



INVESTOR ALERT

For Immediate Release

April 29, 2009

Financial Literacy Month Tip of the Week

Investor Tips for a Down Market...

Boise, Idaho Governor Otter has declared April as "Financial Literacy Month." One action being taken by the Department of Finance to support financial literacy during April is to issue a consumer bulletin each week.

Watching the stock markets plunge more than 34 percent in 2008, investors at all levels are feeling the strain and wondering what to do as the markets continue to slide in 2009. Before you make any investment move, get the facts. Gavin Gee, director of the Idaho Department of Finance states, "A big part of financial freedom is having your heart and mind free from worry about the 'what-ifs.' In life it takes courage to stretch your limits, educate yourself and fulfill your potential. It is no different in the financial realm."

The Idaho Department of Finance offers these tips for investing during a down market:

1. What is a "Real" Loss?

You only have a realized loss if you actually sell an investment at a price below its purchase price. Watching the value of a portfolio of investments decline in value, sometimes steeply, can be frightening-- don't let panic drive your decision making. Remember, you realize a loss only when you actually sell an investment.

2. Thinking about Cashing Out Your 401K Early?

Think again before you do. If you cash out before you are 59 ½ and do not roll the proceeds into an IRA or another employer's plan within 60 days:

- You may have to pay federal income tax on the entire amount;
- Your employer is required to withhold 20% of your account balance to prepay federal taxes;
- You may owe state and local tax on your distribution;
- You may also be subject to a 10% early withdrawal penalty tax by the IRS.
- For more information, contact the U.S. Department of Labor at www.dol.gov.ebsa

3. Considering Asking for Help from a Financial Services Professional? Check first.

A financial professional may be the one to help you get through this financial crisis. You can call the Idaho Department of Finance to check an individual or company's complaint history, employment history and registration with Idaho, or visit our website at <http://internet/Education/FinancialLiteracy.aspx> where you can access information on your stockbroker.

DO YOU KNOW WHICH OF YOUR ACCOUNTS ARE INSURED?

BANK AND CREDIT UNION ACCOUNTS

What's Insured: All deposit accounts at insured banks, savings associations and credit unions, including checking, NOW, and savings accounts, money market deposit accounts and certificates of deposit (CDs) up to the insurance limit.

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By Whom: The FDIC (Federal Deposit Insurance Corporation) is an independent agency of the United States government that protects you against the loss of your deposits if an FDIC-insured bank or savings association fails. The FDIC was created over 75 years ago and, since then, no depositor has lost a penny in a federally insured deposit. Similar protection exists for deposits at insured credit unions.

Protection Limits: \$250,000 per bank, credit union or savings association (unless the account(s) meet certain requirements), and up to \$250,000 for certain retirement accounts. However, it is possible to have insurance coverage in excess of the basic limits by restructuring your accounts to bring them below the insured limits.

What's NOT Insured:

- Investments in mutual funds, whether purchased from a financial institution, brokerage or dealer.
- Annuities (underwritten by insurance companies, but sold at some financial institutions)
- Stocks, bonds, Treasury securities or other investment products, whether purchased through a financial institution or a broker-dealer.

BROKERAGE ACCOUNTS

What's Insured: The cash and securities, such as stocks, bonds and mutual funds, held by a customer at a financially troubled brokerage firm that is a member of SIPC. SIPC can help when assets are stolen by a broker or put at risk when a brokerage fails for other reasons.

By Whom: The Securities Investor Protection Corporation (SIPC www.sipc.org). Though created by Congress, SIPC is a nonprofit, membership corporation, funded by its member securities broker-dealers.

Protection Limits: Securities in your account at a SIPC member brokerage, up to \$500,000, including a maximum of \$100,000 for cash claims. SIPC protection is provided only in limited circumstances, and is NOT as comprehensive as FDIC insurance. Please visit www.sipc.org for more information.

