

# **Investor Protection and Trust: A Survey of Oregon Adults Ages 40 and Older**



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**Investor Protection and Trust:  
A Survey of Oregon Adults  
Ages 40 and Older**

**Data Collected by Alan Newman Research, Inc.  
Report Prepared by Jennifer H. Sauer**

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The AARP Foundation worked with the Investor Protection Trust (IPT), 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, the AARP Oregon State Office is working with the Department of Business and Consumer Services, Oregon to provide greater investor protections against fraud.

### **Acknowledgements**

Special thanks go to Jerry Cohen and Joyce DeMonnin of the AARP Office in Oregon; AARP staff from the Office of State and National Initiatives (SNI) and to Rachelle Cummins, Jennifer Leslie, and Erica Dinger of Knowledge Management also contributed to the design and implementation of this study. Jennifer H. Sauer, AARP Knowledge Management, designed the survey and wrote the report. For more information, please contact her at (202) 434-6207 or by email at jsauer@aarp.org.

## Background

According to the Federal Trade Commission, in 2005, consumers reported fraud losses of over \$680 million and of the total fraud complaints filed in calendar year 2005, 30 percent of complaints were filed by people age 50 years or older. Moreover, during the fiscal year 2006, the SEC reported 77,274 investor complaints and questions of which 20,663 were just complaints.<sup>1</sup> The top complaint was with regard to advance fee fraud, while other top complaints included manipulation of securities, prices, markets, or short selling. The SEC reported that the top five complaints against broker-dealers included account problems involving transfers, errors, or access as well as unauthorized transactions. According to 2006 Federal Trade Commission data, Oregon currently ranks 7<sup>th</sup> in the nation for overall number of fraud complaints with a reported total of \$11,033,844 paid out by Oregon consumers.<sup>2</sup>

AARP Oregon wanted to quantify the experiences, perceptions, and knowledge of residents who invest in securities and those who are victims of securities fraud. While persons of all ages can be vulnerable to consumer fraud and securities fraud, the North American Securities Administrators Association (NASAA) warns that as Baby Boomers approach retirement, investment fraud among older adults could increase.<sup>2</sup> They report that over 40 percent of all investor complaints received by state securities regulators are made by older adults, and nearly one-third of all enforcement action by securities regulators in the state involved senior investment fraud. Based on this information, AARP Oregon and other community organizations can be better positioned to provide information and outreach to residents about financial fraud.

## Summary of Survey

This study reveals that Oregonians age 40 and older continue to invest despite an awareness of their own lack of knowledge in the area. Regardless of whether they invest in financial securities or not, most adult Oregonians ages 40 and older view themselves *less* than highly knowledgeable about investing and are not highly confident in their own abilities to buy and sell stocks. Yet, two thirds of adults ages 40 and older in Oregon say they are currently invested in stocks, bonds, mutual funds, etc. Investors themselves also indicate not feeling highly knowledgeable about financial investing but yet over half say they are highly confident they understand the details of their investment(s). Moreover, while they are not highly confident in stock brokers buying and selling stocks with the consumer's best interests in mind, one in five do indeed seek investment advice and tips from stock brokers.

This lack of knowledge of investing continues in other areas. While most respondents have heard of variable annuities, two-thirds of them are not sure what the penalties are for early withdrawal. In addition, most investors do not know that no agency or organization insures consumers against losses in the stock market.

Finally, the data further shows that many respondents ages 40 and older are highly concerned about investment fraud and identity theft. Although, becoming a victim of identity theft is slightly more disconcerting to respondents than becoming a victim of investment fraud. While respondents are highly engaged in preventative measures from these crimes, they are clearly uncertain as to where they can turn for help should they become a victim or a potential victim. In fact, nearly all of them had not contacted or visited the websites for the Division of Finance and Corporate Securities in Oregon.

**The data from this survey clearly yield two major recommendations:** first, that state government officials, legislators, and related consumer advocacy organizations continue to work toward improving laws and regulations protecting consumers from investment fraud.

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<sup>1</sup> U.S. Securities and Exchange Commission, Investor complaints and Questions, FY 2006 Annual Complaint Data, <http://sec.gov/news/data.htm>

<sup>2</sup> (2006) NASAA Survey shows Senior Investment Fraud Accounts for Nearly Half of all Complaints Received by State Securities Regulators; [http://www.nasaa.org/nasaa\\_newsroom/current\\_nasaa\\_headlines/4998.cfm](http://www.nasaa.org/nasaa_newsroom/current_nasaa_headlines/4998.cfm)

Second, detailed and thorough educational materials could be widely disseminated throughout the state. Such information should reach investors, potential investors, and non-investors to inform them or guide them to resources on best investing practices, approved or licensed brokers/advisors, financial products, signs of fraudulent sales and investments, and where to turn with questions, concerns, and assistance. The data from this survey do indeed indicate that Oregon investors are conscientious about reviewing investment information and all respondents are conscientious about preventing fraud so it is highly likely any information on investment sources, assistance, and fraud prevention will be well received.

## Survey Highlights:

- ❖ With only fifteen percent of Oregonian's ages 40 and older saying they are highly knowledgeable about making financial investments in securities such as stocks, bonds, 401k's, or mutual funds, most then feel they are somewhat (38%) or *not* knowledgeable (not very: 23%; not at all: 22%). Women and lower income respondents are more likely than their counterparts to feel less knowledgeable about financial investing.
- ❖ Among those respondents who invest, personal knowledge of investing is rated low (Extremely knowledgeable: 3%; Very knowledgeable: 17%) while self rated personal confidence in understanding the details of their investments is considerably higher (Extremely knowledgeable: 15%; Very knowledgeable: 40%).
- ❖ Two-thirds (66%) of all Oregonians ages 40 and older currently invest or own securities such as stocks, bonds, or mutual funds including a 401(k) or annuity either through a company or on their own. While similar proportions of men and women currently invest, younger and higher income respondents are more likely than their counterparts to say they invest in financial securities.
- ❖ Many (39%) of those Oregon investors ages 40 and older indicate they currently get advice and tips on investment opportunities from a professional stockbroker (19%), employer sponsored broker or financial adviser (10%), or independent financial adviser (10%).
- ❖ Few investing Oregonians say they do not receive a regular account statement (4%) and few indicate any difficulty understanding their financial investment statement (Not too easy: 9%; Not easy at all: 3%). Moreover, a majority of investors (66%) say they review their statements *every time* they receive them.
- ❖ The state of the economy, becoming a victim of identity theft, lack of ethics in the marketplace, and losing money are the top four factors that at least fifty percent of all respondents say are major concerns for them when thinking about investing in the stock market today.
- ❖ Even though few (17%) respondents have been approached by potentially fraudulent investor sales people, one third are extremely (15%) or very concerned (18%) about becoming a victim of investment fraud and another quarter (27%) are somewhat concerned.
- ❖ Interestingly, more respondents indicate high concern about becoming a victim of identity theft than investment fraud (extremely concerned: 21% vs. 15%, respectively; very concerned: 24% vs. 18%, respectively), and more respondents indicate experiencing identity theft than potential investment fraud (33% vs. 17%).

