

One of my responsibilities as Secretary of State is to regulate the securities industry in Illinois and help protect the investing public by enforcing compliance with our state's securities laws. While securities fraud can threaten people of all ages and incomes, senior citizens are often the primary target.



I firmly believe that the best protection against fraud is an informed and knowledgeable investing public. This brochure provides some useful tips that can help protect you against securities fraud.

If you have any questions, please call the Securities Department toll-free at 800-628-7937.

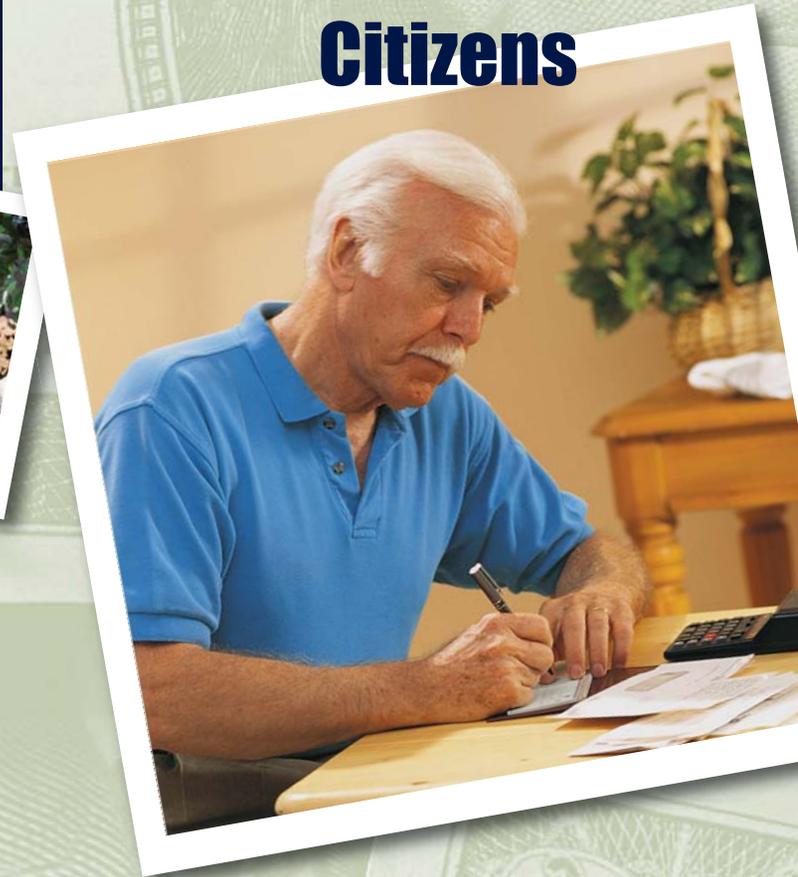
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Securities Fraud *against* Senior Citizens

10 Tips to Avoid Investment Fraud

1. Don't let con artists into your home.

Everyone knows to lock the doors and windows at night. But few Americans realize that con artists don't come in the front door. They come in through the television, the radio, the computer and, most often, the telephone. If someone calls you offering a great deal, do the same thing you would to any unsolicited salesperson — hang up. Don't give them a chance to hook you on their offer.

2. Check out all deals.

Don't trust strangers with your personal financial matters. If someone is pressuring you to invest immediately, "before it's too late," chances are they are trying to steal your money. Take time to learn more about the deal.

3. Stay in charge of your money.

Con artists will offer to "take care of everything," but it's a favor that can cost you all your hard-earned money. Stay in charge by educating yourself about securities and investing. For more information, check your local library or call the Illinois Securities Department.

4. Never judge con artists by their appearance or professional demeanor.

Most con artists spend considerable time and money to look good so the victim doesn't question their credentials. Slick, full-color brochures and elaborate Internet sites are nothing more than a spider's web luring investors.

5. Don't let a con artist prey on your fears.

Older Americans have many financial concerns. Will their savings last through their retirement years? Will a downturn in the economy leave them penniless? Con artists know all these fears — and a few you may not have thought of. Your greatest fear should be falling for their sales pitch.

6. Older women beware.

Older women are more likely to be the target of financial fraud and abuse than older men. Educate yourself and know exactly what you are getting into.

7. Get tough and keep watch.

Once you have invested money, don't just sit back and relax. Monitor your investments, and if you have questions, ask them.

8. Understand your financial needs.

Some older Americans have little ongoing need for investment funds, while others require monthly dividends to survive. Know what you want out of your investment and if it truly meets your needs. Be careful not to make changes that might result in a disruption of your monthly income.

9. Report all fraud or abuse.

Many older Americans fear that being a victim of fraud will reflect poorly on their ability to care for themselves. In reality, anyone can be defrauded. Report fraud immediately so it can be stopped. There are actual cases of family members defrauding the elderly. The only way to stop it is to report it.

10. Don't be afraid to ask for help.

If you are unsure of an opportunity, ask a third party for advice. If you have questions about an investment adviser, a salesperson or a broker, call the Illinois Securities Department toll-free at 800-628-7937.