



Investor Protection: A Survey of AARP Wyoming Members



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Investor Protection: A Survey of AARP Wyoming Members

Report Prepared by Jennifer H. Sauer

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AARP is a nonprofit, nonpartisan membership organization that helps people 50+ have independence, choice and control in ways that are beneficial and affordable to them and society as a whole. We produce *AARP The Magazine*, published bimonthly; *AARP Bulletin*, our monthly newspaper; *AARP Segunda Juventud*, our bimonthly magazine in Spanish and English; *NRTA Live & Learn*, our quarterly newsletter for 50+ educators; and our website, www.aarp.org. AARP Foundation is our affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. We have staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

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Survey Highlights

AARP conducted the AARP Wyoming Member Survey from June through August, 2006 to learn more about member experiences, perceptions, and knowledge about financial investments. The survey results would allow AARP Wyoming and its partners to better provide information and outreach to those 50 and over in Wyoming about financial fraud. Surveys were mailed to a random sample of 2,000 AARP members in Wyoming and 919 surveys were completed by the cut-off date. The survey yielded a 46 percent response rate and a sampling error of plus or minus 3.2 percent.

- Two-thirds (65%) of all Wyoming members invest in securities, and slightly more than six in ten (62%) invest through their employer by having a contribution deducted from their paycheck.
- The top reason for investing cited by most (89%) members who invest is for retirement. However, three in ten indicate that providing an inheritance (29%) is also a reason they invest in securities, and at least another quarter (25%) say they invest to help pay for long-term care and health care.
- Six in ten investing members say they learned about or received information about an investment opportunity from their stockbroker, financial planner, advisor or banker (59%), while another six in ten also say they received information about an investment from a friend (33%) or family (28%).
- Among those who say they learned of an investment opportunity from any of the possible sources tested in the survey, four in ten (40%) say they did not seek additional information on that prospect, and one-third (33%) did not invest in the opportunity.
- Among investing members, nearly all (96%) say they receive regular account statements and other periodic reports about their investments and most (73%) report reviewing them every time they receive them. Another one in seven say they review these statements almost every time they receive them (14%).
- At least half of all members when asked about investing in the stock market today, cite as their top concerns, a fear of losing money and the state of the economy (64% and 47% respectively), and over a third cite a lack of ethics in the marketplace (37%).
- Few Wyoming members are highly confident in their own ability to buy and sell individual stocks (Extremely/Very confident: 8%) or in the abilities of professional stock brokers (Extremely/Very confident: 12%).
- While only sixteen percent of all AARP Wyoming members indicate they or someone they know have been a victim of financial fraud, nearly three quarters (73%) are concerned about becoming a victim of financial fraud (Extremely concerned: 15%; Very concerned: 21%; Somewhat concerned: 37%).

Background

Financial crimes, including investment fraud, are on the rise. Consumers age 50 and over are frequently the targets of investment fraud. According to the Federal Trade Commission, in 2005, consumers reported fraud losses of over \$680 million with the median monetary loss equaling \$350. Of the total fraud complaints filed in calendar year 2005, 30 percent of complaints were filed by people age 50 years or older. In Wyoming, during 2005, the state was ranked 19th in the nation for fraud related consumer complaints and Cheyenne was the top city in the state for both fraud and identity theft complaints.¹

The AARP Foundation collaborated with the Investor Protection Trust (IPT) in a national campaign to slow the rise in investment scams that are eroding investors' financial security. The Investor Protection Trust (IPT), through its *Campaign for Wise and Safe Investing*®, provides independent, objective information needed by consumers to make informed investment decisions. It is funded by settlements and fines paid to the Securities and Exchange Commission (SEC) as a result of its enforcement actions against investment advisers and brokers. Using grant funds from the IPT, AARP Wyoming is working with the Wyoming Secretary of State's Securities Division to educate state residents and provide information about investment fraud and scams.

AARP Wyoming sought to quantify member experiences, perceptions, and knowledge about financial investments. Based on this information, AARP Wyoming will be better positioned to provide information and outreach to its members and others in Wyoming about financial fraud.

Methodology

AARP conducted the AARP Wyoming Member Survey from June through August, 2006. A random sample of 2,000 AARP members in Wyoming, proportionally stratified by three age segments (50-59, 60-74, and 75+) was selected from AARP's membership database. Each sampled member was contacted about the survey in four ways: a pre-notification postcard, the survey itself, a reminder postcard, and a second survey. Wyoming members returned 919 completed and useable surveys by the cut-off date, providing a 46 percent response rate. Thus, the survey has a sampling error of plus or minus 3.3 percent.

Survey responses were weighted to reflect the distribution of the age segments in the member population of Wyoming. In some instances, percentages are small and may not seem to represent a significant proportion of members, yet when projected to the total Wyoming membership the actual number of people may be substantial. As of July 2006, the number of individual AARP members in Wyoming was 93,583. A full annotated questionnaire is included in the Appendix.

¹ Federal Trade Commission Consumer Sentinel Complaint Figures, Consumer Fraud and Identity Theft: Complaint Data January – December 2005; <http://www.consumer.gov/sentinel/pubs/Top10Fraud2005.pdf>.

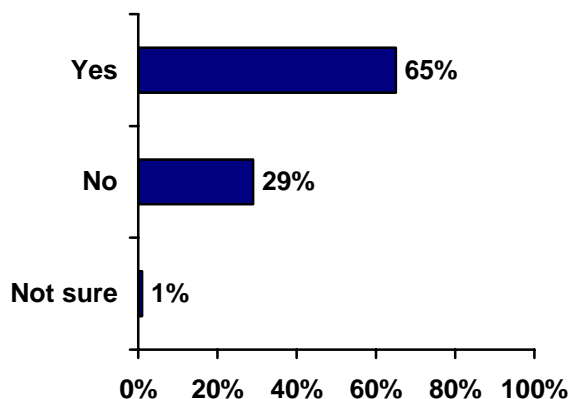
DETAILED SURVEY FINDINGS

Investing Behavior and Preferences

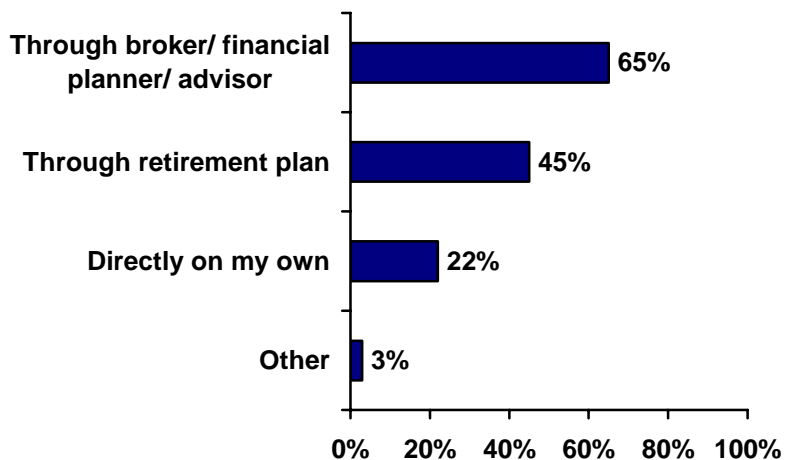
AARP Wyoming Members and Securities Investment

