

Florida has long been known as a great place to spend your golden years, and many older Floridians rely on investment income to maintain their standard of living.

While retirees once relied on federally insured products, such as bank savings accounts and certificates of deposit, for retirement income, a number of factors – including the current low interest rate environment – have fueled the movement into riskier investments.

While no investment is a sure thing, there are some common pitfalls seniors should be aware of when choosing where to put their nest egg. These include:

### Commissioned salespeople posing as impartial advisors.

Research shows that older consumers tend to be more trusting, and may be confused by the common use of confidence-inspiring titles such as “investment consultant” and “financial advisor” by commissioned investment salespeople.

### Uninsured products sold by broker-dealers in financial institutions.

Older investors in Florida are most likely to place particular trust in banks. It is important for seniors to remember that investments, whether purchased on bank premises or at brokerage firms, involve risk and are not insured against loss by the Federal Deposit Insurance Corporation.

### Confusion over government insurance.

Investments such as mutual funds are not insured by the FDIC against loss. If interest rates rise or market values decline, investors may lose money.

### Inadequate disclosure about investment products.

Older investors in Florida must be on their guard about unwarranted claims by some financial professionals in their sales pitches. Inadequate or misleading communication about products is compounded by a prospectus (and other investment disclosure documents) that may be very difficult to understand. Many elderly investors claim they are not informed of, or fail to understand, sales charges, up-front fees and/or rear-end charges.

### Misleading fund names.

Often a mutual fund name may not adequately reflect its actual investment objective. Unsophisticated investors may be misled by terms such as “income” or “government” funds into believing that investments made in such products will not entail risk. In fact, the asset value of any mutual fund may fluctuate due to changes in market conditions. It is important to obtain information on the fund’s investment objective from the fund prospectus.

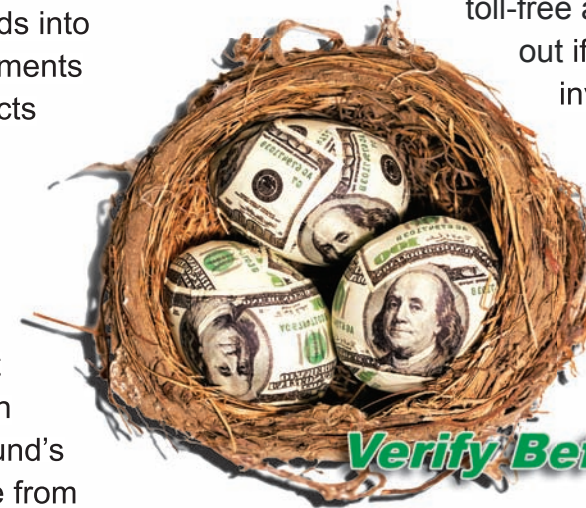
### Account statements that do not clearly indicate investment performance, fees and commissions.

Most brokerage and mutual fund account statements reveal very little about investment performance, fees and commissions. Older investors should ask their financial professional to calculate these figures and provide them in writing if they are not available.

To avoid these problems, smart investors know to do the following:

### Check out your financial professional.

Be sure that any investment professional you consult is properly licensed in the state of Florida. Call the Department of Financial Services Consumer Helpline toll-free at 1-800-342-2762 to find out if the company, broker and investment are legitimately registered, and if they have a complaint history.



**Verify Before You Buy!**

## Define your financial objectives.

Be sure that your investment professional understands your financial situation, what level of risk you are willing to accept and what your ultimate goals are.

## Beware of strangers attempting to sell you investments.

Cold calls from telemarketers are a significant source of investment fraud. Never give out personal information like Social Security, bank account or credit card numbers over the phone.

## Don't be pressured into acting on an investment decision.

An investment that's good today will be good tomorrow. If you are told you must "act now" or miss out on getting in on the "ground floor," be especially wary.

## Recognize the important differences between bank deposits, investments and insurance products.

Financial industry deregulation has caused some confusion for consumers, with banks and even insurance agents also selling investment products. Be sure that you understand the difference

between the various offerings — and do not assume that just because it is sold in a bank, it's guaranteed against loss. All market investments involve risk.

## Invest only in what you fully understand.

Read the prospectus and any other documents carefully so that you understand the risks, as well as any commissions or other fees that may be associated with the investment. Getting a second opinion is always a good idea — consult another financial professional, accountant or attorney and have them review the paperwork with you to clarify the issues.

To check on the license and complaint history of an investment professional or product, call the Department of Financial Services toll-free Consumer Helpline at 1-800-342-2762.

Telecommunications  
Device for the Deaf (TDD)  
1-800-640-0886

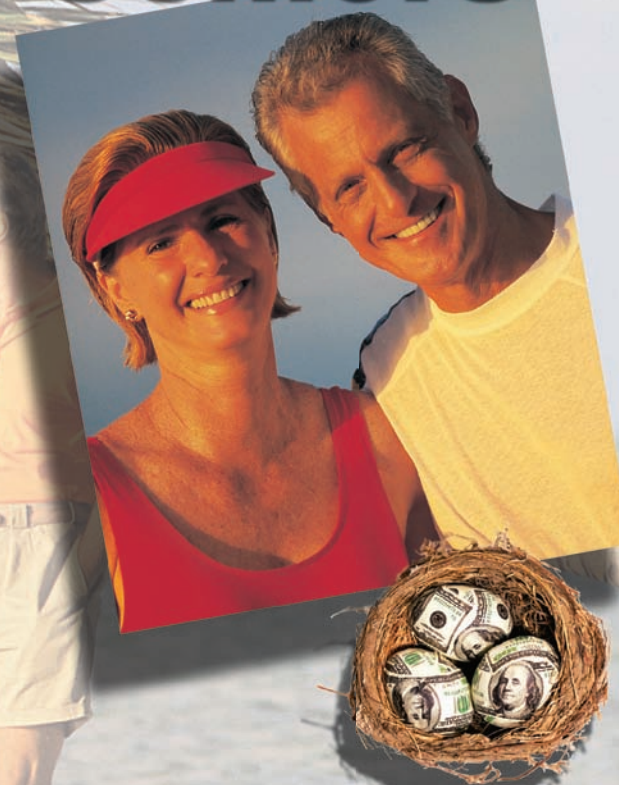
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# Investing For Seniors



*Verify Before You Buy!*