



FINANCIAL GUIDE

Bank of America



A FINANCIAL STRATEGY GUIDE FOR
WOUNDED WARRIORS AND THEIR FAMILIES.



WOUNDED WARRIOR
PROJECT



DEAR WARRIOR,

Thank you very much for your service to our great nation!

This financial guide has been created to serve as a tool to assist you in your recovery and assimilation back into American society. Covering topics ranging from Traumatic Servicemembers Group Life Insurance (TSGLI) to creating a monthly budget and preparing your tax return, our hope is this guide will help you in your transition and help prepare you for long-term asset management.

In addition to the financial topics covered in this guide, a list of resources and potential educational/career opportunities in the financial services industry can be found in the section titled “Things Are Going to Change.”

If you have any questions or comments, please feel free to contact us at 888.997.2586 or resourcecenter@woundedwarriorproject.org.

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MAKING THE MOST OF YOUR BENEFITS.

WHAT'S NEXT?

TRAUMATIC INJURY PROTECTION

Traumatic Injury Protection, or TSGLI, is a rider to Servicemembers' Group Life Insurance (SGLI) that provides payment to service members who are severely injured and suffer a loss as a result of a traumatic event. The TSGLI coverage will pay a benefit between \$25,000 and \$100,000 depending on the loss directly resulting from the traumatic injury; service members that receive a TSGLI payment can spend the money at their own discretion. The full schedule of losses is available at insurance.va.gov/sgliSite/TSGLI/Schedule/Schedule.htm.

VA COMPENSATION & PENSION

VA Compensation & Pension will affect service members who incur injuries that prevent them from continuing on active duty. First, you will be scheduled for a medical board. The purpose of the medical board is to establish a VA rating and determine compensation and pension to support warriors financially for their service; the board can also determine to keep injured service members on active duty. In either case, once a monthly compensation is determined, warriors can begin to create a post-injury financial plan.

REMEMBER:

There is likely to be a gap between the time you stop receiving active duty paychecks and start receiving your VA Compensation & Pension, and you must be prepared.

TSGLI IS A TRANSITION PAYMENT

Here is where you are:

TSGLI coverage will pay a benefit between \$25,000 and \$100,000.

Here is what is likely to happen:

TSGLI will help you and your family meet financial needs during your recovery.

Here is why you need to think seriously about HOW to utilize your TSGLI:

You are very likely to experience a gap between losing your active duty pay and receiving your VA Compensation & Pension.

You must prepare for this reality.

PLEASE CONTACT US

BEFORE YOU SPEND YOUR TSGLI PAYMENT AND WE WILL HELP YOU DESIGN A PLAN TO MAXIMIZE YOUR FUNDS.



WWP Resource Center

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CREATING A BUDGET

Creating a budget is the first step toward maximizing your financial well-being. While effective budgeting requires both discipline and sacrifice, your goal should not be to stop all discretionary spending and deny yourself the things you enjoy; it is better to understand where your money goes each month so you can make informed spending choices.

BUDGET WORKSHEET

Steps to complete your budget worksheet:

❑ Write Down All Sources of Income

This should include your VA Compensation, your paycheck from work, your spouse's salary if you are married, and any additional income you receive from rental properties, investments, etc.

❑ Write Down All Expenses

Record all monthly purchases; this will enable you to discover "how" you are spending your money on a day-to-day basis.