The data show that among the two-thirds of all Wyoming members invest in securities, two-thirds of them invest through a broker or financial planner, over four in ten say they invest through a retirement plan, and one-fifth invest directly on their own.²

% of AARP Wyoming Members who Invest
(AARP WY Members, weighted n=919)



How AARP Wyoming Members Invest
(AARP WY Members, weighted n=595)



Sources Used To Invest in Financial Securities

Wyoming members use their money or assets from a number of financial sources to invest in stocks, bonds, or other types of securities. Slightly more than six in ten invest through their employer and have a contribution deducted from their paycheck. Half of those members who invest use funds from their savings, and about three in ten invest money from an inheritance. Twenty-one percent invest funds from the sale of an asset, and one in seven invest bonuses or commissions earned on the job. Only two percent say they borrowed money to invest in various types of securities.

Sources Used to Invest in Securities
(AARP WY Members, weighted n=595)

Regular paycheck	62%
Savings	50%
An inheritance	29%
Sale of an asset	21%
Bonuses and/or commissions	15%
Borrowed money	2%
Other	6%
Not sure	1%

² Please see Question 11 in Annotated survey for the responses to this 'check all that apply' question.

Main Reasons Why AARP Wyoming Members Invest in Securities

The top reason for investing cited by most members who invest is primarily for retirement. However, three in ten indicate that providing an inheritance is also a reason they invest in securities, and at least another quarter say they invest to help pay for long term care and health care. One in eight invest for their grandchildren’s education, and eleven percent or less also invest for reasons related to home improvements, fun, their children’s education, to show support for their employer or company, or for other reasons not tested in this survey question.

Reasons Why Wyoming Members Invest (AARP WY Members, weighted n=595)

For retirement	89%
Provide inheritance for family	29%
Help pay for health care	28%
Help pay for long-term care	25%
Grandchildren’s education	13%
Home improvements	11%
For fun	8%
Children’s education	7%
Show company support	3%
Other	4%
Not sure	1%

Sources of Investment Information and Opportunity

Six in ten investing members say they learned about or received information about an investment opportunity from their stockbroker, financial planner, advisor or banker. Another six in ten also say received information on an investment from a friend or family. Roughly a quarter of members who invest say they learned about opportunities through a colleague at work or the media. One in ten say they have never learned about or received information on an investment opportunity from anyone or any group.

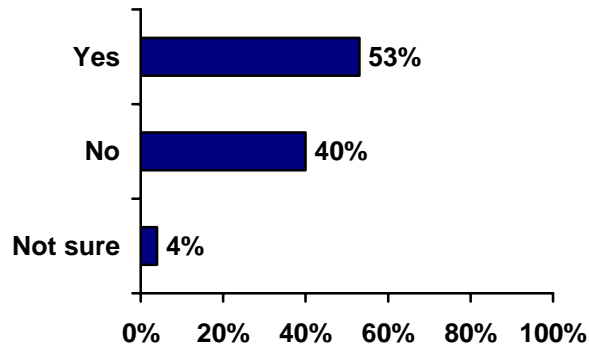
Sources of Investment Opportunities (AARP WY Members, weighted n=595)

Broker/financial planner/ investment advisor/ banker	59%
A friend	33%
Family/Relatives	28%
Media (newspaper, radio, TV)	24%
A colleague at work	20%
Place of worship	3%
Social club/community organization	2%
Other	8%
None/No one/no group	10%
No answer	2%

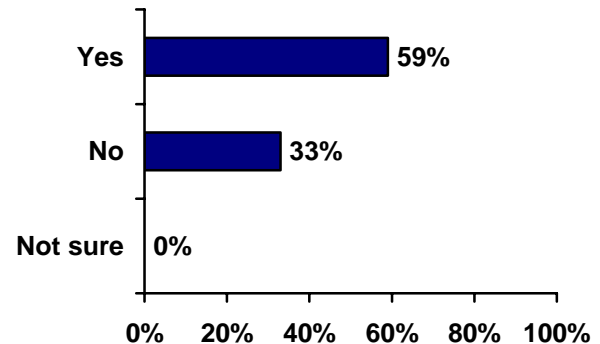
Seeking Investment Information and Investing in New Opportunities

Among those members who did learn about or receive information on an investment opportunity (n=534), over half say they sought more information about it including whether or not it carried any financial risks, and over half actually invested in the opportunity. Still, four in ten investing members who learned about an opportunity say they did not seek additional information on that prospect and one-third of them did not invest in the opportunity (see Appendix, Annotated Survey, questions 13, 14, and 15).

Seek Information on Investment Opportunity
(AARP WY Members, weighted n=534)



Invest in Opportunity
(AARP WY Members, weighted n=534)



