

SENIORS - BEWARE OF INVESTMENT SEMINARS NO FREE LUNCHES



INVESTMENT SEMINARS ARE DESIGNED TO SELL

Although you have been invited to an “educational” program or investment “workshop,” never lose sight of the fact that the sponsor's goal is to sell investment products to new customers. Don't be taken in by claims of “urgency” or “limited space availability” at the seminar.



BE ALERT TO POSSIBLE SCAMS

Investment seminars are legitimate sales practices. However, some seminars may involve fraudulent sales practices such as sales of fictitious products and outrageous misrepresentations of risk and return. You should always thoroughly check any product before investing.



THE SEMINAR'S SPEAKERS MAY BE BIASED IN THEIR PRODUCT RECOMMENDATIONS

Although seminar solicitations generally focus on the speakers, they may not include the name of the firm or product sponsors. Product sponsors, like mutual fund companies or insurance companies, may fund the seminar with the expectation that their products will be sold to the attendees. Always get a disclosure about any products that you are thinking about purchasing, including information on fees paid by the product sponsor.

*Need Assistance? Please call the SEC's
Office of Investor Education and Advocacy at (800) SEC-0330.*



ADVERTISING AND SALES MATERIALS MAY BE MISLEADING

Advertising and sales materials may include misleading or exaggerated statements about the safety, liquidity or anticipated rates of returns. Sales materials also may make comparisons between dissimilar investments or services. Some firms fail to disclose that they have paid for positive testimonials from other customers.



“EXPERTS” MAY MISREPRESENT THEIR QUALIFICATIONS

The education, experience, and other requirements for receiving and maintaining a "senior" designation vary greatly and in some cases may be a marketing tool. Always thoroughly evaluate the background of any financial adviser before you hand over your hard-earned money.



PRODUCT RECOMMENDATIONS MUST BE SUITABLE FOR YOU

Products are not “one size fits all.” Make sure that any investment you make meets your investment objectives, risk tolerance, and time horizons.



DON'T BE A VICTIM OF “BAIT AND SWITCH” TACTICS

Unfortunately, too many seniors have replaced existing investments with investments that are unsuitable or have steep sales commissions, high surrender charges or tax consequences.

Source: “Protecting Senior Investors: Report of Examinations of Securities Firms Providing 'Free Lunch' Sales Seminars.” (Joint Report of SEC, NASAA, and FINRA, September 2007)

http://www.sec.gov/spotlight/seniors/seniors_summit.htm