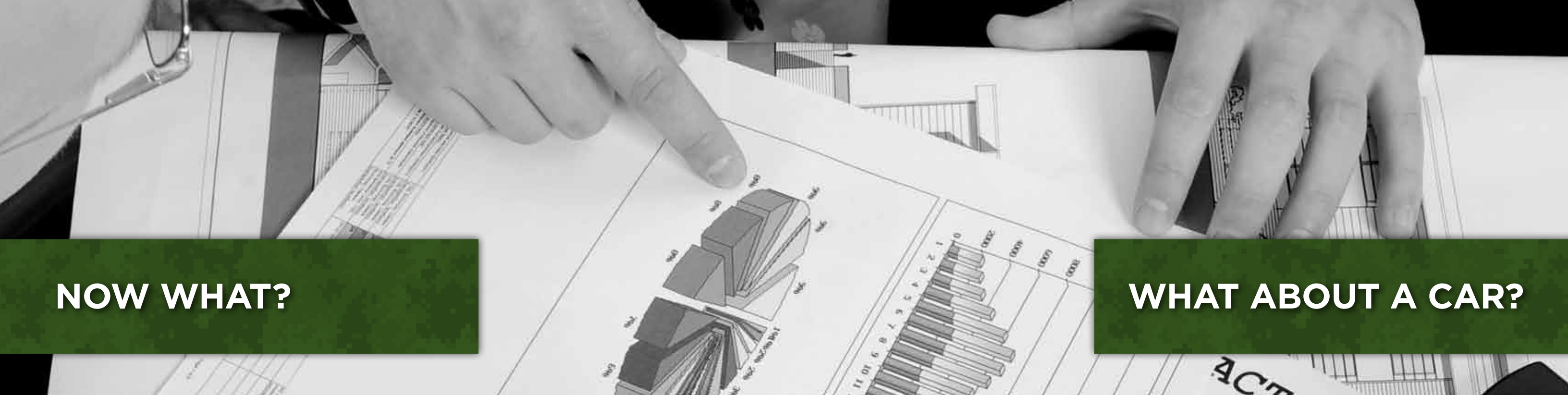
❑ Categorize Spending

Organizing your expenses into "fixed" and "variable" categories will give you a better idea of where you can cut back.

❑ HELPFUL HINTS

- Reduce your discretionary spending
- Watch what you borrow
- Create an emergency fund!





NOW WHAT?

WHAT ABOUT A CAR?

CREATING A FINANCIAL STRATEGY

Creating a financial strategy is the next step in the process. As warriors, you are familiar with the need to set and follow a plan of action. The same is also true for your personal finances. Managing money and balancing competing needs is easier when priorities are established and a plan is in place. Even though personal situations vary from warrior to warrior, the steps below represent general principles that will work for you. Successfully addressing each step will help make addressing subsequent steps easier.

THE KEY IS TO PRIORITIZE

Define Your Goals

A financial goal may be as immediate as paying next month's rent or as far into the future as having the money you will need for retirement or your children's college education. How much money will you need to save? How much time do you have? The answers to these questions will help you set realistic goals and determine the best way to plan for them.

Create a Budget and Stick to It

Whatever your goals are, a budget is the important first step to achieving them. Creating a budget will help you start saving the money you will need for longer-term goals.

Pay Off High-Interest Debt

The purpose of a budget is to ensure you pay your bills and to create a surplus each month by spending less than you earn. If you owe high-interest debt, such as a credit card balance, your first priority should be to use this surplus to pay it off.

Create an Emergency Fund

No matter how well you plan, unexpected expenses such as new tires, house repair, etc. will occur from time to time. This fund should be separate from what you use to pay bills and day-to-day expenses, such as a savings account, and afford easy access when needed.

Save for Short-Term Goals

Once you have created a financial cushion for yourself, you will want to start saving for upcoming expenses such as scheduled car maintenance, year-end taxes, or travel.

Plan for Longer-Term Goals

Even as you manage ongoing and less regular or one-time expenses, you will want to start planning for longer-term goals such as purchasing a home or paying for your children's education.

PRIORITIZE

TO HELP WITH PRIORITIZATION, AND ENSURE THAT EACH STEP IS SUCCESSFULLY ADDRESSED, USE THE CHECKLIST BELOW.

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- Define Your Goals
- Create a Budget and Stick to It
- Pay Off High-Interest Debt
- Create an Emergency Fund
- Save for Short-Term Goals
- Plan for Longer-Term Goals



PURCHASING A CAR

Purchasing a car may be a necessity once you complete your hospitalization and recovery, or as life changes occur, such as starting a family. If you need a car, here are some facts to consider when planning a purchase.

❑ Determine Your Budget

If you need financing, consider arranging it early on. This will help you target your car search to what you can reasonably afford. In addition, having financing in place before you visit the dealership may give you more leverage in negotiating a price.

Once you've determined your budget for a new vehicle, stick to it and don't overspend. Knowing your budget before you begin looking will help you maintain control over the process.

❑ Do Your Homework

When negotiating with a dealer, knowledge is power. Establish what you need and want in a new vehicle, compare vehicles, and research the market to see which vehicles best fit your needs. Many car manufacturers offer discounts to military personnel and may afford the same discount to wounded veterans, so be sure to check to see if you are eligible for a discount.

❑ Resist an Impulse Purchase

Once you've narrowed down your choices, resist tactics on the part of a dealer to get you to make an impulse purchase. Instead, sleep on it; that way, you are less likely to make a purchase you will regret later on.