Sources of Investment Advice

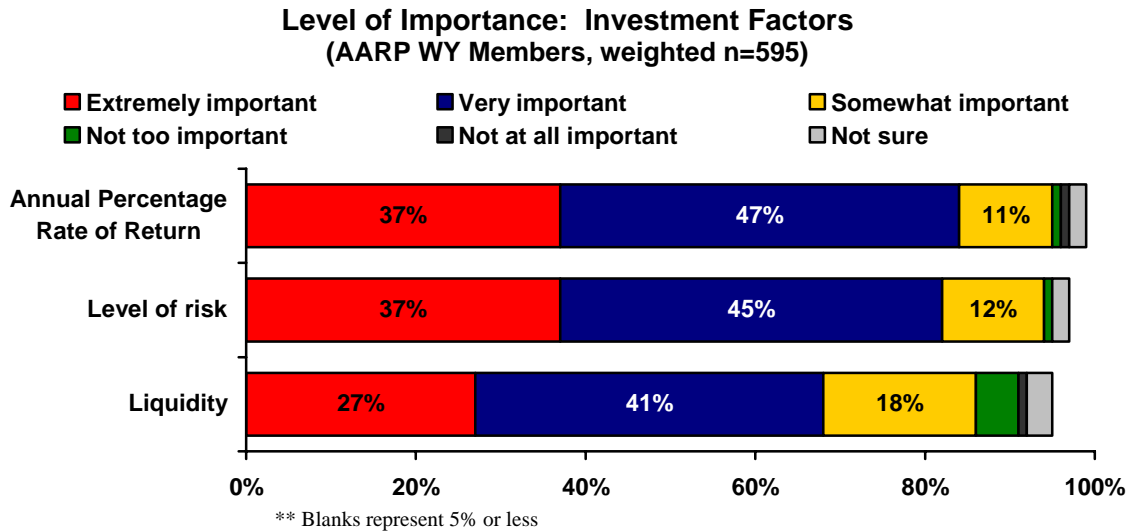
Most Wyoming members who invest in securities typically look to a broker, a banker, or a financial advisor when thinking about an investment. However, a quarter of them turn to family members or friends for advice, and roughly one in seven say they turn to the financial or investment specific websites, financial newspapers, CNBC or similar business television broadcast stations or financial journals or periodicals. Few investing members say they typically turn to radio programs or books.

Where AARP Wyoming Members Go For Investment Advice
(AARP WY Members, weighted n=595)

Financial advisor	51%
A broker	41%
Family or friends	26%
Financial/investment websites	16%
Financial newspapers	16%
A banker	14%
CNBC/ televised financial broadcasts	13%
Financial journals	12%
Books	6%
Radio broadcasts	3%
Other	6%
No answer	4%

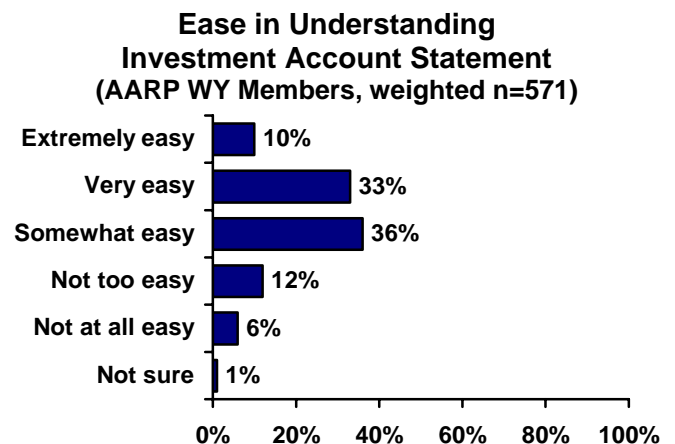
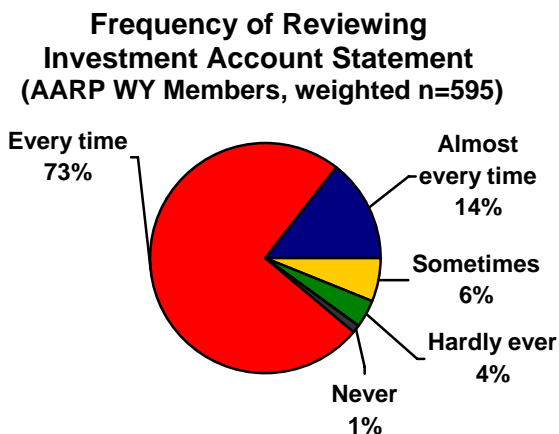
Consideration of Certain Investment Factors

Most investing members in Wyoming view both the annual percentage rate of return and the level of risk as extremely or very important considerations when making a decision to invest. Over two thirds view liquidity – the ease of investment sale at a fair price – as an extremely or very important investment consideration (see Appendix, Annotated Survey, Question 19).



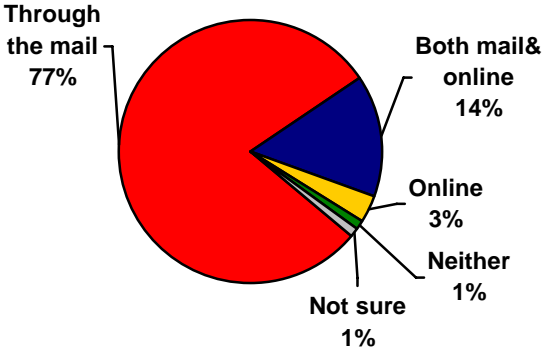
Disclosure Forms and Statements

Among AARP Wyoming members who invest, over half (54%) say they receive prospectus or disclosure forms (forms contained in a prospectus that provide investors with product information, terms of agreement, and the potential risks associated with the investment) for *each* investment purchase. One in five (22%) say they receive this form for *some* investment purchases, and one in ten (12%) say they have not received a prospectus or disclosure form after making their investment (see Appendix, Annotated Survey, Question 21). Nearly all members who invest say they receive regular account statements and other periodic reports about their investments (96%), and most (73%) say they review the statements every time they receive them (see Appendix, Annotated Survey, Questions 22 and 23). Among those who review their statements, forty-three percent say they are extremely or very easy to understand, while over one-third say they are somewhat easy to understand and almost one in five say their investment account statements are not easy to understand.

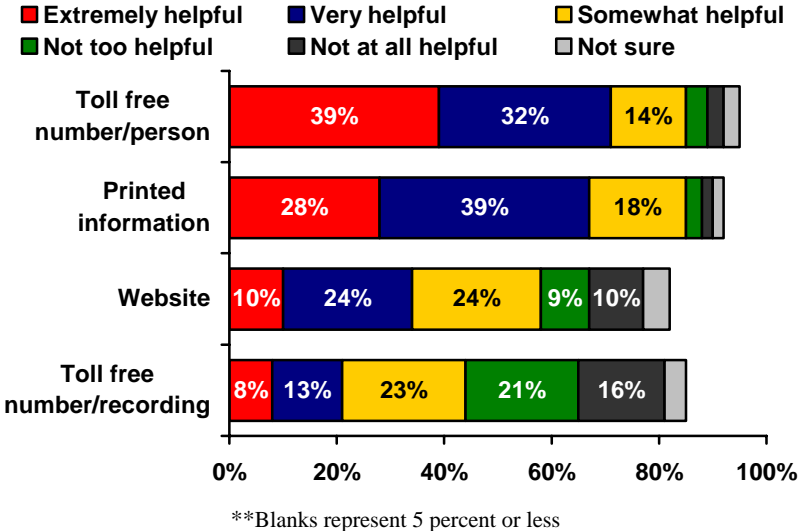


When asked if they would prefer to review their statement electronically online or as a hard copy sent by mail, the majority of members say they prefer reviewing a hard copy received via the mail. Moreover, nearly all investing members rank printed information *above* visiting a website or calling a toll-free number and listening to a recording as the most helpful ways companies could provide customers with disclosure and account information. However, calling a toll-free number to talk with a person is the top-most favored method of receiving help with their account information.

