or services. Content Detail

By: Oregon State Bar

10 Things You Can Do to Avoid Fraud

Provides consumers with 10 tips for avoiding mass marketing fraud. Online Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Telemarketing Scams

Information about common telephone scams. Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Prize Offers

Information about prize scams and laws that help protect consumers against fraudulent sweepstakes and prize offers. Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Charitable Donations

Information about charitable giving and steps you can take to help ensure that the money you donate goes to worthwhile causes. Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Buying a Hearing Aid

Information about hearing aids, includes standards for the sale of hearing aids. Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Funerals - A Consumer Guide

Information about funeral arrangements and consumer rights. Content Detail

By: Federal Trade Commission

Read this in: Spanish / Español

Payday Loan Protection

Information about payday loans, who can legally provide them in Oregon and how to not pay more for a loan than you should. Content Detail

By: Oregon Department of Consumer & Business Services

Read this in: Spanish / Español

Consumer Protection & Complaints

CONSUMER RESOURCES – OREGONLAWHELP.ORG

<http://oregonlawhelp.org/issues/consumer/consumer-protection-and-complaints>

Don't Pay to Borrow Your Own Money

Do you really have to get cash from your tax refund today? Beware! Many "Fast Cash Refunds," "Express Money," or "Instant Refunds" are really LOANS. Don't pay loan fees and interest to borrow your own tax refund money. Content Detail

By: National Consumer Law Center, Inc.

Read this in:

Spanish / Español

Korean / 한국어

Russian / Русский

Vietnamese / Tiếng Việt

Chinese / 中文

How to File a Consumer Complaint

How to file a consumer complaint with the State of Oregon. Includes links to forms in English and Spanish. Content Detail

By: Oregon Department of Justice

Read this in: Spanish / Español

Oregon Insurance Complaints

Information about auto, health and other insurance in Oregon and how to file a consumer complaint against an insurance company or agent. Read More

By: Oregon Dept. of Consumer & Business Services, Insurance Division

Read this in: Spanish / Español

Insurance Commissioner of Oregon

Information about insurance and the role of the Oregon State Insurance Commission. Content Detail

By: State of Oregon

Small Claims Court

Information about Small Claims Court in Oregon. Content Detail

By: Oregon State Bar

Read this in:

Spanish / Español

Russian / Русский

Vietnamese / Tiếng Việt

Financial Record Keeping Tips

The following chart lists records and important papers typically needed by many families. Because your household is unique, you may have additional records for your household file or safe deposit box. Space to list these appears at the end of the chart. In addition to documents kept in a safe deposit box (costly or hard-to-replace items such as original birth and marriage certificates, property titles, etc.), many important records need to be filed systematically and conveniently at home.

WHAT?	WHY?	HOW LONG (usually)?
1. Bank Records Cancelled checks*, Bank statements, Deposit slips, List of account numbers, Savings acct. statements	Proof of payment of bills; tax claims* As a monthly financial record Comparison with bank statements Information for family members Information for family members; tax claims*	3-6 years* 2 years 3-6 months While in force While in force plus 3-6 years*
2. Church Records	Reference and information for family members	Permanent
3. Debt Records	Proof of terms of transactions; income tax deductions (non-consumer credit)	While in force plus 3-6 years*
4. Educational Records	For employment references and/or admission to training programs or educational institutions	Permanent
5. Employment Records	To document work and income history for Social Security and other benefits (including annual IRS form W-2)	Permanent
6. Farm or Other Family Business Records	Analysis of farm or other family business enterprise; income tax preparation	Up to 6 years*
7. Genealogy (family tree)	Reference for family members	Permanent
8. Health Records of Individual Family Members	School admission; passport; reference of family members	Permanent
9. Home Purchase & Improvement Records	To calculate basis and capital gains or losses when property is sold; support income tax claims	During ownership (plus 3-6 years after taxable disposition of property)*
10. Household Account Book	As basis for planning future spending; reference for financial analysis	2 or more years
11. Income and Employment Records	Reference for income tax, social security and retirement contributions; employment documentation	6 years to permanent*
12. Income Tax Records	Support claims if return is audited (also keep supporting records)	3-6 years or permanent*
13. Insurance Policies**	Reference for periodic updating of coverage and/or payment of claims	While in force**
14. List of Contents of Safe Deposit Box	Reference and information for family members; documentation for insurance settlement should loss occur (fire or theft)***	Revise as contents change
15. List of Credit Cards (with address and phone number of each creditor)	For notification of creditors and replacement in case of loss	Review annually; revise as creditors change