HOW DO I MANAGE MY MONEY?



CHECKING ACCOUNT

A checking account is one of the most basic tools for managing your money. In addition to allowing for direct deposit of your paycheck, a checking account makes it easy to access and transfer money to and from other accounts and keep track of transactions online, by phone or ATM, or through your banking center.

ADVANTAGES OF A CHECKING ACCOUNT

A checking account is convenient.

It allows you to make purchases and pay bills online or with a check or check card, instead of having to first purchase a cashier's check or money order. It further allows you to make purchases at stores or restaurants by check or check card, so that you don't always have to have cash with you.

A checking account helps you keep track of your money.

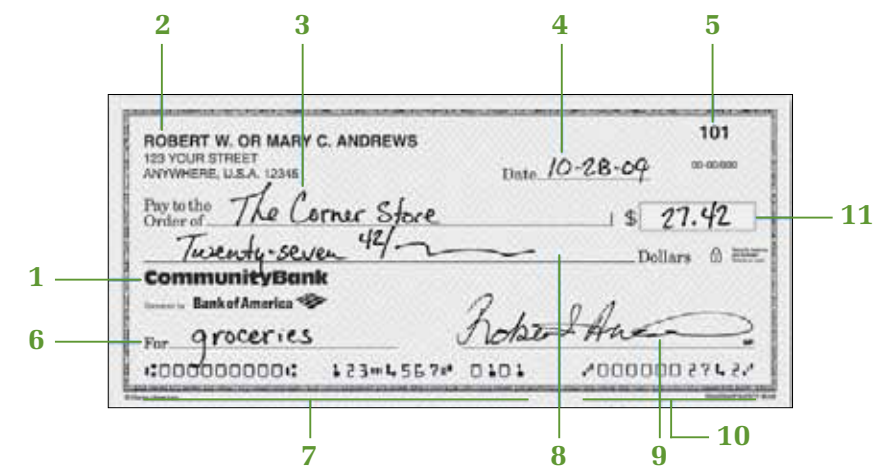
It allows you to log your purchases and deposits in your checkbook register. With online banking, you can check your balance at any time day or night and see which checks or deposits have cleared your account and which are still pending.

A checking account helps save you money.

It helps enable you to avoid the transaction fees associated with having to pay by cashier's check or money order. Moreover, you can avoid the cost of cashing checks by using your bank's automated teller machines, or ATMs.

KEEP DETAILED RECORDS!

PARTS OF A CHECK



- 1. Bank Name:** Your bank's name appears here.
- 2. Your Name and Address:** When you first receive your checks, you'll want to review your personal information for any errors; notify your bank promptly, if you find any.
- 3. Pay to the Order of:** The person or company you are writing the check to goes here. To ensure that only the intended recipient cashes the check, you should never leave this line blank.
- 4. Date:** The date on which you write the check goes here.
- 5. Check Number:** Each check has a unique number; this is one way to track and identify each check you've written.
- 6. Memo Field:** You can use this space to remind yourself later what you wrote the check for; this space can be left blank, however, using this feature can help you better track your spending.
- 7. Check ID Numbers:** There are three sets of numbers here from left to right: routing number, account number, and check number. The routing number is unique to your bank; if you ever make an electronic transfer of funds to or from your account, you may need to reference this number.
- 8. Amount Line:** The check's amount is always written twice: first, as numbers in the box and, second, as words on this line. The two amounts should be the same; if they are not, the amount in words is considered the legal amount of the check. Note that any fraction of a dollar is written as a fraction in the amount line.
- 9. Signature Line:** Sign your name here; a check cannot be cashed until it is signed.
- 10. Coding Number:** This number corresponds to your check number located in the upper right corner of your check.
- 11. Amount Box:** The amount you are writing the check for, expressed in numbers, is written here.



PARTS OF A CHECK REGISTER

In addition to reviewing your account online, you can also keep track of your transactions and balance in the check register that comes with your checkbook. Writing down each transaction in your register gives you a record so you can verify the accuracy of your online record. It also gives you a record of any checks you've written that have not cleared your account. When reviewing your account balance, be sure to subtract any outstanding checks from your current balance. You will need to write all transactions in your check register, including checks, check card transactions, and deposits to your account, in order to accurately track your account balance.