Preference for Reviewing Investment Account Statement (AARP WY Members, weighted n=571)



Level of Helpfulness: Obtaining Disclosure and Account Information (AARP WY Members, weighted n=595)

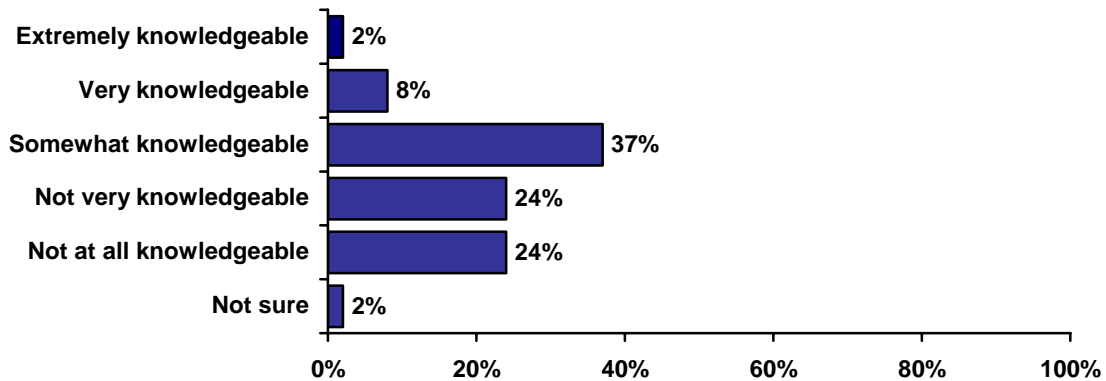


Vulnerability to and Experience with Investor Fraud

Personal Knowledge and Opinion of Financial Investing

While most AARP Wyoming members ages 50 and older are of the opinion that personal financial investing is an important part of planning for the future (56%) and it can make one's money work for them (46%), most report feeling not highly knowledgeable about making financial investments in stocks, bonds, 401(k)'s, mutual funds, etc. (see Annotated Survey, Questions 1 and 2).

**Personal Level of Knowledge about Making Financial Investments
(AARP WY Members, weighted n=919)**



Concerns about Securities Investing

A fear of losing money and the state of the economy are the top two concerns cited by at least half of all members regarding investing in the stock market today. However, more than a third say that a lack of ethics in the marketplace and their lack of confidence in the stock market concerns them, while lack of personal competence in their ability to choose stocks is a concern for another third of all members. Roughly one-quarter of members are concerned or worried about the complexity of financial statements, becoming a victim of fraud, or incompetent stock brokers and financial advisors when thinking about investing in the current stock market.

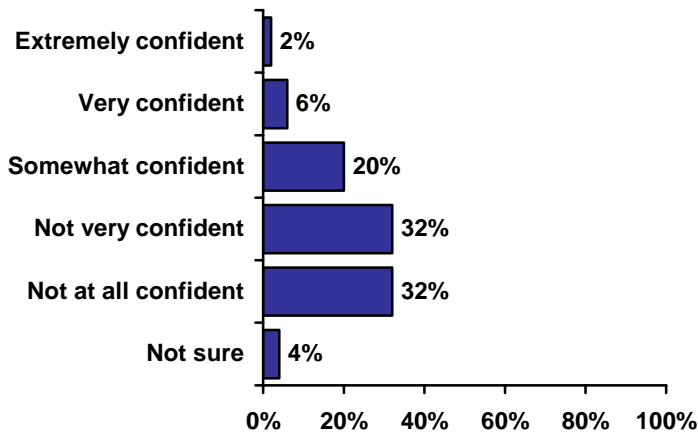
**MAIN Concerns/Worries about
Investing in Stock Market Today
(AARP WY Members, weighted n=919)**

Fear of losing money	64%
The state of the economy	47%
Lack of ethics in the marketplace	37%
Lack of confidence in the stock market	36%
Lack of competence in own ability to pick stocks	33%
Incompetent stock brokers/financial advisors	28%
Fear of being a victim of fraud	25%
Complexity of financial statements	23%
Lack of significant consumer protections	19%
Insufficient disclosure or risks to investors	16%
Transition fees too high	16%
None	7%

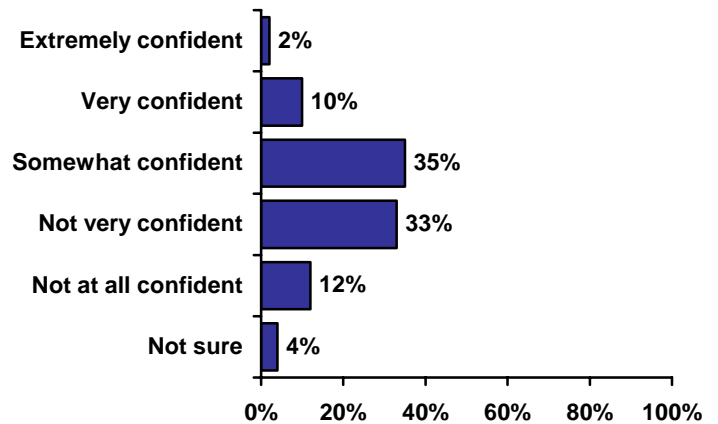
Confidence in Self and Brokers to Buy/Sell Stocks

Whether or not they are currently investors, very few Wyoming members are highly confident in their own ability to buy and sell individual stocks. Similarly, most are minimally confident in the abilities of a professional stock broker to buy and sell stocks with the consumer's best interest in mind.

