

Investor Survival Skills Survey

An Examination of Investor Knowledge and Behavior

Prepared for

Securities Investor Protection Corporation and Investor Protection Trust

Prepared by

OPINION RESEARCH CORPORATION

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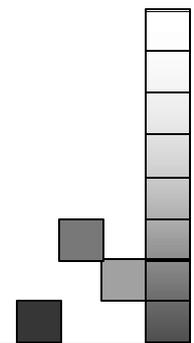




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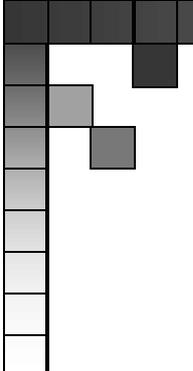
METHODOLOGY

A series of questions was asked on two waves of CARAVAN®, ORC International's twice-weekly national shared-cost survey. The purpose of the research was to gain an understanding of the views of American Investors on their knowledge and behavior when it comes to investment planning and activity.

Results are based on telephone interviews conducted among a sample of 2,063 adults (1,036 men and 1,027 women) age 18 and over, living in private households, in the continental United States. Interviewing was completed at ORC's Central Telephone Facilities during the period of November 17-21, 2005.

Completed interviews of the 2,063 adults were weighted by four variables: age, sex, geographic region, and race, to ensure reliable and accurate representation of the total adult population.

The margin of error at a 95% confidence level is plus or minus two percentage points for the sample of 2,063 adults. Smaller sub-groups will have larger error margins.



Executive Summary



Executive Summary

The vast majority of American investors do not appear to possess the basic “investor survival skills” needed to build their savings into a retirement nest egg. A Securities Investor Protection Corporation (SIPC)/Investor Protection Trust (IPT) survey conducted by Opinion Research Corporation (ORC) gauged the knowledge and behavior of investors who either managed their own accounts or rely upon financial professionals to do so.

Key SIPC/IPT findings included the following:

- ◆ More than four out of five investors (83%) flunked the overall test of key knowledge and behavior. Only 17% of respondents correctly answered a sufficient number of questions on knowledge (six out of eight questions) and behavior (three out of four questions). Women were substantially more likely than men to fail the overall test by a margin of 91% to 77%.

Executive Summary

- ◆ Two of the handful of “bright spots” in the survey findings have to do with account statements and diversification.
 - On the behavior side: 90% of the investors said that they regularly read their brokerage account and/or mutual fund statements. Only 9% indicated that they did not do so. A number of organizations – including SIPC – have placed a major emphasis on the need for investors to protect themselves by reviewing their account statements in detail.
 - On the knowledge side: nearly three out of four investors (74%) demonstrated that they understand the concept of diversification, which has been a major focus of investor education efforts by the Investor Protection Trust and other groups.
- ◆ Other key investor behavior findings: Fewer than three out of five investors (58%) said that they have “ever” read a prospectus. Additionally, more than three out of four investors (77%) claimed to have a financial plan of some sort in place.

Executive Summary

- ◆ One in five investors (21%) said that they practice all four of the desirable behavioral traits focused on in the survey: reading prospectuses, regularly reviewing account statements, checking out the disciplinary backgrounds of brokers/financial planners, and having a financial plan in place.
- ◆ One in four investors provided enough correct answers to pass the knowledge portion of the survey test. Only 1% of the investors answered all eight questions correctly. Fewer than three in five investors (57%) provided a sufficient number of correct answers to pass the behavior side of the survey.
- ◆ Most disturbing result on behavior: Only slightly more than a third (36%) of investors have checked out the disciplinary backgrounds of their stockbroker and or financial planner. Perhaps even more disturbingly, seven out of 10 those who did not check out their financial planner's background indicated that they did so either because they trusted the individual in question (61%) or the individual had assured them that there was nothing to be concerned about (9%).

Executive Summary

- ◆ Most disturbing results on the knowledge side: Fewer than one in 10 investors (8%) understand that NO agency or organization “insures you against losing money as the result of fraud in your investment portfolio.”
 - A total of four out five investors incorrectly identified one or more of the following entities as providing such insurance:
 - Securities and Exchange Commission (42 percent)
 - Federal Deposit Insurance Corporation (41 percent)
 - SIPC (23 percent)
- ◆ Another indication of the weak state of investor knowledge: Fewer than two in five investors (39%) understand how sales fees and commissions work in the no-load mutual fund context. A nearly equal number of investors (38%) answered the no-load question incorrectly and another 12% either indicated they did not know or refused to provide an answer.

Executive Summary

- ◆ Other key investor knowledge findings: Only 41% understand the bond investing basic rule that as interest rates go up, bond prices tend to fall. More than a quarter of investors (28%) predicted bonds will move in the wrong direction, 16% said bond prices would remain the same, and 14% either didn't know or refused to answer.
- ◆ Fewer than three in five investors (57%) can correctly define a prospectus.
- ◆ About three out of five investors (61%) understand that most brokers and financial planners are compensated through commissions on products sales.
- ◆ Two out of three investors understand that stocks have had the best long-term return for investors, compared to those who incorrectly identified CDs (14%), bonds (11%) and savings accounts (2%).