NUMBER OR CODE	DATE	TRANSACTION DESCRIPTION	PAYMENT AMOUNT	✓	FEES	DEPOSIT AMOUNT	BALANCE
	8/29	Starting Balance					791 12
114	9/2	Groceries - PX	40 90	✓			-40 90 690 22
ATM	9/5	ATM Withdrawal	50 00				-50 00 640 22
	9/15	Payday				767 10	+767 10 1407 32

- Number or Code:** Write the check number here; if it is a debit card transaction, writing "DC" or "debit" in this space is a good way to remember that.
- Date:** The date of the transaction goes here.
- Transaction Description:** Write a description of the transaction or name of the payee here.
- Payment Amount:** Write the amount of all withdrawals – including check/debit card purchases, ATM withdrawals, and bank fees – in this column.
- Check Symbol:** Place a check mark in this column next to transactions as they clear your account.
- Deposit Amount:** Use this column to record any credits, such as your paycheck, to your account.
- Balance:** You can use this column to record your account's new balance after each transaction.

DEBIT CARD

A debit card (also known as a check card) looks like a credit card, but is linked to your checking account. As with a check, you can make purchases in stores and restaurants without using cash. Unlike a check, you can also use a debit card to make purchases online and get cash at ATMs. Although debit cards have largely replaced checks in many situations, you may still find transactions that require you to use a check.

BENEFITS OF DEBIT CARDS

Debit cards are CONVENIENT.

As with checks, a debit card allows you to make purchases without carrying a lot of cash. Debit card transactions are often quicker than writing a check, and you can use them anywhere credit cards are accepted.

Debit cards are SAFE.

When your money stays in the bank until you need it, it is less likely to be lost or stolen. When you use your debit card, you may be required to provide a signature or enter a Personal Identification Number, or PIN. A PIN helps you keep someone else from using your debit card in the event it is lost or stolen.

WAIT!

While it's important to select a PIN you can remember, avoid obvious choices, such as your address, phone number, or date of birth. In addition, do not share your PIN with anyone, and do not write it down and keep it with your debit card. If you lose

your card, it is stolen, or you believe someone has learned your PIN, contact your bank immediately for a new card and reset your PIN so that your previous card cannot be used!

REMEMBER

It is important to realize you run the same risk of becoming overdrawn on your checking account using a debit card as you would writing a check. This is why it is critical to keep track of your transactions and account balance at all times. With this in mind, it is a good idea to set up overdraft protection on your account by linking your checking account to your savings account or a line of credit through your bank.

DON'T FORGET

Debit cards and credit cards may look the same and you may use them in the same way, but they are fundamentally different. When you make a purchase or get cash using a debit card, the money is withdrawn directly from your account, usually the same day.

WORK SMART, NOT HARD

A checking account is a great tool for managing your money, but it is important to keep track of your balance and not become overdrawn on your account. To help avoid this, utilize online banking and your check register to track your transactions so you will always know your balance. And be sure to set up overdraft protection on your account to help avoid being charged substantial overdraft fees.



BANKING FEES

Bank fees are a reality you must be aware of and understand to maximize your monthly earnings. These fees are associated with your account; some may be regular, recurring service fees and some may be assessed based on how you use your account. Your bank should provide you with a list of fees at the time you open your account.

ASK!

When you open your account, be sure to ASK about any and all fees associated with your account. And ask the bank to provide you an explanation of these fees in writing.

COMMON BANK FEES

Overdraft and Non-Sufficient Funds (NSF) Fees

When you write a check or make a withdrawal from your account, your bank may approve the transaction even if you lack the funds to cover it. Your bank will charge you an overdraft fee for this service. You can help avoid these fees by keeping track of your account balance through your bank's online banking service or by using your check register.

Monthly Service Fees

Some banks charge a monthly service fee to cover the cost of servicing an account. Sometimes the bank will waive this fee if you maintain an account balance above a certain minimum or meet other criteria. Other banks may not charge a fee at all, regardless of your minimum balance. When you open an account, be sure to shop around and compare fees and services!

Overdraft Protection Transfer Fees

Some banks will allow you to help protect yourself from overdraft and non-sufficient funds fees by linking your checking account to a savings or credit card account. There may still be a charge for this service, but it should be less than the overdraft and NSF fees. You will want to make sure any account you link to has sufficient funds available when making any purchase.