- ❖ Many respondents are not sure where to turn for help or to report investment (37%) or identity theft concerns (16%). Most say they would turn to a variety of places, many of which may not be able to address their concerns or the crime.
- ❖ Most Oregonians ages 40+ are engaged in fraud prevention behaviors: 71 percent of all respondents signed up for the “Do Not Call registry”, almost two-thirds (62%) bought a paper shredder, and half (52%) contacted credit bureaus for copies of their credit report.

## Methodology

Between November 8 and November 27, 2007 AARP commissioned Alan Newman Research (ANR) to field a survey in Oregon among residents ages 40 and older to learn more about their financial and investment knowledge behaviors and attitudes. ANR completed 802 interviews. The sample was generated using a random digit dialing process designed to reach all households in Oregon with telephone service. The total sample of 802 respondents yields a maximum statistical error of  $\pm 3.5\%$  at the 95% level of confidence. This means that in 95 out of 100 samples of this size, the results obtained in the sample would be within  $\pm 3.5$  percentage points of the results obtained had everyone in the population been interviewed. Data were weighted to reflect the actual distribution of age and gender for the population.<sup>3</sup> Percentages of some questions may exceed 100% due to rounding or the use of multiple response question formats. The response rate for this survey (RR3) is 24 percent.<sup>4</sup>

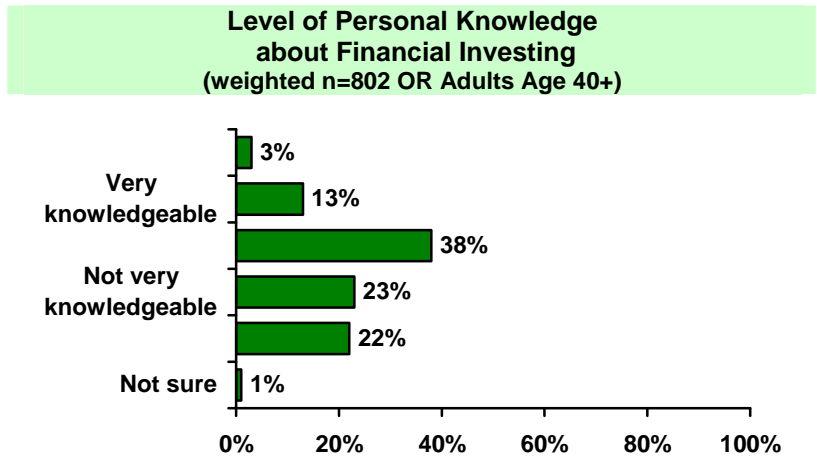
<sup>3</sup> Weight values ranged from a low of 0.633 to a maximum of 1.95. The average weight value was 1.15.

<sup>4</sup> This response rate formula (RR3) requires the calculation of ‘e’ which is the proportion of cases of unknown eligibility that are estimated to actually be eligible. The following formula was used to determine ‘e’:  $e = \text{Complete} + \text{Terminate Early} + \text{Confirmed Household No Answer, Busy, and Answering Machine} + \text{Callbacks} + \text{Language Barrier} / \text{Complete} + \text{Terminate Early} + \text{Confirmed Household No Answer, Busy, and Answering Machine} + \text{Callbacks} + \text{Language Barrier} + \text{Government/Business} + \text{Non-Working} + \text{Screened Out} + \text{Over Quota}$ .

## Key Findings

### Personal Knowledge About Financial Investing

Few Oregonians ages 40 and older say they are highly knowledgeable about making financial investments in securities such as stocks, bonds, 401k's, or mutual funds. In fact, only fifteen percent say they are extremely or very knowledgeable about investing while most indicate feeling somewhat or not<sup>5</sup> knowledgeable about financial investing.



While data from this survey indicate that age is not a factor with respect to personal investment knowledge, women and lower income respondents are more likely than men and those who report annual incomes of \$35,000 or more to say they *do not* feel knowledgeable about investing.

**Level of Personal Knowledge about Financial Investing:**  
**Not very/Not at all Knowledgeable by Income**  
(weighted n=802 OR Adults Age 40+)

Gender		Income			
Men (n=381)	Women (n=421)	<\$35k (n=188)	\$35k-<\$50k (n=117)	\$50k-<\$75k (n=149)	\$75k+ (n=171)
39%	50%	63%	51%	40%	29%

### Who Invests In Financial Securities In Oregon?

Two-thirds (66%) of all Oregonians ages 40 and older currently invest or own securities such as stocks, bonds, or mutual funds including a 401(k) or annuity either through a company or on their own. Men and women are equally likely to say they currently invest, but residents younger than age 65 are more likely to invest than those older. Not surprisingly, those with higher incomes are significantly more likely than those with lower incomes to say they currently invest in or own some sort of financial security.