What's NOT Insured:

- Losses due to market fluctuation, poor investment decisions or lost investment opportunities;
- Investments in commodity futures, fixed annuities, currency, hedge funds or investment contracts (such as limited partnerships) that are not registered with the SEC; and
- Accounts of partners, directors, officers or anyone with a significant beneficial ownership in the failed firm.

TEAMING UP FOR EDUCATION

“WHAT’S HAPPENING IN APRIL”

Governor Otter Declares April as Financial Literacy Month.

The Department of Finance is proud to partner with the Idaho Financial Literacy Coalition and others in providing financial education to Idahoans. If you would like to schedule a presentation, please contact the department at finance@finance.idaho.gov, or call us at (208) 332-8004 or toll free within Idaho at 1-888-356-3378.

Upcoming events during the Month include:

March 31st—9:00 a.m., Governor Otter signs Proclamation designating April as Financial Literacy Month. To be held at the Borah Station Post Office (8th and Bannock streets), 2nd Floor Courtroom. Open to the public!

April 1st -- 11:00-6:00, “Your Money Bus Tour.” At Boise City Hall, White Pine Room. Free advice from Berkeley, Inc., a financial advisor. No appointments needed.

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April 2nd—Department of Finance speaks at Boise State University to students in a University 101 class about Saving and Investing.

April 2nd -- 11:30-1:00 pm, Idaho Financial Literacy Coalition's Canyon County Regional Committee Meeting. At Home Federal Bank, 500 12th Ave S, Nampa. Free (includes lunch). Guests welcome. RSVP at lsander@myhomefed.com. Guests welcome.

April 6th—6:00-8:00p.m., “Building Bucks” by University of Idaho Extension. Workshop entitled “Buyer Beware: Identity Theft Protection and Predatory Lending” held at the Latah County Fairgrounds Kitchen. Contact (208) 883-2267 or krichel@uidaho.edu for more information.

April 7th—Department of Finance speaks about Using Credit Wisely to 4 classes at Jerome High School.

April 7th -- 4:00-5:00, “Credit and the Interest Insomnia: Using Credit Wisely.” At the National Financial Education Center at Debt Reduction Services Inc. Free. RSVP at (208) 378-0200 x 906.

April 8th -- 9:00-10:00. Idaho Financial Literacy Coalition's Idaho Falls Regional Committee Meeting. RSVP at (208) 785-0059. Guests welcome.

April 10th—8:30-12:00, “Your Money Matters” educational event hosted by the Idaho Financial Literacy Coalition. Includes free continental breakfast. Keynote: Idaho State Treasurer Ron Crane. Nampa Civic Center at 8:30-Noon. RSVP by April 8th at (208) 378-0200 x 777. Workshop topics include:

- Credit and Credit Scoring
- Social Security
- Home Buying and Ownership
- Basics of Investing
- Identity Theft Prevention
- Consumer Debt Elimination

April 14th—Department of Finance speaks to students regarding the Wise Use of Credit/Credit Scoring during a University 101 class at Boise State University.

April 14th—The Idaho Council on Economic Education hosts an International Summit for high school students in the Twin Falls area. The Summit will be held at the College of Southern Idaho. Educators, please contact Edie Unland at (208) 732-6450 for more information.

April 14th --4:00-5:00, “Just Say ‘No’...to Spending.” At the National Financial Education Center at Debt Reduction Services Inc. Free. RSVP at (208) 378-0200 x 906.

April 15, 22, 29 and May 6—6:30-9 p.m., “You Can Retire Well” course. . University of Idaho-Boise, 322 E. Front St. (corner of Broadway & Front). Classes are taught by professionals from University of Idaho Extension, Idaho Department of Finance and the Social Security Administration. For more info. or to register call Nickie, 364-6163.

April 15th -- 9:00-10:30 am, “Project DEBT-o-nation: Preventing and Eliminating Debt.” At BSU's Student Union Building for BSU staff and faculty. Contact angiezirschky@boisestate.edu for more details.