ATM Fees

ATMs provide a convenient way to access money from your account. To access money, you will need a debit card issued to you by your bank. Usually, your bank will not charge a fee when you use one of its own ATMs. You can save yourself money by avoiding ATMs that charge a fee.

Late Payment Fees

If you are late paying your credit card bill, you will probably be assessed a fee and may lose any lower, promotional interest rate you may have held. Late payment can also lower your credit score, making future credit more expensive. ALWAYS PAY ON TIME, WHENEVER POSSIBLE! If you think you are going to be late paying a bill, call your credit card's issuer — you may be able to arrange new terms that will allow you to keep your account in good standing.

SHOP AROUND

Before opening a checking, savings, or credit card account, you can save money by comparing services and fees.

PAY ATTENTION!

You can also avoid costly additional fees by monitoring your balance and not becoming overdrawn or going over your credit limit.

WAYS TO SAVE

There are many WAYS TO SAVE once you become successful in your budgeting efforts and you've paid off any high-interest debt you may have. At this point, you'll want to put the money you save each month into a savings account. Contributing to a savings account is a good way to meet both planned and unplanned expenses, and is a first step to investing for longer-term goals.

Choosing a Savings Account

The money in a savings account comes from deposits you make and interest you receive on those deposits. This interest may be referred to as your rate of return or annual percentage yield. In addition to comparing interest rates when choosing a bank, some accounts have both minimum balance fees and limits on withdrawals that you may also wish to consider.

Making Your Savings Grow

The most effective way to increase what you have in savings is to make regular deposits into your savings account. Even if you can only make modest contributions, they will add up over time. Most banks offer automatic monthly transfers from your checking account to your savings account; this is a great way to ensure you save every month.

COMMON BANK FEES



- Overdraft and Non-Sufficient Funds (NSF) Fees
- Monthly Service Fees
- Overdraft Protection Transfer Fees
- ATM Fees
- Late Payment Fees



Types of Savings Accounts

There are three basic types of savings accounts: regular savings, money market savings, and certificates of deposit, or CDs. Here are the characteristics of each type of account:

Regular Savings

1. Pays interest.
2. Interest rate can fluctuate with overall economy.
3. Balance available for withdrawal anytime.

Money Market

1. Pays higher interest rate on higher balances.
2. Interest rate can fluctuate with overall economy.
3. Balance available for withdrawal anytime, including by check.

CDs

1. Pays a set interest rate on a fixed amount of money over a predetermined period of time.
2. The period of investment (or term) of a certificate can range from seven days to ten years. Generally, longer terms pay higher interest rates.
3. There is a penalty for early withdrawal from a CD. Investors sacrifice accessibility for a higher rate of return than is offered by regular savings and money market accounts.

BE SMART WITH YOUR MONEY!

Be sure to keep enough money in your checking account to cover monthly expenses and put the rest in savings. In addition, keep track of your checking and savings balances to help avoid penalties and fees. And remember, a savings account is a good way to cover unexpected expenses and save for future goals.

MANAGING YOUR DEBT

Managing your debt is another critical component of financial well-being, and needs to be a part of your monthly budget and overall plan. As part of creating your monthly budget, you must itemize all your debt and factor payments into your plan.

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TYPE OF DEBT / LIABILITY	CURRENT BALANCE (IF APPLICABLE)	CURRENT INTEREST RATE	REQUIRED MONTHLY PAYMENT	INTENDED MONTHLY PAYMENT	DATE OF COMPLETED PAYMENTS
Ex: Mortgage / Rent	\$150,000	4.5%	\$760.03	\$800.00	January, 2038
Mortgage / Rent					
Home Equity Loan					
Car Loan / Lease 1					
Car Loan / Lease 2					
Credit Card 1					
Credit Card 2					
Student Loan 1					
Student Loan 2					
Other					
Other					
Other					
Other					
Other					
Other					
Total					

The total of the “Intended Monthly Payment” column is a critical component in the creation of your monthly budget.

WE CAN HELP

CONTACT US IF YOU WOULD LIKE PERSONALIZED FINANCIAL COACHING TO ASSIST YOU IN MANAGING YOUR DEBT.



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888.997.2586
resourcecenter@woundedwarriorproject.org



HOW DO I PROTECT MY CREDIT?

UNDERSTANDING CREDIT

Understanding credit is another essential component of financial stability. Credit allows you to obtain goods and services before payment, based on trust that payment will be made in the future. It can take a number of different forms, including credit cards, overdraft coverage on a checking account, education loans, lines of credit, rent-to-own plans, bank loans, and home mortgages.