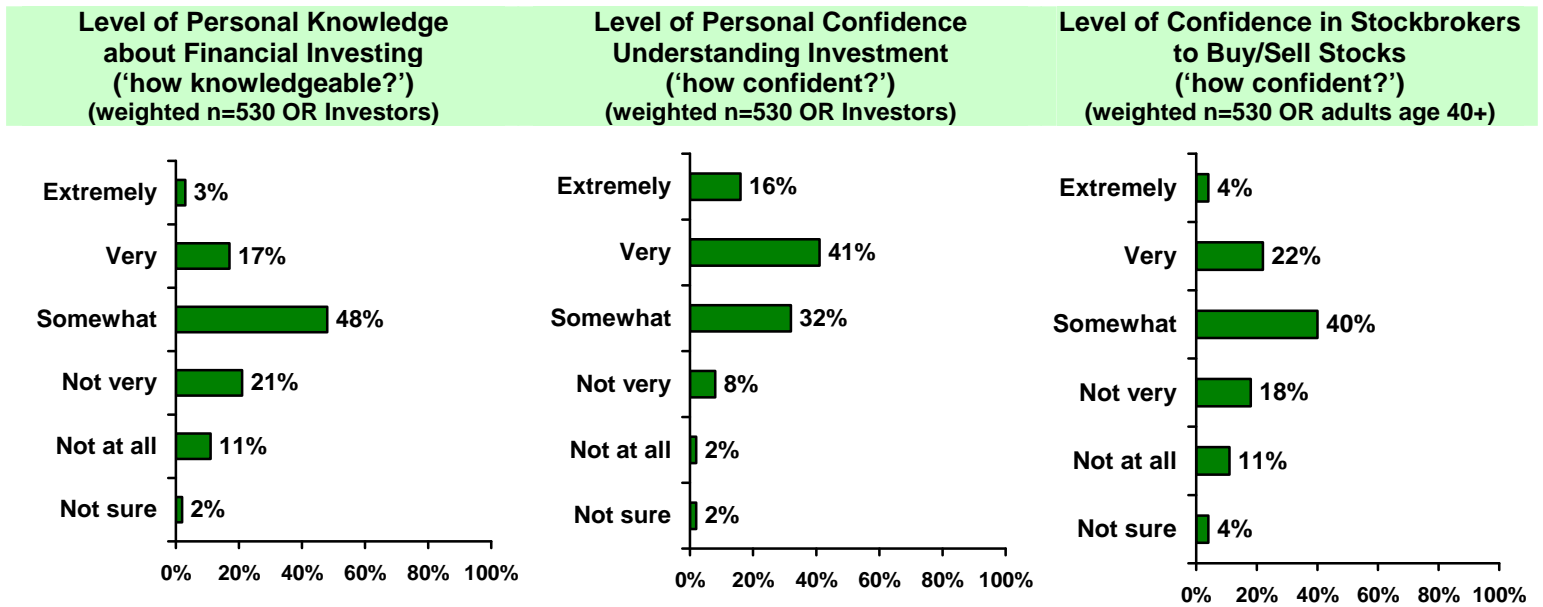
**Demographics of Respondents Who Say YES, They Invest or Own Financial Securities**  
(weighted n=530 Oregon Adults Age 40+)

Gender		Age			Income			
Men (n=381)	Women (n=421)	40-49 (n=288)	50-64 (n=284)	65+ (n=231)	<\$35k (n=188)	\$35k-<\$50k (n=117)	\$50k-<\$75k (n=149)	\$75k+ (n=171)
67%	65%	69%	70%	58%	37%	69%	79%	88%

<sup>5</sup> Percentages of some questions may exceed 100% due to rounding or the use of multiple response question formats – Extremely = 2.5%; Very = 12.9%.

## Personal Knowledge And Confidence About Financial Investing Among Investors

Those who invest in some kind of financial security do not differ much from the entire sample or from those who say they do not feel highly knowledgeable about making financial investment. While few investors feel highly knowledgeable, the greater proportion of them say they feel somewhat to not knowledgeable about financial investing. Moreover, the data shows that respondents have greater confidence in their own investment capabilities than in those of stockbrokers.



Given the moderate to low self ratings of personal investment knowledge by respondents, it is not surprising to see that few realize there is no agency that insures consumers against losses in the stock market. At least fifty-three percent of those respondents who currently invest in securities incorrectly note or say they are not sure if one or more of the five agencies listed in the survey insures against stock market losses.

Who Insures Consumers Against Stock Market Losses? (weighted n=530 OR adults age 40+)			
	Yes	Not sure	No
Federal Deposit Insurance Corp - FDIC	43%	20%	38%
Securities and Exchange Commission -SEC	38%	27%	34%
Securities Investor Protection Corporation	18%	49%	32%
National Association of Securities Dealers	10%	45%	44%
Department of Financial Institutions	10%	43%	47%



## Investment Sources And Information Sought By Oregonians Ages 40+

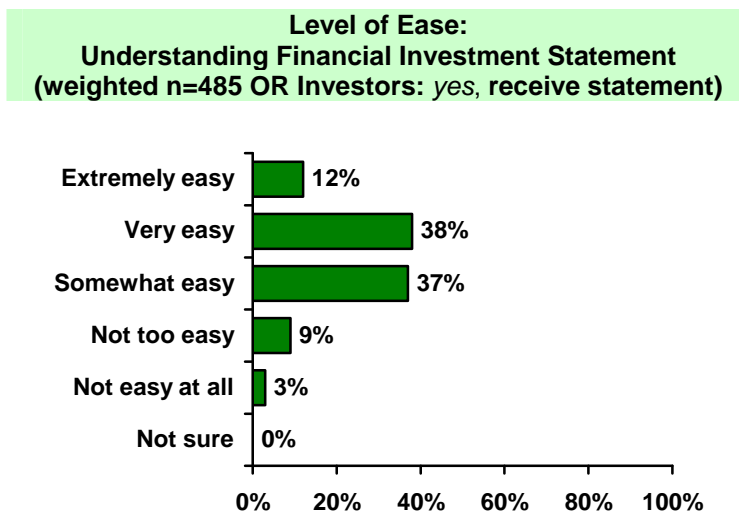
One in four (39%) of those who invest in financial securities say they currently get advice or tips on investment opportunities from a professional broker or financial advisor (see Annotated Survey, Question 7). One in five (19%) say they get such tips from family or friends, and close to one in ten seek out investment tips from other financial professionals like accountants, bankers, or insurance agents. Still, another one in ten (10%) access national financial newspapers like the Wall Street Journal or the Financial Times or they look to financial journals like the Harvard Business Review, Forbes Magazine, or Money Magazine. Ten percent or less seek investment advice or tips from a number of other national and local resources and 18 percent indicate they do not get advice or tips on investment opportunities from anyone.

## Perception Of Investment Account Statements

Most (96%) of investing Oregonians say they receive a regular account statement or other periodic report about their investment (s), and among them, two-thirds (66%) say they review those statements *every time* they receive them, and very few find their statements difficult to understand (see Annotated Survey, Questions 8, and 8a).

However, among investors who receive a regular account statement, very few indicate they are not easy to understand. In fact, half say they are extremely or very easy to understand, and almost another four in ten say they are somewhat easy. One in ten indicate they are not too easy, and only three percent express extreme difficulty in understanding their investment statement or report.