Level of Confidence in Personal Ability to Buy/Sell Stocks
(AARP WY Members, weighted n=919)



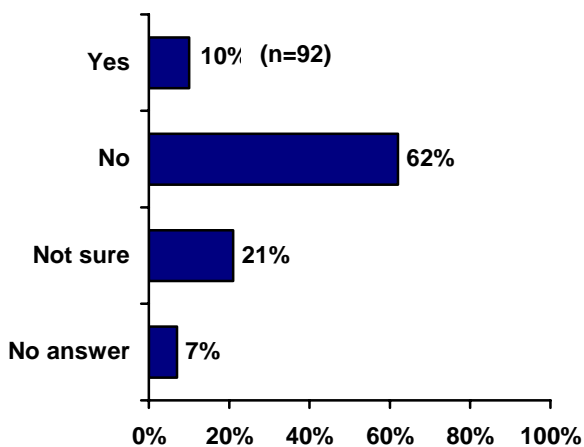
Level of Confidence in Professional Broker to Buy/Sell Stocks
(AARP WY Members, weighted n=919)



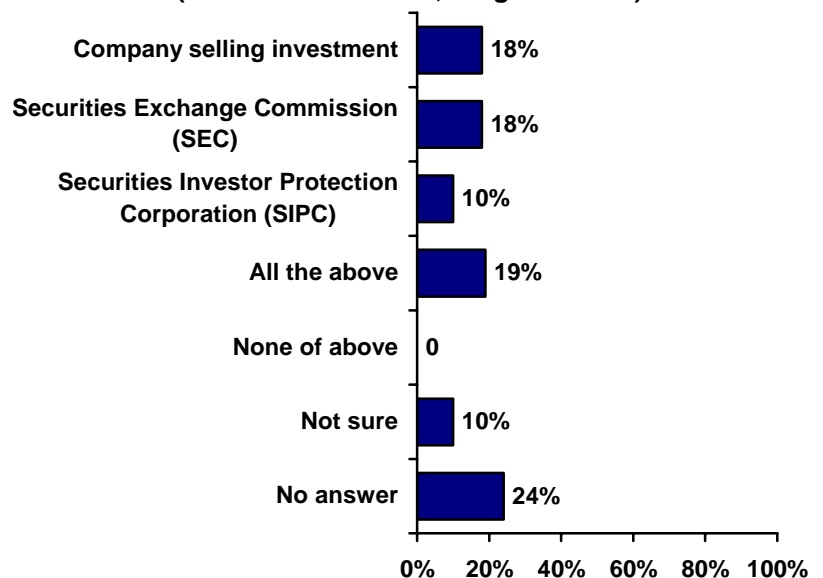
Perceptions of Investor Protection

When subsequently asked if they think investors are generally protected against loss, just over six in ten of all Wyoming members say no. Among the very few who do believe investors are protected against loss, seventeen members think either the company selling the investment or the Securities Exchange Commission offers the financial investor the best protection from loss. (see Appendix, Annotated Survey, Questions 6 and 6a).

AARP Wyoming Members and Protection from Investor Loss
(AARP WY Members, weighted n=919)



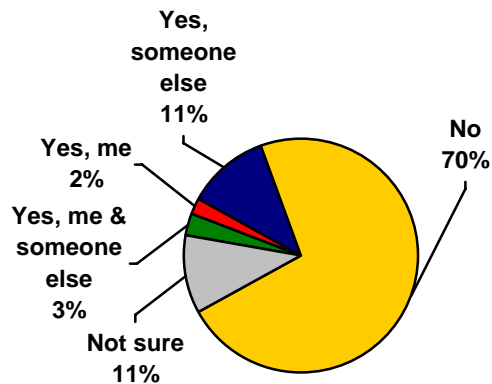
Who AARP Wyoming Members Believe is Source of Investor Protection
(AARP WY Members, weighted n=92)



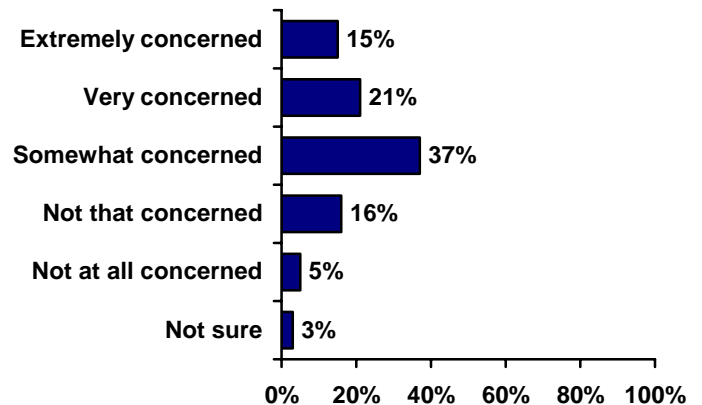
Exposure to and Concern about Financial Fraud

While only sixteen percent of all AARP Wyoming members have been exposed to financial fraud or know someone who has, thirty-six percent are highly concerned about becoming the victim of financial fraud, and another thirty-seven percent are somewhat concerned. Twenty-one percent are not that or not at all concerned about being the victim of financial fraud.

AARP Wyoming Members Exposed to Financial Fraud
(AARP WY Members, weighted n=919)



Level of Concern: Becoming a Victim of Financial Fraud
(AARP WY Members, weighted n=919)



The high proportion of concerned members is interesting given the few that actually indicate they or anyone they know have actually been a victim of financial fraud and the few that have actually been contacted about potentially fraudulent offers. Most (73%) Wyoming members have *not* been contacted about investments by someone using phrases like ‘high rate of return’, ‘risk free’, ‘investment is guaranteed against loss’, or ‘must invest now’, one in five (20%) say they have come in contact with someone using these expressions (see Appendix, Annotated Survey, Question 9).

Reporting Financial Fraud and Getting Help³

When asked where they would turn for help or assistance concerning the legitimacy of an investment opportunity, one in five investing members correctly knew they should turn to the Wyoming secretary of State’s Securities Division for help. However, over one-third say they would turn to their personal broker and between twenty and twenty-five percent would turn to the Wyoming State Attorney General’s Consumer Protection Unit. Sixteen percent would contact the Better Business Bureau, and about one in ten would contact their bank, their lawyer, or the United States Securities and Exchange Commission (SEC). Less than 10 percent would turn to a friend or family member.

