

DASH for the STASH

An investor education and protection program and contest

January 29, 2016

Presenters

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Rules

<http://www.iinvest.org/programs/dash-for-the-stash/>

Section of the
2015 Rules Poster

For more information visit
the Investor Protection
Institute website.

4 Posters... 4 Topics ...and Your Chance to Win*

To enter the 2015 DASH is as easy as 1,2,3...

1. Read a poster (and learn a bit about investing)
2. Scan the QR code to find the quiz question**
3. Leave your answer

4 Posters on Investing

4 Topics every investor should understand:

1. Financial Advisers
2. Investment Fees
3. Investor Fraud
4. Building A Nest Egg

Enter for all 4 posters.
(Poster content is educational in nature and not intended to replace financial advice.)

*No smart phone or tablet?
Use the URL under the QR code as an alternative way to play.*

**The mobile app to read QR codes is typically free to download.
Mobile data rates apply, as per your phone contract.

Posters

Each poster covers one investor topic.



What you should know about... BUILDING A NEST EGG



An investor education and protection program from the Investor Protection Institute

The stock market is *not* a casino, where players bet on chance. But you do need to understand how to be an investor. First, realize risks you take to get potential rewards. What's best for you depends on:

- ✓ When will you want the money?
- ✓ Your goal for investing the money?
- ✓ What is your tolerance for risk?

Investing ≠ Gambling

Start!

Saving or Investing

Investing and saving are not the same. With **saving**, your principal is usually not at risk. **Investing** means putting your money to work by buying assets, which can go up or down in value. To get started, you need to open an **investment account**. Learn about investing at invest.org

Golden Rules for Investors

Do not put all your eggs in one basket.

With great reward comes great risk.

Invest in what you know.

Fees matter. Keep them low.

Start early. Let your money compound.

Be patient. Markets do not move in straight lines.

Do your research. Hot tips do not match knowledge.

Pay attention. Read your statements.

Stay focused. Have a financial plan with goals.

There is no free lunch.

1/2 Financial Planning

Many U.S. companies provide some investment advice to employees through outside advisers... and almost half have an online third party advisory service, while 28% allow for face-to-face meetings with professional advisers." -Aon Hewitt survey

What Assets Can Fill Your Account Buckets?

- ◆ Stocks - Shares in a company
- ◆ Bonds - Government or company debt
- ◆ Mutual Funds - Baskets of assets
- ◆ Exchange Traded Funds - Also baskets
- ◆ Treasuries - Bills, Bonds, Notes, TIPS
- ◆ Cash - Certificates of Deposits

20%

Financial plans work. Over a lifetime, investors with a financial plan accumulate about 20% more wealth than those with no plan.*

* National Bureau of Economic Research

Invest!

Spend less than you earn to find money to invest.

Tools to Choose - Accounts to Build

Find help choosing accounts, at <https://goo.gl/W3JWGER>

IRA
Individual Retirement Account

Roth IRA
Roth Individual Retirement Account

Deferred Compensation
401(k), 457, 403(b) plans

SEP
Simplified Employee Pension

SIMPLE IRA
Savings Incentive Match Plan for Employees

Diversification spreads risk across your portfolio but does not insure against market risk.

70-80%

Retirement Goal:
Aim to replace 70-80% of your pre-retirement income. Plan for a combination of savings, Social Security, and investments.

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What you should know about... INVESTOR FRAUD



An investor education and protection program from the Investor Protection Institute

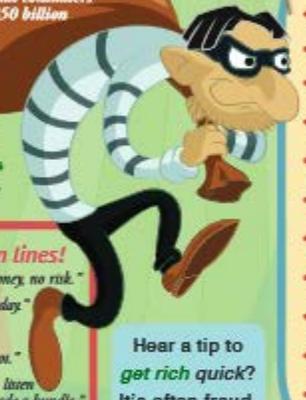
Financial fraud, investment scams and get-rich-quick schemes often go unreported because the victims are *too embarrassed* to admit they were so gullible. But it's not so easy to tell if an investment is fraudulent. *Anyone* can be a victim. Older adults—especially those over 65—are more likely to be targeted and more likely to lose money to con artists.

If it sounds too good to be true, it probably is.

Billion \$50

annual loss

Estimates suggest financial fraud costs American consumers more than \$50 billion every year.



Types of Traps

- **Affinity fraud** - Members of a group are conned by one of their own, often unreported.
- **Advance-fee fraud** - Asks you for upfront money so the deal can go through (i.e. "Nigerian" official).
- **Ponzi schemes** - Initial investors are paid from funds of later investors, touted as high yield but low risk.
- **Pyramid schemes** - Investors make money by getting new recruits, closely related to Ponzi schemes.
- **Promissory notes** - Investors loan money in exchange for fixed income payments.
- **Pre-IPO investment scams** - Someone offers to sell unregulated securities they may not own or are fake.
- **Pump-and-dump scam** - First someone tries to boost a stock's price with fake info, then sells their holdings.
- **Private offerings** - Unregulated, limited investment offerings that lack transparency and liquidity.
- **Distressed real estate schemes** - Foreclosures, short sales or highly leveraged real estate touted by cons.
- **Oil & gas drilling programs** - Promise of lucrative returns and high pressure sales tactics hides the risk.
- **Proxy trading accounts** - Someone offers to set up an account in your name and trade for you.

BEWARE these con lines!

- "You can make a lot of money, no risk."
- "You can only get in this today."
- "This is a sure bet."
- "Everyone's buying, it's so hot."
- "Don't take my word for it, listen to your friend who just made a bundle."

40%

A FINRA survey indicates that 4 out of 10 investors could NOT spot a financial con. No wonder most fraud goes unreported.

New Products, New Cons

New investments and financial innovation bring new scams. Beware of investing on crowdfunding sites or in new products like digital currency. Con artists keep track of the headlines, too.

Take Steps to Protect Yourself

Use a reputable adviser, one registered with your state securities regulator.

Do not give an adviser total control, and read your statements.

Do not make out checks to an individual sales person.

Pick investments you can buy/sell through reputable firms.

If you suspect fraud/theft, report it. Do not be embarrassed.

Do not send money to be eligible to win something.

STOP!

Don't invest in something you don't understand.

Recognize These Warning Signs...

- The adviser assures you the proposed investment *can't lose money*.
- The adviser is *not licensed* or registered to sell the investment.
- Someone takes interest in your finances, particularly *someone new* to you.
- Someone asks you to *send money quickly* and references your relatives.
- You get an *unsolicited call* or email from someone selling an investment.

Report suspected fraud to a State Securities Regulator or go to NASAA.org.

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How Your Library May Participate

- 1) Please complete the SurveyMonkey (link below) by February 3rd
<https://www.surveymonkey.com/r/9F8YN9J>
- 2) Promote the DASH for your own location. For promotional ideas as well as questions or concerns, you can contact Joanne Kuster via email at joanne@kusterltd.com or phone at 515-991-5632.
- 3) Contest materials will be mailed to your location during the first week of March.

Questions???



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