Notably, three-quarters (75%) of investors in Oregon age 40 and older say that after their most recent investment purchase, they received information on fees, broker compensation, and risks. However, among these respondents, nearly half (48%) say they do not pay any fees for their most recent or only investment (see Annotated Survey, Questions 5 and 6).



## Investing In Variable Annuities<sup>6</sup>

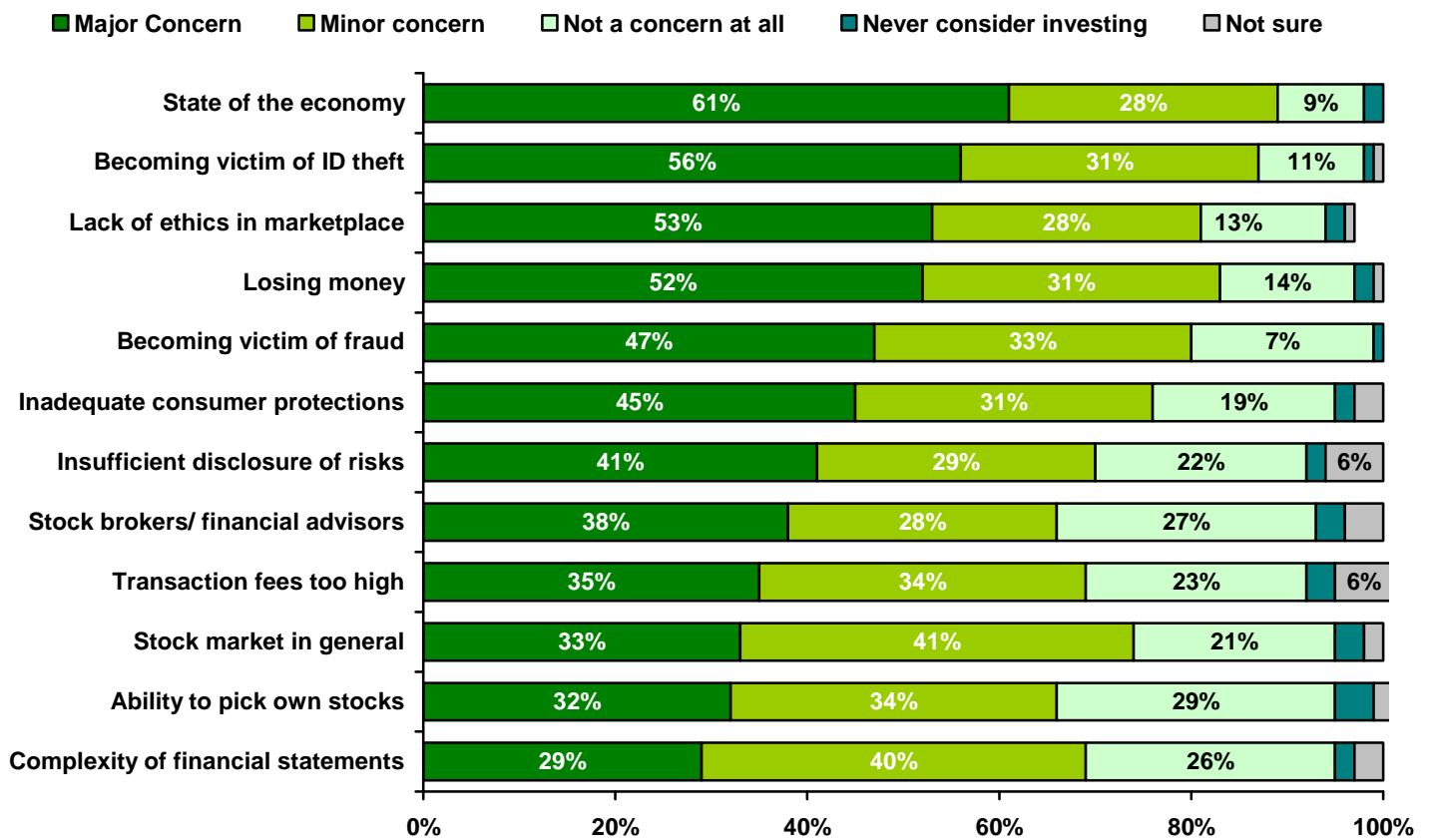
Most (71% or n=570) of all Oregonians ages 40 and older say they have heard of variable annuities the majority (66%) of them indicate they are not sure if there are penalties for early withdrawal. Still, one in five (18% or 102 respondents) say they have actually invested in one. Most of these purchasers say they were given written information about the product at the time of sale (86%), they consider their purchase to be a long-term investment (68%), and most indicate they have not lost money with this investment (62%). Lastly, these purchasers indicate they were sold the product from an insurance agent (25%), a stock or securities broker (17%), a banker (7%) or a variety of other sources or professionals (25%) not listed in the survey question. Only 16 respondents say they are not sure who sold them their most recent variable annuity (see Annotated Survey, Question 15).

<sup>6</sup> Caution should be use when interpreting proportions for variable annuity questions, Questions 15 thru 18, because the n's are small and actually reflect smaller proportions with respect to the total n.

## Investment Fraud – Experience And Incidence Among Oregonians Ages 40+

All respondents were asked to consider their own level of concern about various aspects associated with investing in the stock market today. The data from this survey show that the vast majority of are most concerned about the state of the economy, followed by becoming a victim of identity theft, lack of ethics in the marketplace, and losing money. Just under half of all respondents indicate that becoming a victim of identity theft or the lack of significant consumer protections is a major concern to them. About four in ten view insufficient disclosure of investor risks or incompetent stockbrokers and financial advisors as major concerns when thinking about investing in the stock market today, and roughly a third or so view transaction fees, the stock market in general, lack of self confidence picking stocks, and complex financial statements as major concerns.