Where AARP WY Members Would Turn For Help With Financial Investment Concerns
(AARP WY Members, weighted n=595)

Personal Broker	35%
Wyoming State AG – Consumer Protection Unit	24%
Wyoming Secretary of State’s Securities Division	21%
Better Business Bureau	16%
Personal bank	13%
Personal lawyer	10%
US SEC	9%
Friend or relative	7%
Other	3%
Not sure	16%

³ This question was designed and intended for all respondents but an error occurred with the skip pattern and so only investing members were asked this question. Another recent survey of AARP members in Michigan, yielded similar results to a similar question. See Silberman, S. 2006 AARP Michigan Investor Protection Trust Survey

Summary of Findings

For the most part, and despite their many fears of investing in the stock market and their self-reported lack of investment knowledge, Wyoming AARP members are active securities investors. In fact, two-thirds indicate they are currently invested either through a stock broker, a retirement plan, or on their own and many are invested through their employer or with money from their savings. The majority of investing members in Wyoming say they do so for retirement, but roughly a quarter invest to provide an inheritance for family members or to help pay for health and long-term care.

While the data show that many members are smart investors, a good number may be vulnerable to investment fraud. Though not discussed in detail in this report, the survey found that eight in ten investing members say they have not checked the background of a stock broker to see if they have ever broken any laws or rules related to their profession, and sixty percent of these members say it's because they don't know where to get such information or they trust him/her (see Annotated Survey, Questions 12 and 12a). Also notable, is that many members report learning about investment opportunities through friends, family, colleagues, the media, or a broker, but four in ten of them say they did not seek more information about the investment (including any possible risks) and over half say they invested in the new opportunity.

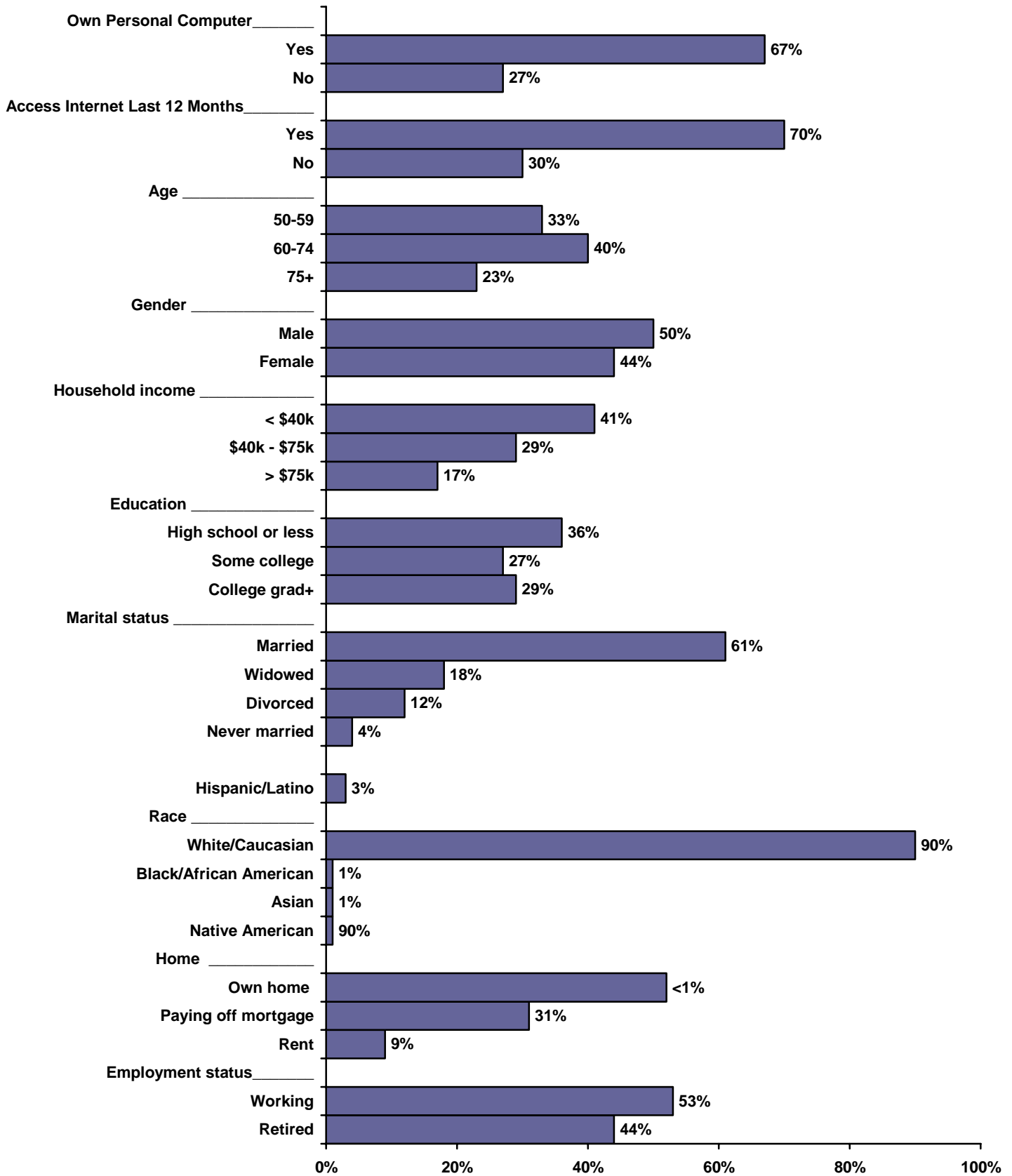
Most members in Wyoming are minimally confident in the *ability* of a stock broker to buy or sell stocks and think that investors are not protected against loss. Moreover, for about a quarter of the members, incompetent stock brokers are a main concern or worry regarding investing in the stock market today. Given these findings, it is not surprising that most members in Wyoming are concerned – in fact, over one-third are highly concerned – about being the victim of financial fraud.

Perhaps most interesting is that given the fairly negative impression of stock brokers held by AARP Wyoming members, at least half of investing members say they would enlist the help of a stock broker or financial advisor to invest or to learn about opportunities or get advice.

Recommendations

The data from this survey clearly indicate a need for information on the steps that investors can take to avoid investor fraud and related problems. Among the information that would be helpful to investors is: how and where to get reliable help before making an investment; where to check the background of brokers, dealers and financial advisors, as well as what questions to ask those individuals; and where and how to check the legitimacy and risks of an investment product. Information on what, if any, protections investors have against loss would also be beneficial to investors. Wyoming investors age 50 plus would also benefit from information on where to turn for help regarding the legitimacy of an opportunity – only 21 percent cite Wyoming’s securities regulator, and just 9 percent say they would turn to the U.S. Securities and Exchange Commission (SEC).

