



Your Money



Tips For Making Smart Financial Decisions In 2012

(NAPSA)—Although tough economic times have taken a toll on many Americans in recent years, making sound financial decisions can help you weather financial storms.

“The start of a new year is a great time to begin making smarter financial decisions,” said investor education expert Gerri Walsh. To help keep your finances on course, try these 10 tips:

1. Start a Rainy-Day Fund.

Set aside one month of your current salary (and work up to three months) in a federally insured savings account.

2. Handle Credit Cards with Care. Keep credit card spending in check and try to pay them off in full. If you have holiday debt, pay it off as quickly as possible.

3. Check Your Credit Report and Score. Request a copy of your free credit report. Call (877) 322-8228 or visit www.AnnualCreditReport.com. Make sure your credit history is accurate and correct any discrepancies immediately.

4. Shop Around for Financial Products. Comparison shopping for financial products is as crucial as shopping around for a television or phone plan.

5. Don't Leave Money on the Table: Contribute to Your 401(k). Too many workers leave money on the table by not contributing enough to their 401(k) to get their full employer match. Taking advantage of a match can significantly increase your savings.

6. Avoid Payday Loans and Other Money Drains. Alternative forms of borrowing, such as auto title or payday loans, usually have higher interest rates than those charged by banks or credit unions.



Resolve to keep your finances on track this year.

7. Don't Overdraw Your Checking Account or Debit Card. Overdraft protection may seem like a helpful feature but overdraft fees can add up. Consider opting out of programs that automatically approve ATM and debit card transactions.

8. Do a Background Check on Your Financial Professional. Investing a few minutes to take this free and easy step could save you time and money. You can use the FINRA Foundation's FINRA BrokerCheck, a free tool for checking the professional background of individual brokers and firms. The Foundation is a not-for-profit resource dedicated to financial health.

9. Diversify Your Investments. Spreading your investments both among different asset classes—meaning stocks, bonds and cash—and within each class can reduce your risk.

10. Save for College Using Tax-Advantaged Accounts. Consider using such tax-advantaged savings accounts as 529 plans or Coverdell Education Savings Accounts. Compare options and learn more at FINRA's Smart Saving for College resource center.

For more resources, visit www.SaveAndInvest.org or call (202) 728-6933.