This fact sheet is intended for educational purposes only. Mention of a proprietary product, trademark or commercial firm in text or figures does not constitute endorsement by Ohio State University Extension and does not imply approval to the exclusion of other products or firms. For specific advice, consult your financial or legal advisor.

Financial Record Keeping Tips

WHAT?	WHY?	HOW LONG (usually)?
16. List of Creditor Addresses and Telephone Numbers for BILLING ERROR Notification	Address for "billing error notification" often is different than either the payment address or the "lost card notification" address	Review annually; revise as creditors change
17. List of Creditor PAYMENT ADDRESSES, Telephone Numbers, and Payment Dates	For quick reference in case statement or payment notice does not arrive in mail	Review annually; revise as creditors change
18. Net Worth Statement	For overall list of financial assets and liabilities; traces financial progress and serves as starting point for <u>future financial planning</u>	Update annually; retain as interested
19. Personal Property Inventories (copies of originals kept in safe deposit box)	Reference and information of family members; documentation for insurance claims	Revise annually (especially when new items are acquired or when items are sold or discarded)
20. Property Tax Records	Proof of payment; tax preparation; future reference	3-6 years* or permanent
21. Receipted Bills and Sales Slips (tax deductible items*)	Proof of paid bills; support income tax claims; proof of ownership for property insurance claims**	3-6 years* or during ownership**
22. Retirement and Pension Plans	Reference and information for family members	While in force
23. Warranties	Reference and information; adjustments of defects of equipment or parts	During ownership
24. Other (list)		
25. Other (list)		
26. Other (list)		

* Note that the Internal Revenue Service has three (3) years in which to audit Federal income tax returns (or two years from the date the tax was paid, whichever is later). However, this limit does not apply in "unusual" cases. If an amount of income that should have been reported was not reported, and it is more than 25 percent of the income shown on the return, the period of limitation does not expire until six (6) years after the return was filed. There is no period of limitation when a return is false or fraudulent, or when no return is filed. (See IRS Publication #552, "Record-keeping for Individuals.")

While you don't have to keep all possible financial records for tax purposes, if audited you will want to have cancelled checks and/or payment receipts relating directly to entries on your tax return. In some cases, it is advantageous to keep records longer than the typical period—for example, when selling your principal residence and claiming the capital gains exclusion allowed by IRS, documentation of original purchase price and capital improvements can be required.

** Check with your insurance agent or broker for company requirements of proof of purchase and/or ownership of real and personal property in the event an insurance claim is filed. (In some cases, payment receipts are required; in other cases a written inventory and/or photographs is adequate documentation.)

*** Contents of a safe deposit box usually are not covered by Federal Deposit Insurance Corporation (FDIC). Check with your insurance broker/agent regarding coverage under your homeowner's insurance policy or other coverage provisions available.

Prepared by Carolyn McKinney, Ph.D., Family Resource Management Specialist, Consumer and Textile Sciences Department, The Ohio State University, June 2001.

