

WINTER 2022

## PALMETTO CONNECTION



## Teens Falling Prey to Online Scams

**Did you know that teens are now falling prey to online scams even faster than seniors?** In 2020, there were over 23,000 online scam complaints from individuals under 21 years old. This suggests that no matter how well-versed you are in technology and the internet, you can still be a victim of online scams. Learn more about these scams and how you can avoid them by checking out the following article!

### Common Online Scams Targeting Teens

Reports on online scams have increased by 156% among members of Generation Z. Born in the digital age, teens are more comfortable sharing their whereabouts on various online platforms. However, this makes you vulnerable to the following online scams:

#### Romance Scams

While having fun using various dating apps, you might encounter a romance scammer. They'll build an intimate relationship with you, but their real goal is to make a hole in your wallet. Usually stationed abroad, they refuse meetups and video calls.

#### Fake Online Stores

While online shopping can be fun and even therapeutic, you might come across fake e-commerce stores that copy the logos and sites of legitimate businesses. These scammers usually offer your favorite items at unreasonably low prices. In the end, you'll get substandard products — or even nothing at all.

#### Employment Scams

There may be various job opportunities online, but not all of them are real. Scammers will post fake, poorly written ads. They'll also make you pay up-front fees for training, which no legitimate employers would do.

#### Fake Online Contests

While you may look up to some online influencers, scammers are busy copying these public figures through fraudulent social media accounts. They'll conduct online contests and giveaways. Once you're declared a winner, they'll solicit your bank account details or require you to pay upfront to claim the prize. In reality, you won't get anything — just a stolen identity.

### Avoiding Online Scams: Tips for Teens and Parents

Whether you're a parent who's a member of a credit union and still trying to familiarize yourself with online accounts or a teen who's already tech-savvy, remember the following tips to avoid online scams:

- Check various reviews online before purchasing items from a specific store.
- Choose a strong and unique password for each of your online accounts. Avoid using your nickname, birthdate, or your pet's name because these can be found on other platforms.
- Never give out your personal and financial details, especially during unexpected calls.
- Look for misspellings and grammatical mistakes in ads, sites, or emails.
- Monitor what you or your child share on social media. Scammers may find some information they can use to commit identity theft.
- Before making a decision, share it with someone you trust, like parents, friends, and other family members. Doing so will help you figure out if you're being scammed.
- Be suspicious of people asking you to pay advance fees through specific methods, like wire transfer and gift cards.
- If possible, don't use public Wi-Fi because scammers can find ways to access your sensitive information.

### Final Thoughts

Whether you're a teen or a senior, you're not free from the hands of scammers. So, be extra careful and combat scammers by following the tips above.

Want to make sure your teens get off on the right foot, financially? Check out the **MyLife Account** from Palmetto First.

[palmettofirst.com/youth-accounts](https://palmettofirst.com/youth-accounts)

# Dangers of "Buy Here, Pay Here" Car Lots

When you want to buy a new car, "buy here, pay here" car lots can be enticing. On the surface, it looks like they are offering good prices for quality vehicles. When something seems to be too good to be true, there's most likely a catch. You might get yourself into an auto loan that you'll regret, or the consequences could even be much worse.

Here are some of the dangers of "buy here, pay here" car lots and why you should be wary of these business models.

## High-Interest Rates

These businesses offer financing in the shortest time frame possible. Some don't even need to check your credit score to provide you with a loan to get a new car. However, these lenders are confident in this system because the interest rates are high. They earn much more than traditional lenders and dealerships.

That means you could be paying much more than necessary to get your new car.

## Puts Your Credit Score At Risk

While it doesn't require a good credit score to get these auto loans, it doesn't mean the dealership won't report them. If you ever miss a payment or have a problem, they could easily submit a report to one of the major credit bureaus. This will cause your credit score to take a hit that you won't see coming.

On the other end of the spectrum, some businesses won't even acknowledge the fact that you're paying on time. The loan you got will not build your credit score, leaving you in the same spot you started with. The only difference is that you paid more than necessary for the car.

## They Don't Have to Follow SRP

When you go to a traditional dealership, you'll often get a price based on the car's value and the recommended price set by the manufacturer. With "buy here, pay here" car lots, they don't follow the same protocols. They could set the price they want and put up a good sales presentation to convince you that it's cheap. Coupled with interest, you could end up paying thousands of dollars more for a car that just isn't worth that much.

## Payments Can Be Inconvenient

Some dealerships have set up weekly or biweekly payments which can affect your spending power. Instead of a once-a-month plan, it will remove money from your account in shorter intervals. Not only that, but it may also be a way to increase the rate at which interest accrues. If you miss one payment, the debt can add up.

## Always Consider Your Options

These business models can be appealing because they offer you a quick way to get what you want: a new or new-to-you car. However, you need to take a step back and consider why they're offering it. Dealerships like this can tug on your emotions, causing you to put logic on the backburner. Without considering the risks, you could end up on the wrong side of a raw deal.

If you're not in a rush, take a seat and really consider all of your available options. Even if you have bad credit, you can still find better opportunities that will work for you.

[roadloans.com/blog/buy-here-pay-here-dealerships](http://roadloans.com/blog/buy-here-pay-here-dealerships)  
[creditkarma.com/auto/i/buy-here-pay-here](http://creditkarma.com/auto/i/buy-here-pay-here)



**GET YOUR FINANCIAL DUCKS IN A ROW!**

- **Lower Your Loan Rate**
- **Flexible Terms**
- **Lower Your Monthly Payment**
- **Save Money by Paying Your Debt Off Faster!**

**Ask us how!**

**The Palmetto First Federal Credit Union 2021 Annual Meeting** was held virtually on **November 18<sup>th</sup>**. Both Cindy Crosswell and Kathryn Roach were reelected for 3-year terms to continue serving on our volunteer board of directors. We appreciate their continued dedication to serving our credit union! If conditions allow, we look forward to returning to an in-person annual meeting in 2022.

*In  
Sympathy*

30477

The Board and Staff of Palmetto First Federal Credit Union, along with our members, would like to extend heartfelt sympathy to the friends and families of...

**Larry Jackson and Elouise Turner**

...all valued members of your family and ours.

*We regret that our updated system no longer notifies us of a member's passing.  
We appreciate your assistance in bringing the names of those who have passed to our attention.*

## Holiday Closings

**Martin Luther King Jr. Day**  
Monday, January 17

**President's Day**  
Monday, February 21

## Secret Numbers

There are several account numbers hidden within this newsletter. If you find yours, call the credit union and claim your **\$25 prize!**

## Branch Locations

1722 Gregg Avenue  
Florence, SC 29501

108 Pamplico Highway  
Florence, SC 29505

## Mailing Address

P.O. Box 3989  
Florence, SC 29502

  
**PALMETTO FIRST**  
FEDERAL CREDIT UNION



**843.669.5619**

**PALMETTOFIRST.COM**

This credit union is federally insured by the National Credit Union Administration and is an Equal Housing Lender.

23568