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### State Securities Regulators Issue Senior Investor Alert

*NASAA says retirees and those nearing retirement remain vulnerable as they manage a lifetime of savings*

WASHINGTON, D.C.—The North American Securities Administrators Association (NASAA) today issued a [Senior Investor Alert](#) warning that retirees and those nearing retirement can face serious traps as they manage the savings they have accumulated throughout their working years.

“Only the lowest of the low intentionally seek to deprive retirees of the savings they have worked so hard for so many years to accumulate,” said NASAA President and Alabama Securities Commission Director Joseph P. Borg. “NASAA members will continue our ongoing and active pursuit of criminals who cheat seniors out of their hard-earned retirement savings.”

In remarks at the second annual Seniors Summit, sponsored by the U.S. Securities and Exchange Commission, Borg identified the three most common traps facing senior investors: free lunch or dinner seminars, misleading professional designations, and abusive sales practices involving variable and equity index annuities and high-risk investment products. “Often these traps go hand in hand in aggressive marketing programs to create a perfect storm for senior investment fraud,” Borg said.

Since NASAA first identified the risk seniors face at free meal investment seminars in 2003, state securities regulators have been actively investigating and bringing cases to stop the spread of abusive sales practices that often emanate from these events.. “Promoters often use the promise of a free meal to lure potential clients to hear pitches of unsuitable or questionable investments,” Borg said. “Remember, there’s no such thing as a ‘free’ lunch.”

Preliminary results from an ongoing NASAA survey of state securities agencies show that investment fraud against seniors continues to grow. Nearly half (44 percent) of all investor complaints received by state securities regulators come from seniors, up from 28 percent in 2005. In addition, variable and equity index annuities were involved in nearly half (48 percent) of the cases of senior financial exploitation reported to state securities regulators, according to the NASAA survey’s preliminary results.

Recognizing that financial education is a powerful weapon in the continuing fight against senior investment fraud, NASAA offers a wealth of investor protection information in its [Senior Investor Resource Center](#).

NASAA is the oldest international organization devoted to investor protection. Its membership consists of the securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, the provinces and territories of Canada, and Mexico.

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#### For more information:

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