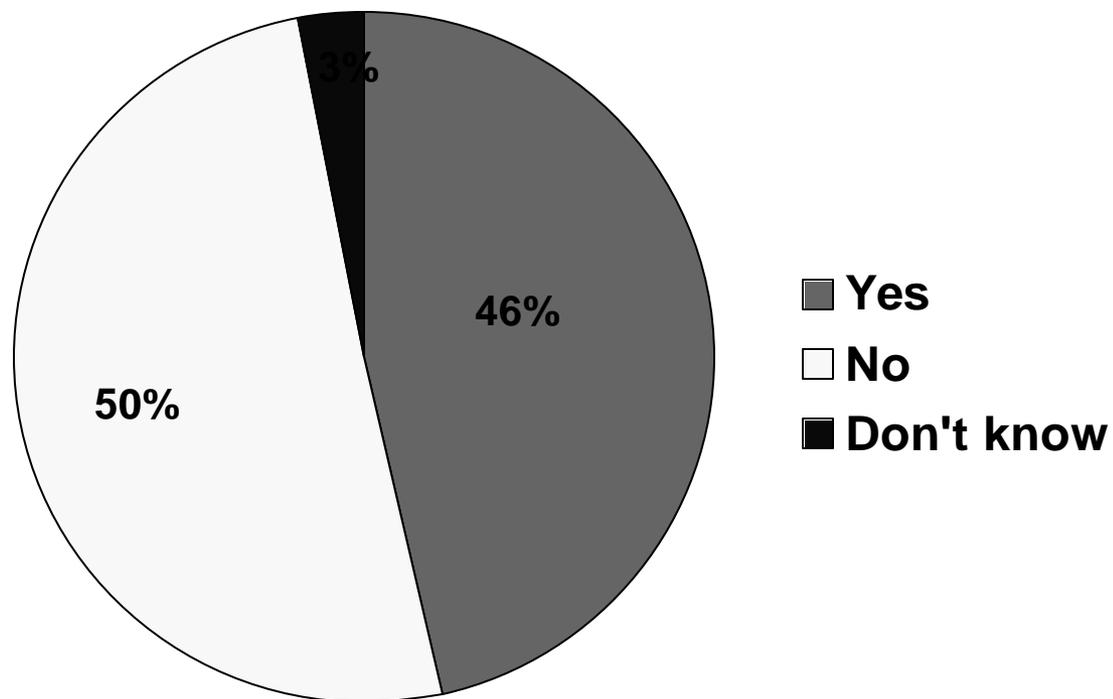
Detailed Findings

A Profile of Investors

- ◆ As a screening question, all respondents were asked if they own securities, which were defined as mutual funds, stocks or bonds. Forty-six percent of all respondents said they do own one or more of these securities. They are considered “investors” for the purposes of this study.
 - Men are slightly more likely than women to say they are an investor (50% vs. 43%.)
 - The youngest respondents aged 18-24 years of age are the least likely to be investors (11%). More than half (54%) of those aged 35-64 own some securities and are investors.
 - The higher the education level and the income level of the household, the more likely the respondent is to be an investor. Only 17% of those with less than \$25,000 in household income are investors compared to 73% of those with incomes of \$75,000 or more. Similarly, only 17% on those with less than a high school education are investors compared to 66% of those with a college degree.

A Profile of Investors

QA1: Are you an investor, that is, do you own securities such as mutual funds, stocks, bonds, etc.?