Demographic Profile of Wyoming AARP Members (N=919)



APPENDIX

Annotated Survey

2006 AARP Wyoming Survey of Members Financial Investing

AARP Members Weighted N =919; Response Rate =46%; Sampling Error =± 3.23%
(Percentages may add to more than 100% due to rounding)

1. How knowledgeable are you about making financial investments in “securities” such as stocks, bonds, 401(k)’s, mutual funds, etc?

<u>%</u>	
2	Extremely knowledgeable
8	Very knowledgeable
37	Somewhat knowledgeable
24	Not very knowledgeable
24	Not at all knowledgeable
2	Not sure
4	No answer

2. Which of the following best describes your opinion of personal financial investing:

<u>%</u>	[Check (√) all that apply]
56	It is an important part of planning for the future
46	It makes your money work for you
2	I plan to invest later
24	I wish I knew more about it
6	It’s not important to me
13	It’s like gambling – too many risks involved
6	Not sure
4	No answer

3. Whether or not you are currently an investor, how confident are you in your own ability to buy and sell individual stocks?

<u>%</u>	
2	Extremely confident
6	Very confident
20	Somewhat confident
32	Not very confident
32	Not at all confident
4	Not sure
5	No answer

4. Whether or not you are currently an investor, how confident are you in the abilities of stock brokers to buy and sell individual stocks with a consumer’s best interest in mind?

<u>%</u>	
2	Extremely confident
10	Very confident
35	Somewhat confident
33	Not very confident
12	Not at all confident
4	Not sure
5	No answer

5. Again, whether or not you invest, what are your MAIN concerns or worries about investing in the stock market today? [Check (✓) ALL that apply]

%

- 64 Fear of losing money
- 37 Lack of ethics in the marketplace
- 47 The state of the economy
- 23 Complexity of financial statements
- 36 Lack of confidence in the stock market generally
- 25 Fear of being a victim of fraud
- 28 Incompetent stock brokers and financial advisers
- 33 Lack of competence in my ability to pick stocks
- 19 Lack of significant consumer protections
- 16 Insufficient disclosure or risks to investors
- 16 Transition fees too high
- 7 NONE – I have no concerns or worries about investing in the stock market
- 4 No answer

6. When making an investment, such as buying stocks or bonds, do you think investors are generally protected against loss?

%

- 10 Yes
- 62 No → SKIP TO QUESTION 7
- 21 Not sure → SKIP TO QUESTION 7
- 7 No answer

6a. IF YES, which of the following do you think best protects investors from loss? (n=92)

%

[Check (✓) ONE only]

- 18 The company selling the investment
- 10 The Securities Investor Protection Corporation (SIPC)
- 18 The Securities Exchange Commission
- 0 None of the above
- 19 All of the above
- 10 Not sure
- 24 No answer

Financial fraud includes offenses such as telemarketing scams, fraud dealing with financial advice, insurance coverage, pension, investment or business schemes, and elder financial abuse.

7. How concerned are you about being the victim of financial fraud?

%

- 15 Extremely concerned
- 21 Very concerned
- 37 Somewhat concerned
- 16 Not that concerned
- 5 Not at all concerned
- 3 Not sure
- 4 No answer

8. In the past 12 months, have you or anyone you know been exposed to financial fraud?

<u>%</u>	
3	Yes, both myself and someone I know
2	Yes, me only
11	Yes, someone I know – not me
70	No
9	Not sure
4	No answer

9. In the past 12 months, has anyone contacted you about investments using the following terms or sayings: “high rate of return,” “risk free,” “your investment is guaranteed against loss,” or “you must invest now?”

<u>%</u>	
20	Yes
73	No
4	Not sure
4	No answer

10. Do you currently invest – that is, do you own “securities” such as stocks, bonds, mutual funds, etc., either through a company or on your own? This would include investments such as 401(K), variable annuities, but NOT life insurance and real estate property.

<u>%</u>	
65	Yes
29	No → SKIP TO QUESTION D1
1	Not sure → SKIP TO QUESTION D1
5	No answer

11. Do you invest directly yourself, through a retirement plan, or through someone such as a stock broker, financial planner or investment advisor? (n=595)

<u>%</u>	[Check (√) all that apply]
22	I invest directly myself
45	I invest through a retirement plan
65	I invest through a broker/financial planner/investment advisor
3	Other: (specify) _____
2	No answer

12. Have you ever checked the background of a stock broker, financial planner, investment advisor, or other financial services provider to see if they have ever broken any laws or rules related to their profession? (n=595)

<u>%</u>	
17	Yes → SKIP TO QUESTION 13
82	No
1	No answer

12a. IF NO, why not? [Check (√) only ONE] (n=489)

<u>%</u>	
24	I don't know where to get that information
36	I trust him or her
2	My broker/financial planner/advisor told me there were no problems
15	I do not work with a broker
5	Other (specify): _____
19	No answer

13. Through which of the following have you ever learned about or received information on an investment opportunity: [Check (✓) ALL that apply] (n=595)

<u>%</u>	
33	A friend
20	A colleague at work
28	Family/Relatives
3	Through place of worship
24	Media, i.e. newspapers, television program, radio program
2	Social club/community organization
59	Your broker/financial planner/investment advisor/banker
8	Other: (specify) _____
10	None – I have never learned about or received information on an investment opportunity from anyone or any group → SKIP TO QUESTION 16
2	No answer

14. Did you seek more information about the investment, including any possible financial risks? (n=534)

<u>%</u>	
53	Yes
40	No
4	Not sure
3	No answer

15. Did you invest in this opportunity? (n=534)

<u>%</u>	
59	Yes
33	No
8	No answer

16. Diversification is a process an investor might use to lower the potential overall risk of financial loss by spreading their assets across different companies, types of funds, or industry sectors. How important do you think it is for investors to have a diversified portfolio of investments? (n=595)

<u>%</u>	
47	Extremely important
38	Very important
8	Somewhat important
<.5	Not too important
<.5	Not at all important
3	Not sure
3	No answer

17. Which of the following reasons describe why you invest: (n=595)

- % [Check (√) ALL that apply]
- 89 For retirement
 - 7 Children’s education
 - 13 Grandchildren’s education
 - 28 Help pay for health care
 - 25 Help pay for long-term care
 - 29 Provide an inheritance for family
 - 11 Home improvements
 - 3 Show support for company, industry, country
 - 8 For fun
 - 4 Other (specify)_____
 - 1 Not sure
 - 2 No answer

18. From which of the following sources have you invested your money in stocks, bonds, mutual funds, etc? [Check (√) ALL that apply] (n=595)