Revolving and Installment Credit

Revolving and installment are two forms of credit that function very differently and have different purposes.

- **Revolving credit:** Involves an account whose balance can fluctuate from month to month, depending on how much you borrow and pay back; credit cards are the most commonly used form. Revolving credit is ideal for short-term loans involving smaller purchases, and for situations where you may not know when and how much you will need to borrow. Revolving credit, however, is not well suited for larger purchases and longer repayment periods because it has relatively higher interest rates than installment credit.
- **Installment credit:** Is borrowed all at once, as a single sum, and then paid back over a predetermined period of time through regular installments. Examples include bank loans, education loans, and home mortgages. Installment credit is designed for larger purchases that require longer repayment periods and, generally, has a lower interest rate than revolving credit.



CREDIT SCORE

Your credit score is a number assigned to you as a measure of your creditworthiness. It can determine whether or not you qualify for a credit card or loan and the interest rate you will be charged. It can also determine whether someone will rent a house or apartment to you, grant you a security clearance or, in some cases, hire you.

Credit Reports

Your credit score is based on your credit report, which includes both your credit history and the current state of your finances. If your score is low, it may be possible to raise it by addressing issues in the following areas:

Payment History

Paying bills late can have a significant adverse effect on your credit score, so always pay bills on time, whenever possible. In the event you realize you are going to be late making a payment, contact the creditor to see if you can work out a new payment schedule; being in default on an account can be even more damaging to your credit score.

Length of Credit History

Generally, the longer you have used credit responsibly and paid your bills on time, the more creditworthy you will be considered and the higher your credit score will be.

Percentage of Debt to Available Credit

In general, the more credit you have available to you that you are not using, the more creditworthy you will be considered to be.

New Credit

Opening new accounts can, at least temporarily, lower your score. Likewise, credit inquiries from prospective creditors can also lower your score, even if they don't result in new loans or lines of credit.

Your Credit Mix

Generally, using different types of credit is better than using only one type because it shows you are able to handle different types of credit. Likewise, carrying debt on an installment loan issued by a bank is likely to be viewed more favorably than carrying debt on a credit card.

Income level is not a factor that affects your score. You don't have to be rich or make a lot of money to have a good credit score; you simply need a demonstrated ability to handle money responsibly.



WHO CHECKS YOUR CREDIT REPORT

It is important to realize who checks your credit report because these entities will impact your financial stability both in the short and long term.

Banks

Banks check your credit report to decide whether or not to extend credit to you. Banks also utilize your credit report to determine what interest rate to offer you.

Landlords

Your landlord may check your credit report to decide whether or not to rent to you. A low credit score is likely to hinder your ability to rent an apartment, townhouse, or single-family home.

Employers

Potential employers may check your credit report when deciding whether or not to offer you a job. This is especially true with jobs that require a security clearance.

Service Providers

Service providers, such as insurance companies and utility companies, may check your credit report when deciding whether or not to extend credit to you in the form of a service.

Your credit score reflects your credit risk to a lender. In general, the higher your credit score, the more likely you are to acquire credit and services at lower interest rates. A lower credit score may make it more difficult to obtain credit and result in higher interest rates, causing purchases to be more expensive.



IMPROVE YOUR CREDIT SCORE

Fortunately, you can improve your credit score over time. Keep in mind the factors that influence your score and avoid behaviors that will hurt your score. Above all, always pay at least the minimum due on credit cards and loans, pay all bills on time, and work to lower the amount of debt you owe. If you can pay more than the minimum due, pay more.

Credit Agency Information

You are entitled by law to one free copy of your credit report from each of the three major credit agencies every 12 months. Free credit reports can be obtained at annualcreditreport.com or by calling 877.322.8228.

In the event you would like additional credit reports throughout the year, to have inaccuracies in your credit report corrected, or wish to obtain your credit score, you must contact the credit agency directly:

Equifax:
equifax.com
1.800.685.1111

Experian:
experian.com
1.888.397.3742

Transunion:
transunion.com
1.800.916.8800
1.800.888.4213

Your credit score is valuable

It has the ability to save or cost you money throughout your lifetime.

There are three major credit scoring agencies: Equifax, Experian, and Transunion.