April 20-24th—“Kootenai County Financial Literacy Week” sponsored by Get\$mart Idaho (an affiliate of the Idaho Financial Literacy Coalition), Idaho Department of Finance, and Idaho State Treasurer's Office. Please visit www.getsmartidaho.org for more information and registration.

- **April 21st**—1:00 p.m., “How to Recognize Investment Fraud” workshop by the Idaho Department of Finance held at the Coeur d'Alene Library.
- **April 22nd**—12:00p.m., “Building Financially Literate Communities” keynote by Idaho State Treasurer Ron Crane held at the Coeur d'Alene Inn.
- Presentations and field trips for high school students throughout the week!

April 21st, 28th, and May 5th—7:00p.m., Creating Your Financial Future: It's up to You--A Personal Finance Workshop with Debbra Dillon, CFP®. Workshop is based on the book, Personal Finance Workbook for Dummies® \$45.00 (fee includes the book). Location: Dillon Financial Planning, 1159 E. Iron Eagle Drive, Ste. 170-C, Eagle, ID Call 208-336-7503.

April 21st --, 4:00-5:00, “Project DEBT-o-nation: Preventing and Eliminating Debt.” At the National Financial Education Center at Debt Reduction Services Inc. Free. RSVP at (208) 378-0200 x 906.

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April 21st --7:30-4:00, "Training Session for Teachers of the new High School course, Mathematics of Personal Finance." At the Idaho Department of Education Barbara Morgan Conference Room, Len B Jordan Bldg, 650 W State St, Boise. Free (includes lunch) Register online at www.sde.idaho.gov/site/social_studies.

April 22nd-- The Idaho Council on Economic Education hosts an International Summit for high school students in northern Idaho. The Summit will be held at the Coeur d'Alene Casino Resort. Educators, please contact Heidi Rogers at (208) 667-2588 for more information.

April 22nd --9:00-10:30 am, "Spending by Color: Why We Spend the Way We Do." At BSU's Student Union Building for BSU staff and faculty. Contact angiezirschky@boisestate.edu for more details.

April 23rd --Department of Finance speaks to students at Kootenai High School regarding Saving and Investing Basics.

April 28th-- The Idaho Council on Economic Education hosts an International Summit for high school students in the Pocatello area. The Summit will be held at the Idaho State University. Educators, please contact Janaan Haskell at (208) 282-2359 for more information.

April 28th-- The Idaho Council on Economic Education hosts an International Summit for high school students in the western Treasure Valley area. The Summit will be held at the Northwest Nazarene University. Educators, please contact Justin Larson at (208) 426-1193 for more information.

April 28th --11:30-1:00. Idaho Financial Literacy Coalition's Twin Falls Regional Committee Meeting. RSVP at ken@sccap-id.org. Guests welcome.

April 28th --4:00-5:00, "Roadmap to Financial Stability: Personal and Household Budgets." At the National Financial Education Center at Debt Reduction Services Inc. Free. RSVP at (208) 378-0200 x 906.

April 30th-- The Idaho Council on Economic Education hosts an International Summit for high school students in the Boise area. The Summit will be held at the Boise State University. Educators, please contact Justin Larson at (208) 426-1193 for more information.

April 30th—Department of Finance Deputy Attorney General Rene Martin will present "Information and Financial Crimes" during Boise State University's Victims' Rights Week.

May 16th --10:00a.m.-6:00p.m., The Idaho Department of Finance, the Federal Reserve Bank of San Francisco, Idaho Housing and Finance Association, U. S. Department of Housing and Urban Development (HUD) and other supporting organizations will conduct a **free** conference entitled "Foreclosure Intervention Workshop" on May 16th. This workshop will be held at the Nampa Civic Center. Please visit the Idaho Department of Finance website at <http://finance.idaho.gov> for the upcoming phone number to RSVP for this event.

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Department of Finance Press Releases and other information can be found on the Internet via the worldwide web at <http://finance.idaho.gov> and may be obtained by contacting the Department at (208) 332-8004 or Idaho toll-free at 1-888-346-3378.