

TIME
FOR KIDS

YOUR



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FINANCIAL LITERACY FOR KIDS

SAFETY NET



**Even kids can be
targets of identity
theft. Find out how
to protect your privacy.**

IDENTITY CRISIS

Kids are often victims of identity theft. How can you stay safe?



WHO'S THAT? Every time you enter personal information on a computer, you put yourself at risk for identity theft.

By age 5, Reilly Dennedy had her own apartment. At age 7, Avery Carlon had credit cards and bank accounts and owned three businesses. It sounds crazy for kids in kindergarten and first grade, doesn't it?

It is. And it turned out to be illegal. Like thousands of kids each year, Reilly and Avery had their identities stolen. Strangers started the businesses and rented the apartment using their names.

A Complicated Crime

What does it mean to have your identity stolen? It doesn't happen just because someone knows your name or your birthday. Many people already know that information. The key is your nine-digit Social Security number, or SSN. Your SSN is **unique**. The government assigned it to you by the time you were 6 months old. No one else in the country has the same number. You'll use it to prove your identity when you apply for a job or a marriage license, borrow money to buy a house, or open a credit card.

After years of using their SSN, most adults have a formal record that shows how well they've handled borrowing money and paying it back. This is called a credit report. If adults have paid their bills late or borrowed too much money, it is harder and more expensive for them to borrow money in the future. Bad credit can also get in the way of renting an apartment or getting a job.

But kids shouldn't have a track record. Most kids haven't applied for credit cards or borrowed money, so they don't have credit problems. That's why criminals target them and their Social Security numbers. They use the stolen identities to open bank accounts and credit cards, apply for loans, and rent apartments. That's what happened to Avery and Reilly.

A Lifelong Impact

Though it's hard to say how Avery and Reilly's identities were stolen, if their credit is not cleared up, it may affect them for the rest of their lives. "I was upset and nervous, because when I get older I might have trouble finding a job," says Avery, who is now 11.

That's why it's important to protect your identity as best you can. Never share your personal information with anyone, especially online, says Eva Casey Velasquez, president of the Identity Theft Resource Center. Don't

Becca DeSalva posted a picture • 3 hrs
I passed my driving test! Look—my driver's license! I'm official!



Like • Comment • Share

Never post a picture of the following:

- Your home
- Your Social Security card
- Your passport
- Your birth certificate
- Your driver's license

Has Your ID Been Stolen?

Your parents should check your credit report every few years. They can do this free at annualcreditreport.com. When they enter your Social Security number on the site, nothing should come up. If you have a credit report, it's a sign of possible identity theft. Your parents should contact the fraud line at a major credit bureau to report what happened. Getting bills or letters from the Internal Revenue Service in your name and invitations to apply for credit cards are also signs of possible trouble.

FAMILY CHALLENGE Are your passwords strong enough?

Sit down with your family to make a list of websites that each of you uses on a regular basis. Remember to include your social-media accounts and the sites you shop on. Go through the passwords and make them stronger using tips from our "Strong Password Quiz," on page 4.

POWER WORDS

impersonate *verb*: to pretend to be another person
unique *adjective*: one of a kind; special



ASK JEAN

Jean Chatzky is a money expert.
How do banks pay you back if they lose their money or are robbed?

—Alana Alcequiez, 10, Bronx, New York

Great question! In both cases, your money is protected by FDIC insurance. The FDIC, or Federal Deposit Insurance Corporation, was created in 1933. This was after the Great Depression, a period when many banks failed and many people lost their money. Today, FDIC insurance will cover you for deposits of up to \$250,000 per bank. The number of bank robberies each year in the U.S. is falling. In 1991, there were 9,400. In 2012, there were fewer than half that number. But theft of online financial data is on the rise. Thieves today, like always, seem to follow the money.

Do you have a question? Write to Jean at tfkasks4you@timeforkids.com.

KIDS WEIGH IN

Should you have to work for your allowance?

Some people say that basing an allowance on household duties teaches kids that the only way you get money is to earn it. But others think allowances should not be tied to chores, because chores are part of being a family. Two TFK Kid Reporters share their views.



NO!

**Lorenzo Blanco, 9
Altadena, California**



An allowance is meant to teach kids how to be responsible with money, not to teach about work ethic. Even if you receive an allowance automatically, you should still help around the house. Pitching in is your responsibility. Chores beyond ordinary household tasks, such as washing a parent's car, might be worth extra pay. Decide before you start an allowance, so everyone is clear about their responsibilities and expectations.



YES!

**Ava Cambio, 9
Matlacha, Florida**



Earning an allowance teaches the value of hard work. Seeing how much time and effort it takes to earn money teaches you the value of a dollar. You may decide a video game isn't worth 20 hours of work. If you do buy something, you'll value it more. Working for your allowance mirrors responsibilities you'll have as an adult. Why not learn now, when you have room to make mistakes and time to learn from them?



We want to hear from you! Vote on this topic and more at timeforkids.com/pwcdebate.

STRONG PASSWORD QUIZ!

Which is the strongest password?

a) 123456

b) Gr0\$\$out!

c) Taylor1989

Answer: b Believe it or not, *123456*, *abcdef*, and *password* are still very common passwords. But they're not safe! A strong password combines at least eight capital and lowercase letters, numbers, and symbols that come together to form some sort of nonsense word. For example, *Taylor1989* technically has strong letters and numbers, but pairing Taylor, as in Swift, with the title of her latest album is too easy to guess. *Gr0\$\$out!* is the clear winner.