Each agency utilizes a different scoring system; therefore, your score may differ from agency to agency. Typically, a score of 720 or higher qualifies you for better or lower interest rates. Scores below 620 generally represent high-risk borrowers who receive credit at higher interest rates (if they receive credit at all).

WE CAN HELP

CONTACT US FOR INFORMATION ON HOW TO IMPROVE YOUR CREDIT SCORE.



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USING CREDIT WISELY

Using credit wisely is an essential first step in protecting your credit. The more responsible you are handling money, the more creditors will want to do business with you, and the less they will charge you for credit.

Establishing Good Credit

In the event you are establishing credit for the first time, here are some strategies that will keep your credit in good standing:

- Pay all bills on time and in full each month.
- Resist the temptation to pay only the minimum on credit card bills. Paying them in full each month is the best way to build a strong credit score and save money on interest.
- Learn how to set a budget and follow it.
- Help avoid overdraft fees and bounced checks, which can negatively affect your credit, by always being aware of your checking and savings account balances.
- Try to keep your credit card balance below 30 percent of your credit limit.

What Potential Creditors Look For

When you apply for credit, potential creditors will examine several criteria. These include, but are not limited to:

1. **Ability to Pay:** Do you have assets that can be used as collateral?
2. **Financial Stability:** Do you have steady employment with enough income to repay the loan?
3. **Willingness to Repay the Loan:** Do you have a history of paying your bills on time?

Creditors use your credit report to help answer these questions. If your credit application is rejected on the basis of information in your report, they are required by law to inform you. In the event this happens to you, you should request a copy of your report from the compiling credit firm.

WE CAN HELP

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Repaying Loans

Nothing is more damaging to your credit profile than defaulting on a loan or credit balance. Talk to your creditor before you default if you find yourself unable to make a payment. As a result, you may be able to agree to a new payment schedule that allows you to stay current on your account.

Remedies include:

1. **Deferment:** allows you to postpone payment for reasons such as economic hardship, unemployment, returning to school, or military service
2. **Forbearance:** permits you to temporarily postpone or reduce payment due to hardship; you will be responsible for extra interest during this period
3. **Forgiveness:** forgives the loan under certain extreme conditions such as disability or death

Defaulting can have these consequences:

1. The default will become a part of your credit history.
2. The loan may be assigned to a collection agency.
3. The unpaid amount of your loan may become due and payable immediately.
4. In the case of home mortgages, car loans, and other secured loans, you may lose the items in question, as well as any payments you have already made.
5. In the case of student and other government loans, the IRS may take legal action against you, garnish your wages, or seize your property.

How Bankruptcy Affects Your Ability to Get Credit

Bankruptcy is a legal option of last resort if you become incapable of paying your debts. Bankruptcy releases you from the obligation to repay your debts, but can carry serious consequences.

Points to Remember

Demonstrate an ability to use credit responsibly:

If you've never had a credit card, getting one is a good way to establish a credit history. Be careful not to charge more than you can repay. A good rule of thumb is to keep your balance at or below 30 percent of your credit limit to maximize your credit score. Pay all bills on time, and always pay at least the minimum on your credit card statements.

Find the credit option that is right for you:

Not all credit is the same; when shopping for credit, compare rates and features to find the option that best meets your needs. For example, if you plan to make a single large purchase, a bank loan might offer a better interest rate than a credit card.

Know the terms of your contract:

Read all credit contracts carefully before signing any. Ensure you are aware of all fees and penalties, as well as the interest rate. Be aware the issuer may reserve the right to raise your card's rate unexpectedly. Also, some credit cards offer a low interest rate that goes up significantly after an initial period of time. Remember, being late on one payment can raise your rate.



REDUCE YOUR RISK.

IDENTITY THEFT

Identity theft is any use of another person's personal information to defraud that person or others. A thief may use this information to open a bank or credit card account, take out a loan, make purchases, rent an apartment, or withdraw money from an account using the victim's personal information. It is a serious and increasingly common crime that could cost you time and money, and damage your credit.

Fortunately, there are ways to reduce your risk and, should you become a victim, limit the damage.

❑ Check Your Credit Reports Regularly

Be on the lookout for any accounts in your name that you didn't open yourself. Misspelled names and other incorrect information may also be a sign of trouble.

❑ Review Statements Carefully

Watch out for any unauthorized charges; if you see any, report them right away.

❑ Keep Sensitive Information Secure

Don't carry information, such as your social security card. Don't share information with companies over the phone or online unless you know and trust them. Keeping your account information in a secure place where you can find it will also help if your cards get stolen.