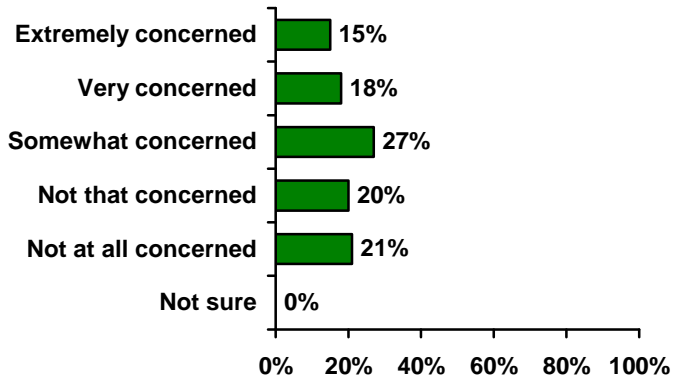
**Level of Concern:  
Factors Associated with Investing in Stock Market Today**  
(weighted n=802 OR Adults Ages 40+)



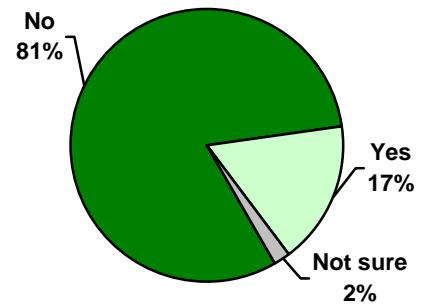
\*\*Blanks represent 5 percent or less

Given that many view fraud and identity theft as major concerns when thinking about the stock market, it is not surprising that one-third say they are highly concerned, and another quarter say they are somewhat concerned about becoming a victim of investment fraud. In addition, while most say they have not been approached by a salesperson or someone using sales pitches such as “high rate of return”, “risk free”, “your investment is guaranteed....” or “you must invest now”, one in six say they have.

**Level of Concern:  
Becoming Victim of Investment Fraud  
(weighted n=802 OR Adults Ages 40+)**

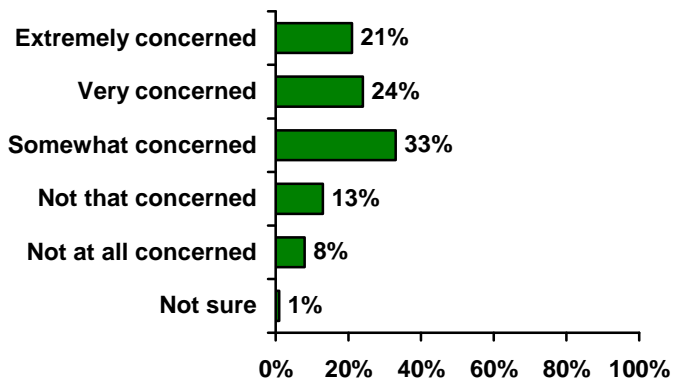


**Ever Been Approached by Someone Using Sales Pitches: “high rate of return”; “risk free”; etc?  
(weighted n=802 OR Adults Ages 40+)**

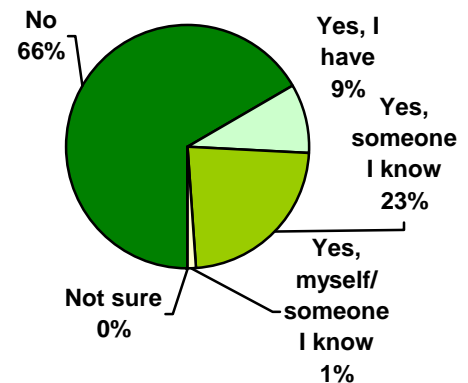


More respondents are highly concerned about becoming a victim identity theft over the next five years than about becoming a victim of investment fraud. Almost half of all Oregonians ages 40 and older are extremely or very concerned about falling victim to identity theft in the near future, and another third are somewhat concerned. Interestingly, while most have *not* been a victim of identity theft, one-third indicate that they or someone they know has actually been subjected to this crime.

**Level of Concern:  
Becoming Victim of Identity Theft  
(weighted n=802 OR Adults Ages 40+)**



**Victim of Identity Theft Over Last 5 Years ?  
(weighted n=802 OR Adults Ages 40+)**



Moreover, one-quarter (24%) of all respondents say they have received a letter from their bank, credit union, or other financial institution, retailer, or business alerting them to a breach in security or release of personal or financial information. Another quarter (23%) say such a security breach has happened to someone they know (see Annotated Survey, Questions 24 and 25).

## Where Do Oregonians Ages 40+ Turn For Help With Investment Fraud Concerns?

Data from this survey indicate that Oregon adults, investor or non-investor, are not certain of where to turn when faced with concerns or questions about the legitimacy of an investment opportunity or if they felt they were the victim of identity theft. In fact, nearly four in ten acknowledge they are not sure of where to report concerns or questions regarding the legitimacy of an investment, and one in seven say they are not sure where to go to report an identity theft incident. Still, half of all respondents would turn to the police if they suspected an identity theft problem.

Where Would Oregonians Age 40+ Report Concerns About Investment Legitimacy?*		Where Would Oregonians Report Identity Theft Incident?*	
(weighted n=802 OR Adults Age 40+)		(weighted n=802 OR Adults Age 40+)	
Personal stockbroker	9%	Justice system (police/sheriff)	51%
Oregon State Attorney General's Office	8%	Personal bank or credit union	24%
Better Business Bureau	10%	Credit card company	12%
Personal Banker	5%	Attorney General's Office	7%
Personal lawyer	5%	Family/Personal lawyer	3%
Oregon Dept. of Consumer/Business Services (DCBS)	3%	Investment company manager/CEO	2%
Oregon Div. of Finance/Corporate Securities (DFCS)	2%	Better Business Bureau	2%
Securities and Exchange Commission (SEC)	1%	Consumer credit counseling	2%
Other	20%	State Securities Commission	1%
Not sure	37%	Not sure	16%

\* Open-ended question – unassisted, see Question 22.

\* Open-ended question – unassisted, see Question 28.

## What Have Oregonians Done To Protect Themselves From Fraud?

Oregon adults ages 40 and older have taken action to ensure the security of their finances and personal information and prevent fraud from happening to them. Most have signed up for the national Do Not Call registry, and just under two-thirds have bought a paper or document shredder and half indicate they have contacted the national credit bureaus to request a copy of their credit report – enabling them to determine suspicious action or purchases made in their name without their knowledge. Roughly one-quarter have put a lock on their mail box or signed up for a fraud alert and some have actually purchased identity theft insurance.

