

Help Combat Military Financial Fraud

Don't invest until you have taken AIM:

- A**lways ask questions.
- I**nvestigate first and compare.
- M**ake the best decision for you and your family.

How can the Massachusetts Securities Division help you?

As part of its Investor Education Program, the Division helps educate Massachusetts' military troops on how to avoid becoming a victim of financial and investment fraud. The Division also has enforcement authority and can take action to investigate and enforce violations of the Massachusetts securities laws.

Call us at **1-800-269-5428** and we can help you...

- Confirm if the sales person and company are properly licensed and registered
- Identify possible "red flags" associated with the solicitation
- Find free resources and information on common scams

Safety through Education

A knowledgeable consumer is a guarded consumer. The Massachusetts Investor Education Program can provide speakers, brochures and other information that can help you become a more educated investor.

FOR MORE INFORMATION CONTACT:



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William Francis Galvin
Secretary of the Commonwealth
Securities Division

The Massachusetts Securities Division has become aware of growing threats to the financial health of our military personnel and their families. This brochure has been designed to help protect our service men and women from becoming victims of financial scams.

In many cases, criminals offering scams have targeted service members in an attempt to take their hard-earned dollars. Service members have been lured by cash-advance loans that provide quick cash, but usually bear very high annual interest rates if they are not paid on time. Other scams may involve insurance, mutual funds, annuities, certificates of deposits, or military affinity fraud.

These scams often create financial difficulties, including credit problems, as well as a negative impact on troop morale and readiness. The goal of Massachusetts' military protection program is to educate men and women in uniform to make informed financial decisions.



Ten Do's and Don'ts

These tips will help protect you and your family from losing your savings:

1 Always research financial products before investing. Contact the Massachusetts Securities Division to check background information on financial companies and agents and to identify potential scams.

2 Be wary of any "guaranteed" returns on your investment. Risk is inherent to investing, so be cautious if someone promises you a high rate of return.

3 Don't be talked into investing immediately. Most scams rely on quick decisions that are not thought out by the investor. Con artists often talk investors into making decisions right away, so be sure to take the time you need to research the investment, its promoters and risks involved.

4 Ask questions. For example, if an agent is trying to sell you an annuity, ask how much commission he or she will receive from the sale. If the agent avoids the question, be skeptical of this investment.

5 Only invest what you can afford to lose. Don't invest your entire life savings at once. Know the risks involved with any investment you are considering, and consult a financial professional for additional guidance before making a commitment.

6 Don't feel guilty about saying no. Con artists take advantage of people who feel rude if they hang up the phone or say no to sales pitches. Use caution if you are contacted by a stranger. Feel free to tell the salesperson that you are not interested or need more time to investigate the investment.



7 Call the Massachusetts Securities Division to check if the promoter, brokers, investment advisors and representatives are licensed to advise and/or sell securities, and to check their disciplinary record.

8 Before you invest, get a written copy of the investment offering with the complete terms and conditions, including the risks, service charges, and any penalty fees involved. Beware if someone promises to "take care of everything for you." You should control your own money.

9 Some companies use military-sounding names and hire former officers as salespeople to earn trust and lure military personnel into investment and lending scams. Don't be vulnerable to these marketing tactics.

10 Don't hesitate to report your concerns if you think you may be aware of an investment fraud. Call the toll-free number of the Massachusetts Securities Division (1-800-269-5428) for help. Protect other citizens from becoming future victims of fraud.