❑ Make Sure Websites Are Secure

Whether you're banking, shopping, or opening an account online, before sharing any personal information, make sure the site is secure. First, look for an "s" at the end of "http" and before the colon in the URL line of your browser; "https" specifies the site is secure. In addition, look for a lock icon in the lower right-hand corner of your browser. If you do not see both of these indicators, your information may not be secure and you should do business elsewhere.

❑ Sign Your Debit and Credit Cards

Signing your debit and credit cards may make it more difficult for a thief to access your account if your card gets lost or stolen. Utilizing cards with a photo ID is also a good idea.



WE CAN HELP

CONTACT US IF YOU
NEED INFORMATION
ON LOAN REPAYMENT
PLANS.



WWP Resource Center
888.997.2586

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THINGS ARE GOING TO CHANGE.

LIMIT THE DAMAGE

If you suspect your identity has been stolen, you should act quickly to limit the damage. You can reduce your risk and limit the potential damage by adhering to the following action steps.

1. Contact Any One of the Credit Reporting Bureaus

By law, the one you contact is required to contact the other two bureaus. Ask to have a “fraud alert” placed on your file. This should prevent a thief from opening additional accounts in your name and doing more damage to your credit. You should also request a new copy of your credit report; review it carefully for accounts you may not have opened yourself and other fraudulent activity.

2. Contact Companies You Do Business With

These can include banks, utilities, and other service providers – anyone you have an account with. Ask to speak with someone in the company’s security or fraud department. You may need to close your existing accounts and open new ones using new passwords and PINs.

3. File a Police Report

It is very important that you create a record of the crime, even if the police are unable to find the perpetrator. This can make it easier to deal with creditors and help limit your liability for any fraud committed in your name.



WE CAN HELP

WHEN PEOPLE TRY TO TAKE ADVANTAGE OF YOU, IF IT SOUNDS TOO GOOD TO BE TRUE, IT PROBABLY IS.



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TAX PLANNING

Tax planning as a civilian will be different; while a significant amount of military compensation is tax-free, most earnings in the American workplace are not. By making certain financial choices, you may be able to reduce the amount of federal income tax you pay. Consult a tax advisor regarding your individual situation to help you determine what you legally owe, while taking advantage of deductions and other provisions that can reduce your tax burden. Here are some other general suggestions for dealing with year-end taxes.

Choose the Right Level of Deduction from Your Paycheck

Each time you receive a paycheck, tax is withheld from your take-home pay in order to cover what you are likely to owe at the end of the year. However, if you have extra income coming into your household that is untaxed, you may want to increase the amount withheld from your paycheck. On the other hand, if you find you have a large tax refund coming back to you at the end of the year, you may want to decrease your withholding the following year.

Save Receipts

If you have expenses that are tax deductible, you might save money by itemizing your deductions on your tax return. For example, if you have unreimbursed expenses associated with a move or your education, you may be able to deduct these from your taxable income. Be sure to save your receipts for any expenses you plan to claim.

Reduce Your Taxable Income

By contributing to a retirement savings plan, you may be able to reduce the amount of income you pay tax on.

Check Your Earnings Statement

As a disabled veteran, your government checks such as TSGLI and VA Compensation and Pension are not taxed. Make sure these payments are not listed on your W-2 statement, which should only include taxable income.

Avoid Late Filing and Payment Penalties

If you are unable to file your tax return because of your injuries, you may be eligible for a filing extension. Please realize, however, you must file for this extension! We recommend you consult a tax advisor regarding your individual situation.



HELP IS AVAILABLE.

OPPORTUNITIES.



FINANCIAL RESOURCES

The WWP Resource Center maintains a variety of financial resources that are available to assist you in gaining financial independence. Through our partnership with Bank of America, we host financial workshops and afford warriors customized, one-on-one financial coaching. Finally, the Wounded Warrior Project Campus Services and Warriors to Work programs can provide assistance with education and employment opportunities.

Supporting the United States military has been a focus of Bank of America for more than 90 years, through contributions to military-focused charitable organizations, providing differentiated banking services for military service members, and having a dedicated team of employees focused on recruiting and retaining military veterans.

We welcome the opportunity to assist you in reaching your financial goals!

CONTACT US

CONTACT THE WWP RESOURCE CENTER FOR MORE INFORMATION!



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WE CAN HELP

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