Fraud Prevention Measures Taken By Oregon Adults Ages 40+ in Last 5 Years (weighted n=802 OR Adults Age 40+)			
	Yes	No	Not sure
Signed up for “Do Not Call” registry	71%	29%	1%
Bought paper or document shredder	62%	37%	<1%
Contacted credit bureaus to get copy of reports	52%	47%	1%
Put lock on mailbox	30%	69%	<1%
Signed up for Fraud Alert	23%	75%	2%
Paid for credit monitoring	15%	82%	2%
Purchased identity theft insurance	8%	91%	1%

# **Annotated Survey**

# Oregon's 2007 Investor Protection Trust (IPT) Survey

## Survey of 800 completed interviews of 40+ in Oregon

### Introduction/ Screener

Hello, this is \_\_\_\_\_ calling from Alan Newman Research. We are conducting a BRIEF study with Oregon residents on some important issues. This is not a sales call and you may be monitored for quality control purposes. In order to save time and ensure I only ask you questions relevant to someone in your age group, could you tell me your age as of your last birthday?

- S1. In order to save time and ensure I only ask you questions relevant to someone in your age group, could you tell me your age as of your last birthday?
- 1) 18 – 39  [ASK TO SPEAK W/ SOMEONE IN HH 40+, IF NONE, TERM.]
  - 2) 40+ (record age )
  - 3) DON'T KNOW / NOT SURE  [TERMINATE]
  - 4) REFUSED  [TERMINATE]

**TERMINATE UNDER 40 YEARS OLD**

### Initial Questions

1. To begin, how knowledgeable would you say you are about making financial investments in “securities” such as stocks, bonds, 401k’s, mutual funds? *Would you say you are extremely knowledgeable, very knowledgeable, somewhat knowledgeable or not very knowledgeable, or not at all knowledgeable?*

%	n=802
3	Extremely knowledgeable
13	Very knowledgeable
38	Somewhat knowledgeable
23	Not very knowledgeable
22	Not at all knowledgeable
1	Not sure <b>[DO NOT READ]</b>
1	Refused <b>[DO NOT READ]</b>

## Investors Knowledge/ Behavior Section

2. Whether or not you currently invest in such securities (such as stocks or bonds), please tell me whether each of the following is a *major concern for you*, a *minor concern*, or *not a concern at all* for you when thinking about investing in the stock market today: **RANDOMIZE CATEGORIES** [INTERVIEWER: IF NECESSARY, **PROMPT** *..is this a major concern, minor concern, not a concern at all for you when thinking about investing in the stock market today?*]

n=802	%	%	%	%	%	%
	Major concern	Minor concern	Not a concern at all	I never consider investing	Not sure	Refused
Fear of losing money	52	31	14	2	1	<1
Lack of ethics in the marketplace	53	28	13	2	5	<1
The state of the economy	61	28	9	2	1	0
Complexity of financial statements	29	40	26	2	3	0
Fear of being the victim of fraud	47	33	19	1	<1	0
Lack of confidence in the stock market generally	32	41	22	3	2	1
Incompetent stockbrokers and financial advisers	38	28	27	3	4	<1
Lack of significant consumer protections	45	31	19	2	3	1
Insufficient disclosure of risks to investors	41	29	22	3	5	0
Transaction fees too high	35	34	23	3	5	<1
Lack of confidence in your ability to pick stocks	32	34	29	4	2	0
Becoming a victim of identity theft	56	31	11	1	1	<1

3. Do you currently **invest in or own** securities such as stocks, bonds, mutual funds either through a company or on you own...including a 401K or annuities? [INTERVIEWER: This would include investments such as 401(K), variable annuities, and viaticals but EXCLUDED life insurance and real estate property].

%	n=802
66	Yes
33	No [GO TO QUESTION 13]
<1	Not sure [DO NOT READ] [GO TO QUESTION 13]
1	Refused

4. Thinking about the most recent investment you've made, how confident are you that you understood the details of the investment? *Would you say you are...*

%	n=530
16	Extremely confident
41	Very confident
32	Somewhat confident
8	Not very confident
2	Not at all confident
2	Not sure [DO NOT READ]
0	Refused [DO NOT READ]

5. Again, keeping in mind the most recent investment purchase you made, did you receive information on fees, broker compensation, or investment risks? **[INTERVIEWER: if asked does this include their 401(k), say ‘yes, it does’]**

%	n=530
75	Yes
19	No
5	Not sure
1	Refused

6. Do you pay any fees for that [most recent or only] investment? **[INTERVIEWER: if asked does this include their 401(k), say ‘yes, it does’]**

%	n=530
43	Yes
48	No
8	Not sure <b>[DO NOT READ]</b>
<1	Refused <b>[DO NOT READ]</b>

7. Where do you currently get advice or tips on investment opportunities? **[DO NOT READ – RECORD RESPONSE – MULTIPLE RESPONSES ALLOWED] [PROBE: “where else do you get investment advice or tips?”]**

%	n=530
18	No one
12	Family
11	Friends
2	Colleagues
19	Personal stockbroker
3	Accountant or CPA
4	Banker
1	Insurance agent
<1	Lawyer
10	Employer-sponsored broker/financial adviser
10	Independent financial adviser
10	The Internet – specific investment website
9	National financial newspapers like the Wall Street Journal, Investors Weekly, Financial Time, and the NY Times
1	Financial Journals like: Harvard Business Review, Forbes or Money
2	National financial TV Broadcasts (CNBC, Fox, Bloomberg, etc.)
<1	Local Business Broadcast on the Radio
2	Local Newspaper
0	Attend free lunches
<1	Securities offices
<1	Securities and Exchange Commission
0	State Securities Offices
<1	Books
5	Other (specify): _____
1	Not sure
1	Refused



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

%	n=530
95	Yes
4	No <b>[GO TO QUESTION 11]</b>
1	Not sure <b>[DO NOT READ] [GO TO QUESTION 11]</b>
0	Refused <b>[DO NOT READ] [GO TO QUESTION 11]</b>

8a. Would you say you review those statements or reports every time you receive them, sometimes, or do you never review them?