- %
- 29 An inheritance
 - 50 Savings
 - 21 Sale of an asset
 - 2 Borrowed money
 - 62 Regular paycheck
 - 15 Bonuses and/or commissions
 - 6 Other: (specify)_____
 - 1 Not sure
 - 3 No answer

19. How important are each of the following to you when making a decision to invest? (n=595)

	Extremely important	Very important	Somewhat important	Not too important	Not at all important	Not sure	No answer
	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>	<u>%</u>
a. The annual percentage rate of return	37	47	11	1	<.5	2	3
b. Level of risk	37	45	12	1	0	2	4
c. Liquidity – ease of sale at a fair price	27	41	18	5	1	3	5

20. When thinking about investing, where do you typically look for advice?

<u>%</u>	<i>[Check (✓) ALL that apply]</i>
26	Family members or friends
41	A broker
14	A banker
51	A financial advisor
16	The internet – financial or investment specific websites
16	Financial newspapers like The Wall Street Journal or Financial Times
12	Financial journals or magazines like Harvard Business review or Forbes Magazine
13	CNBC or similar business or financial television broadcast
3	Radio program or broadcast
6	Books
6	Other: (specify) _____
4	No answer

21. Disclosure forms, often contained in a prospectus, provide investors with information on the investment product, the terms of agreement, and in some cases the potential risks associated with that investment. Did you ever receive a prospectus or disclosure form after making your investment(s)?

<u>%</u>	(n=595)
54	Yes, for each investment purchase
22	Yes, for some investment purchases
12	No
8	Not sure
5	No answer

22. Do you receive regular account statements and other periodic reports about your investment(s)?

<u>%</u>	(n=595)
96	Yes
1	No → SKIP TO QUESTION 26
<.5	Not sure → SKIP TO QUESTION 26
3	No answer

23. How often do you review the account statements and other periodic reports about your investments?

<u>%</u>	(n=571)
73	Every time I receive them
14	Almost every time I receive them
6	Sometimes
4	Hardly ever
1	Never → 23b. IF NEVER, why not?
2	No answer

23b. IF NEVER, why not? (n=4)

<u>%</u>	
0	I don't have the time
52	I rely on others to review the statements for me
27	Other: (specify) _____
0	Not sure
22	No answer

24. How easy is it for you to understand your account statements and other periodic reports?

<u>%</u>	(n=571)
10	Extremely easy
33	Very easy
36	Somewhat easy
12	Not too easy
6	Not at all easy
1	Not sure
3	No answer

25. Which do you prefer – reviewing your statement online or when you receive a hard copy through the mail? (n=571)

<u>%</u>	
3	On-line
77	Through the mail
14	Both
1	Neither
1	Not sure
5	No answer

26. How helpful would each of the following be in providing disclosure and account information from the companies with whom you invest? (n=595)

	Extremely helpful	Very helpful	Somewhat helpful	Not too helpful	Not at all helpful	Not sure	No answer
a. A toll free number with pre-recorded information	8	13	23	21	16	4	17
b. A toll free number with a person available to answer questions	39	32	14	4	3	3	7
c. A website with informational materials and related links	10	24	24	9	10	5	18
d. Printed educational materials in easy to understand language	28	39	18	3	2	2	7

27. If you had concerns or questions about the legitimacy of an investment opportunity, where or to whom in Wyoming would you turn for help?

<u>%</u>	
10	Personal lawyer
13	Personal bank
35	Personal broker
16	Better Business Bureau
24	Wyoming State Attorney General's Consumer Protection Unit
21	Wyoming Secretary of State's Securities Division
9	US Securities and Exchange Commission (SEC)
7	Friend or relative
3	Other: (specify) _____
16	Not sure
3	No answer

About You

D1. What is your age as of your last birthday? _____ (in years)

<u>%</u>	
33	50-59
40	64-74
22	75+
6	No answer

D2. What is your current marital status?

<u>%</u>	
61	Now married
2	Not married, living with partner
18	Widowed
12	Divorced
<.5	Separated
3	Never married
5	No answer

D3. What is the highest level of education that you completed?

<u>%</u>	
9	0-12 th grade (no diploma)
27	High school graduate (or equivalent)
19	Post-high school education (no degree)
9	2-year college degree
11	4-year college degree
6	Post-graduate study (no degree)
12	Graduate or professional degree (s)
8	No answer

D4. Which of the following best describes your current employment status?

<u>%</u>	
5	Self-employed, part-time
7	Self-employed, full-time
7	Employed, part-time
28	Employed, full-time
44	Retired, not working at all
3	Not in labor force for other reasons
1	Unemployed but looking for work
6	No answer

D5. Are you of Hispanic, Spanish, or Latino origin or descent?

<u>%</u>	
3	Yes
89	No
<.5	Not sure
7	No answer

D6. What is your race?

<u>%</u>	
90	White or Caucasian
<.5	Black or African American
1	American Indian or Alaska Native
<.5	Asian
1	Native Hawaiian or other Pacific Islander
1	Other (Specify): _____
7	No answer

D7. What was your annual household income before taxes in 2005?

<u>%</u>	
3	Less than \$10,000
12	\$10,000 to \$19,999
12	\$20,000 to \$29,999
14	\$30,000 to \$39,999
10	\$40,000 to \$49,999
19	\$50,000 to \$74,999
17	\$75,000 or more
14	No answer

D8. Do you own your home outright, are you paying off a mortgage or are you renting?

<u>%</u>	
52	Own home outright
31	Paying off a mortgage
9	Rent
1	Not sure
8	No answer

D9. Do you own a personal computer or laptop?

<u>%</u>	
67	Yes
27	No
6	No answer

D10. In the last 12 months, have you accessed the Internet from your home or work, or from some other source or place like a friend's or the local library?

(Check all that apply)

<u>%</u>	
57	Yes, from home
23	Yes, from work
13	Yes, from some other source
30	No
6	No answer

D11. Do you have an email account through your employer or an Internet provider like AOL or both?

<u>%</u>	
37	Neither, I do not have an email account at all
4	Yes, through my employer only
38	Yes, from an Internet provider only
13	Yes, from both my employer and an Internet provider
8	No answer

D12. Are you male or female?

<u>%</u>	
50	Male
44	Female
6	No answer

D13. What county do you live in? _____

Thank you for completing this survey!

**Please use the postage-paid envelope and return it to:
State Member Research, AARP, 601 E Street, NW,
Washington, DC 20049, by
August 10, 2006.**



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