<http://ohioline.osu.edu>

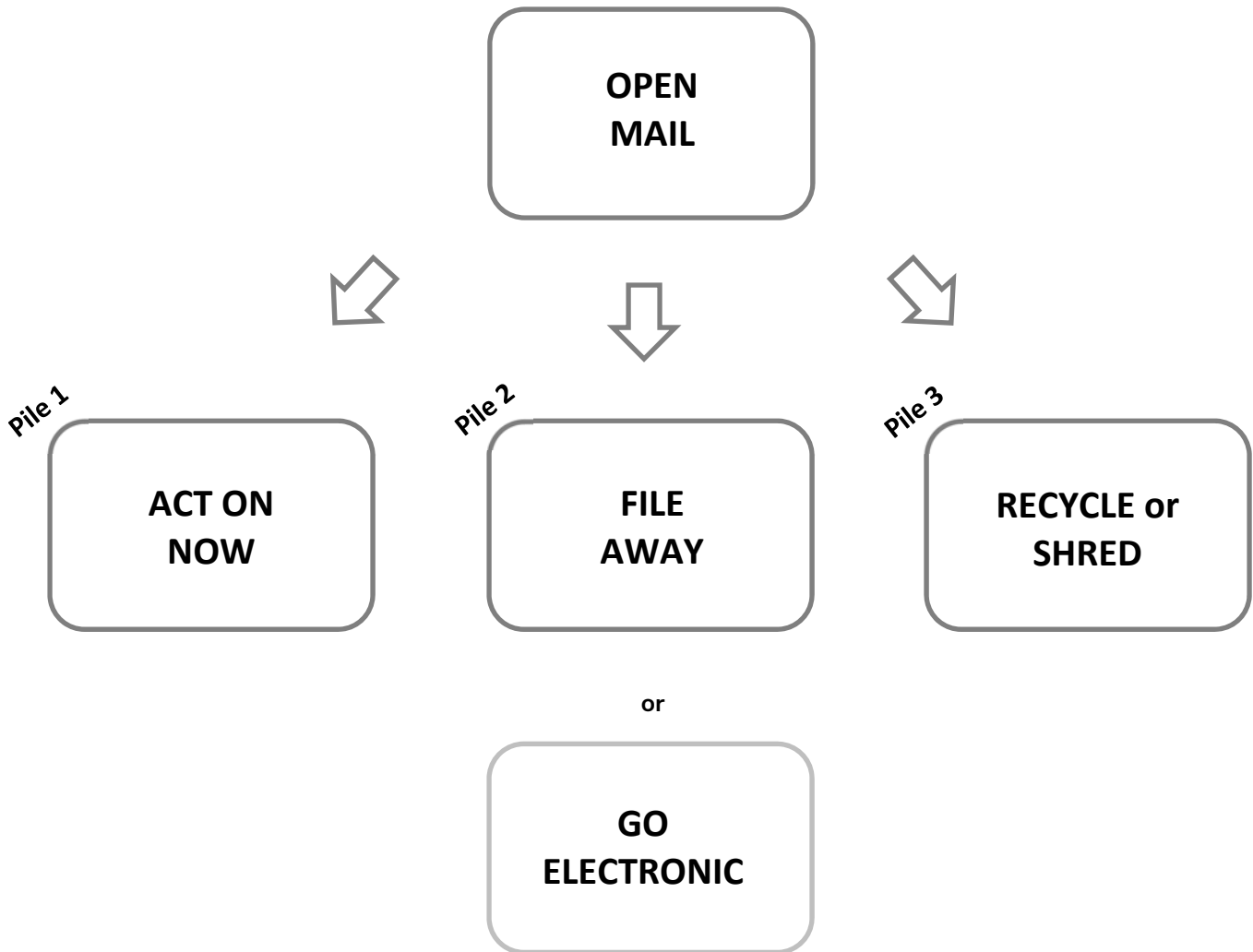
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Keith L. Smith, Associate Vice President for Ag. Adm. and Director, OSU Extension

Hearing impaired readers may request information about educational topics by calling TDD #1-800-589-8292 (in Ohio) or 1-614-292-1868 (outside Ohio). For those with physical disabilities, special arrangements for participating in educational programs can be made by contacting 1-614-472-0810.

Organizing Records

Being a responsible consumer means keeping track of your documents in an effective way. There are several techniques that will help you do this with minimal pain and suffering.



Open your mail. If you don't open it, you won't know what to do with it.

- With the constant mergers, and buy-outs of financial companies, it's important to keep track of who your creditors actually are. Use a copy of your credit report to get up-to-date creditors addresses.
- Important changes to your insurance policies and financial accounts will often arrive in the mail. These documents should be reviewed and saved.
- When you buy a house, it is common that your loan will be sold to another servicer or lender. If you aren't aware of these transfers, you will not know where to send your payment and it may not be credited to your account correctly.