%	n=506
66	Every time <b>[GO TO QUESTION 10]</b>
9	Most of the time <b>[GO TO QUESTION 10]</b>
21	Sometimes <b>[GO TO QUESTION 10]</b>
4	Never
<1	Not sure <b>[DO NOT READ] [GO TO QUESTION 10]</b>
0	Refused <b>[DO NOT READ] [GO TO QUESTION 10]</b>

9. Why not? **[DO NOT READ – RECORD RESPONSE – MULTIPLE RESPONSES ALLOWED]**

%	n=20
41	Don't understand them, they are too complicated
14	Don't have the time, too busy
7	Rely on others to review it for me
7	Trust stockbroker, financial planner, or investment advisor to do it for me
29	Other: specify _____
7	Not sure
0	Refused

**[SKIP TO QUESTION 11]**

10. How easy is it for you to understand these statements and reports? *Would you say it is extremely easy, very easy, somewhat easy, not very easy, or not easy at all to understand these?*

%	n=485
12	Extremely easy
38	Very easy
37	Somewhat easy
9	Not very easy
3	Not easy at all
<1	Not sure <b>[DO NOT READ]</b>
<1	Refused <b>[DO NOT READ]</b>

11. How confident are you in the abilities of stockbrokers to buy and sell individual stocks with your best interest in mind? *Would you say you are...*

%	n=530
4	Extremely confident
22	Very confident
40	Somewhat confident
18	Not very confident
11	Not at all confident
4	Not sure <b>[DO NOT READ]</b>
1	Refused <b>[DO NOT READ]</b>

12. To the best of your knowledge, which of the following agencies insures consumers against losses in the stock market: **[RANDOMIZE]** **[READ AND RECORD ANSWER FOR EACH]**

n=530	Yes	No	Not Sure	Refused
The FDIC or Federal Deposit Insurance Corporation	43	38	20	0
The national Association of Securities Dealers	10	44	45	1
The Securities and Exchange Commission	38	34	27	<1
The Securities Investor Protection Corporation	19	32	49	1
The Department of Financial Institutions	10	47	43	1

- 12a. In the past two years, have you called or gone to the website for the Division of Finance and Corporate Securities (DFCS) of the Department of Consumer and Business Services (DCBS) – the state of Oregon’s office that regulates financial investment such as stocks and bonds -- to see if an investment is legal to sell, or if the salesperson is licensed in Oregon? **[DO NOT READ – RECORD RESPONSE]**

%	n=530
2	Yes, called
2	Yes, visited website
<1	Yes, called and visited website
94	No
1	Never heard of this office
1	Not sure
<1	Refused

## Variable Annuities

### ALL RESPONDENTS

13. Have you ever heard of variable annuities?

%	n=802
71	Yes
28	No <b>[GO TO QUESTION 20]</b>
1	Not sure <b>[DO NOT READ]</b> <b>[GO TO QUESTION 20]</b>
<1	Refused <b>[DO NOT READ]</b> <b>[GO TO QUESTION 20]</b>

14. Have you ever invested in a variable annuity?

%	n=570
18	Yes
76	No <b>[GO TO QUESTION 19]</b>
5	Not sure <b>[DO NOT READ] [GO TO QUESTION 19]</b>
1	Refused <b>[DO NOT READ] [GO TO QUESTION 19]</b>

15. Who sold you your most recent variable annuity? **[[DO NOT READ – RECORD RESPONSE]**  
**[INTERVIEWER: if respondent give a name or company, probe for whether it was an insurance agent, securities/stock broker, or banker]**

%	n=102
25	Insurance agent
17	Securities (or stock) broker
7	Banker
3	Do not own a variable annuity <b>[GO TO QUESTION 19]</b>
25	Other _____
15	Not sure/can't remember
8	Refused

16. Were you given any written information about your variable annuity at the time of the sale?

%	n=100
86	Yes
3	No
9	Not sure <b>[DO NOT READ]</b>
2	Refused <b>[DO NOT READ]</b>

17. Is your variable annuity considered a short or long-term investment? **[DO NOT READ – RECORD RESPONSE]**

%	n=100
14	Short term investment
68	Long term investment
7	Both
2	Neither
7	Not sure
2	Refused

18. Have you ever lost money through this specific (annuity) investment – including your principal initial investment? **[DO NOT READ – RECORD ONE RESPONSE]**

%	n=100
20	Yes, just lost a portion of the earnings
11	Yes, lost principal investment
62	No, have not lost money
8	Not sure
0	Refused

19. What are the penalties for early withdrawal from your variable annuity? [IF Q14=NO, NOT SURE, REFUSED OR IF Q15=DO NOT OWN A VARIABLE ANNUITY] THEN READ: To the best of your knowledge, what do you think are the penalties for early withdrawal from variable annuities? [DO NOT READ – RECORD RESPONSE]

%	n=570
12	Early withdrawal tax penalty
7	A surrender fee for early withdrawal
14	Other [Specify _____]
65	Not sure [DO NOT READ]
2	Refused [DO NOT READ]

## Investment Fraud

20. Investment fraud includes offenses such as telemarketing scams, fraud dealing with financial advice, insurance or pension coverage, investment or business schemes, and elder financial abuse. How concerned are you about being the victim of investment fraud? *Would you say you are.....?*

%	n=802
15	Extremely concerned
18	Very concerned
27	Somewhat concerned
20	Not very concerned
21	Not at all concerned
<1	Not sure [DO NOT READ]
<1	Refused [DO NOT READ]

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

%	n=802
17	Yes
81	No
1	Not sure [DO NOT READ]
<1	Refused [DO NOT READ]

22. If you had concerns or questions about the legitimacy of an investment opportunity for either you or someone you know, where in Oregon would you turn for help? [DO NOT READ – ACCEPT MULTIPLE RESPONSES] [PROBE THOROUGHLY]

%	n=802
5	Personal lawyer
5	Personal banker
9	Personal stockbroker
10	Better Business Bureau
8	Oregon State Attorney General’s Office
1	U.S. Securities and Exchange Commission (SEC)
2	Oregon Division of Finance and Corporate Securities (DFCS)
3	Oregon Department of Consumer and Business Services (DCBS)
20	Other: (specify) _____
37	Not sure
2	Refused

## Identity Theft Section

### ALL RESPONDENTS

Now I am going to ask you just a few questions on another topic.

23. Identity theft can occur when someone gets access to your personal information like bank account or credit card numbers, your Social Security number, date of birth, or mothers maiden name – and uses this information to open new bank accounts or loans or make large purchases in your name and fraudulently run up your bills.

Over the last five years, have you or someone you know experienced identity theft?  
[INTERVIEWER: CLARIFY AS NECESSARY TO CODE RESPONSE]

%	n=802
9	Yes, I was a victim of identity theft
23	Yes, a person I know was a victim of identity theft
1	Yes, both myself and someone I know have been victims of identity theft
66	No
<1	Not sure [DO NOT READ]
<1	Refused [DO NOT READ]

24. In the past 12 months, have you received a letter from your bank, credit union, or other financial institution, or perhaps a retailer or other business alerting you to a breach in security or release of personal or financial information that could negatively affect your finances or credit files?

