

INVESTING WISDOM

Don't Become A Victim Of Investment Fraud

(NAPSA)—Taking a quiz might help you see if your behaviors make you more vulnerable to the next big financial scam.

Research by the FINRA Investor Education Foundation and the Consumer Fraud Research Group shows that falling victim to investment fraud has less to do with intelligence and more to do with a tendency to engage in risky behaviors.

The FINRA Foundation developed this quiz based on comparisons between the behaviors of known fraud victims and the general public.

1. Have you ever made private investments in any of the following? (1 point for each yes answer):

- Oil and gas wells
- Real estate promissory notes
- Penny stocks
- Internet startups
- Foreign currency
- Commodity futures
- Hedge funds
- New energy technologies
- Sale and leaseback agreements
- Commercial real estate
- Investments in movie deals
- Equity-indexed annuities
- Variable rate annuities
- Precious metals (such as gold coins)

Now, give yourself 0 points for yes and 1 for no:

2. Before hiring investment professionals, do you verify that they are properly registered?

3. Have you ever verified the registration of an investment before investing?

4. Have you signed up for the National Do Not Call Registry?

Score 1 for yes, 0 for no:

5. Have you invested in something because someone you know recommended it?

6. Have you hired investment professionals because someone you know recommended them?

7. Have you attended investment seminars that offer free meals or giveaways?

If the statements below described an investment, how interested would you be on a scale of 1 (not interested) to 7 (extremely interested)?

8. "There is no way to lose on this investment. It is fully guaranteed."

9. "This is an opportunity to get in on the ground floor of a revolutionary new technology."

10. "The lowest return you could possibly get on this investment is 50 percent annually, but most investors are making 110 percent a year."

11. "This investment made hundreds of people extremely wealthy."

Give yourself 1 point for each statement you rated five or higher.

What's your total?

• 0–3 points, you're in the green zone and share few behaviors with investment fraud victims.

• 4–6 points puts you in the yellow zone—be careful.

• More than 6 points lands you in the danger zone.

To learn more, visit www.SaveAndInvest.org.