%	n=802
24	Yes
74	No
2	Not sure [DO NOT READ]
<1	Refused [DO NOT READ]

25. Has this happened to anyone you know, such as a relative or friend?

%	n=802
23	Yes
72	No
4	Not sure [DO NOT READ]
<1	Refused [DO NOT READ]

26. How concerned are you personally about being a victim of this kind of identity theft in the next five years?

%	n=802
21	Extremely concerned
24	Very concerned
33	Somewhat concerned
13	Not very concerned
8	Not at all concerned
1	Not sure [DO NOT READ]
<1	Refused [DO NOT READ]

27. Please tell me if you've done any of the following in the past 5 years: [RANDOMIZE] [READ AND RECORD YES OR NO FOR EACH]

n=802	Yes	No	Not sure	Refused
	%	%	%	%
Bought a paper or document shredder	62	37	<1	<1
Put a lock on your mailbox	30	69	<1	<1
Signed up for the national "do not call" registry	71	29	1	<1
Purchased Identity theft insurance	8	91	1	<1
Contacted a national credit bureau, such as Experian, Equifax, or TransUnion, to request a copy of your credit report	52	47	1	<1
Paid for credit monitoring services	15	82	2	1
Signed up for a Fraud alert	23	75	2	<1

**PROGRAMMERS: CREATE SEPARATE VARIABLE THAT IS A COUNT OF THE NUMBER OF 'YES' RESPONSES IN Q27 FOR EACH RESPONDENT.**

28. If you felt you were the victim of identity theft, where would **you go** for help or to report the incident? [DO NOT READ LIST – ACCEPT MULTIPLE RESPONSES]

%	n=802
51	Justice System (Police (city) Police (state) Sheriff)
<1	Television News Team
2	Consumer Credit Counseling
7	Attorney General's Office – Consumer Protection Division
1	State Securities Commission
12	Credit Card Company
3	Family/ Personal lawyer
24	Personal bank or credit union
2	Investment company manager/CEO/Consumer Office
2	Better Business Bureau
0	Other
16	Not sure [DO NOT READ]
1	Refused [DO NOT READ]

## DEMOGRAPHICS

**My last few questions are for classification purposes only!**

**D0. RECORD RESPONDENT GENDER**

[IF NECESSARY SAY: "To ensure it is recorded accurately, could you please state your gender?"]

%	n=802
48	MALE
53	FEMALE

**D1.** What is your marital status? Are you currently.....

%	n=802
59	Married
4	Not married, but living with your partner
1	Separated
13	Divorced
11	Widowed
9	Currently Single and never been married
0	Not sure <b>[DO NOT READ]</b>
3	Refused <b>[DO NOT READ]</b>

**D2.** **[IF D2 = 1 ASK: “Are you or your spouse currently a member of A-A-R-P?” IF D2 = 2 ASK: “Are you or your partner currently a member of A-A-R-P?” OTHERWISE, ASK: “Are you currently a member of A-A-R-P?”]**

%	n=802
33	Yes
65	No
1	Not sure <b>[DO NOT READ]</b>
1	Refused <b>[DO NOT READ]</b>

**D3.** How many total email accounts do you currently have? (**RECORD#**) \_\_\_\_\_  
(Allow zero as an option)

%	n=802
30	1
23	2
10	3
4	4
2	5
2	6+
24	None
3	Don't know
3	Refused

**D4.** In general, how often do you go online to access the Internet or World Wide Web or to send and receive email? Would you say several times a day, about once a day, 3-5 days a week, 1-2 days a week, once every few weeks, less often than every few weeks, or do you never go online to use the Internet or check email?

%	n=802
33	Several times a day
19	About once a day
9	3-5 days a week
8	1-2 days a week
3	Once every few weeks
5	Once a Month or Less
22	Never go online
<1	Not sure <b>[DO NOT READ]</b>
1	Refused <b>[DO NOT READ]</b>

**D5.** What is the highest level of education that you completed? (READ)

%	n=802
5	0 to 12th grade, but with no diploma
23	High school graduate or equivalent
14	Post high school education, but with no degree
18	2-year college degree
16	4-year college degree
6	Post-graduate study, but with no degree
16	Graduate or professional degree
<1	Not sure <b>[DO NOT READ]</b>
1	Refused <b>[DO NOT READ]</b>

**D6.** Which of the following best describes your current employment status? Are you currently....

%	n=802
10	Self-employed full-time
4	Self-employed part-time
34	Employed full-time
9	Employed part-time
35	Retired and not working at all
4	Unemployed, but looking for work
5	Not in the labor force for other reasons?
<1	Not sure <b>[DO NOT READ]</b>
1	Refused <b>[DO NOT READ]</b>

**D7.** Are you of Hispanic, Spanish, or Latino origin or descent?

%	n=802
2	Yes
96	No
<1	Not sure <b>[DO NOT READ]</b>
2	Refused <b>[DO NOT READ]</b>

**D8.** And which of the following best describes your race?

%	n=802
91	White/ Caucasian
1	Black/ African American
<1	Asian
2	Native American or Alaskan Native
0	Native Hawaiian or Pacific Islander
2	Or are you some other race? [Specify: _____]
1	Not sure <b>[DO NOT READ]</b>
3	Refused <b>[DO NOT READ]</b>



**D9.** Do you own your home outright, are you paying on a mortgage, or are you renting? [DO NOT READ OPTIONS]

%	n=802
33	Own home outright
44	Paying off a mortgage
16	Renting
1	Living with relative, not paying rent
1	Other
<1	Not sure [DO NOT READ]
4	Refused [DO NOT READ]

**D10.** We realize income is a private matter and so rather than ask anything specific about your income, I'd like to ask you to please stop me when I get to the category that includes your household's income before taxes in 2006. Was it... [READ]

%	n=802
5	Less than \$10,000
9	\$10,000 but less than \$20,000
10	\$20,000 but less than \$35,000
15	\$35,000 but less than \$50,000
9	\$50,000 but less than \$60,000
10	\$60,000 but less than \$75,000
21	\$75,000 or more
4	Not sure [DO NOT READ]
18	Refused [DO NOT READ]

**D11.** What is your 5-digit zip code?

-----

DON'T KOW = 99998  
 REFUSED = 99999

**THANKS AND HAVE A GOOD DAY/ NIGHT!**



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