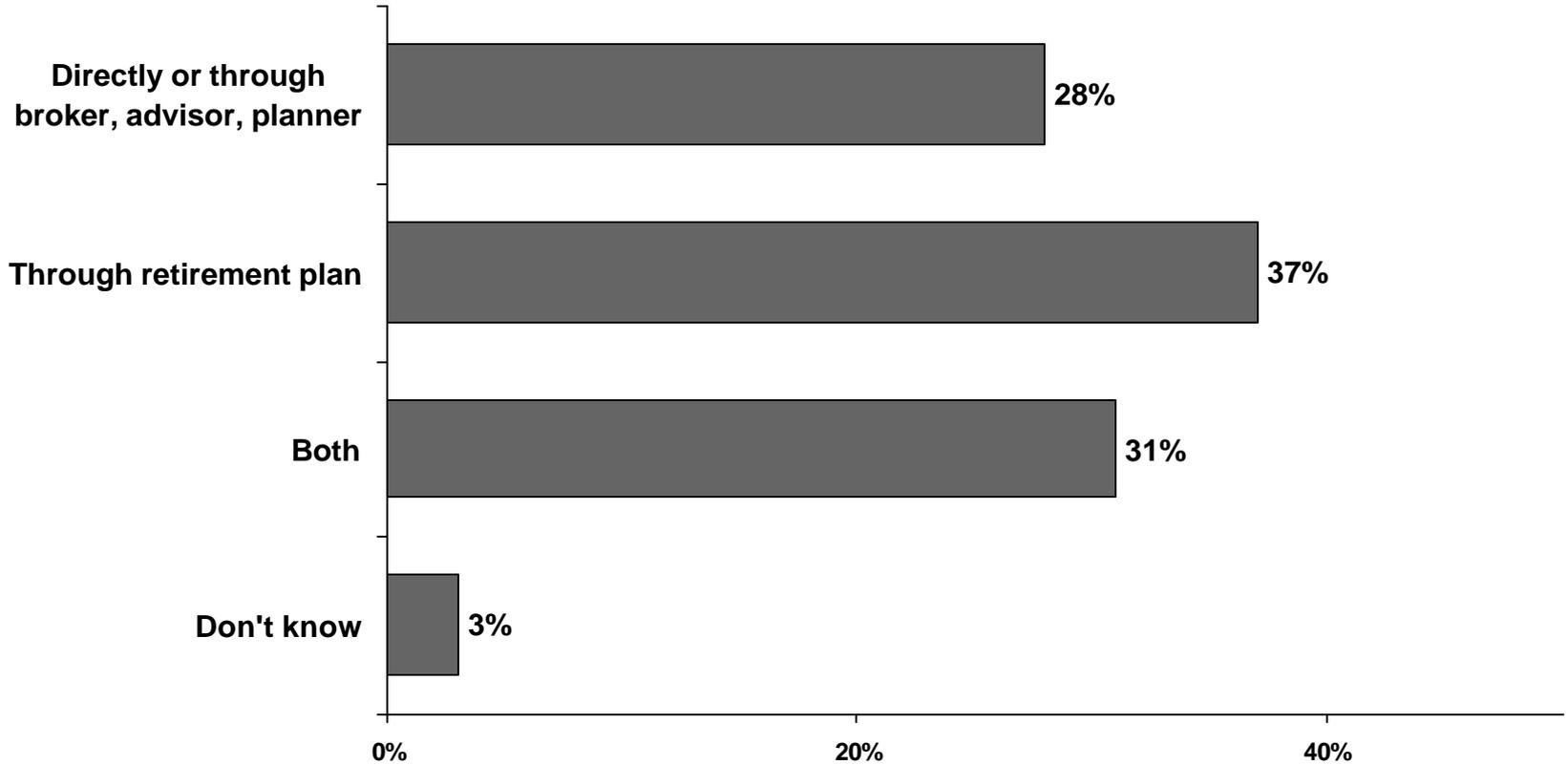
Base: Total respondents.

Types of Securities Held

- ◆ No one form of investing is preferred over another. Slightly more than a third (37%) invest through a retirement plan, 28% invest directly or through a broker, planner or advisor, and 31% do both.
 - Investors in households with less than \$35,000 in income tend to invest themselves or through a broker, planner or advisor (44%). Those with household incomes of \$35,000 to less than \$50,000 tend to invest through a retirement plan (50%) and those with \$75,000 or more in household income tend to invest using both these methods (44%).

Types of Securities Held

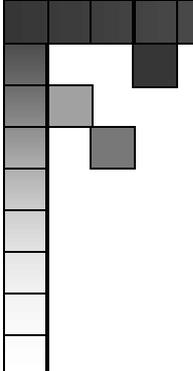
QA2: Do you invest directly or through a retirement plan? Would you say you invest directly yourself or through a broker or financial planner or investment advisor, invest through a retirement plan, or both?



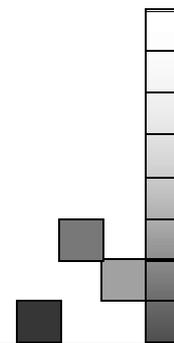
Base: Investors, n=927.

Investment Knowledge and Behavior

- ◆ This survey asked eight investment knowledge questions and four investment behavior questions. The answers given were graded and respondents were given a passing or failing score.
- ◆ Only 17% of investors who invest directly with a broker, advisor or financial planner get a passing score. To earn a passing score, a respondent has to answer six of the eight knowledge questions and three of the four behavior questions correctly.
 - Men are a lot more likely than women to receive a passing score (23% vs. 9%).
 - Those aged 45-54 also are a lot more likely to get a passing score (24%).
 - Respondents with household incomes of \$75,000 or more (24%) or those with a college degree (23%) are also more likely to pass.
- ◆ Among the eight knowledge questions, the average number of correct answers was 4.2. For the behavior questions the average was 2.6. Only a fourth answered enough knowledge questions correctly to get a passing score and 57% answered enough behavior questions correctly to pass that part of the test.



Investment Knowledge

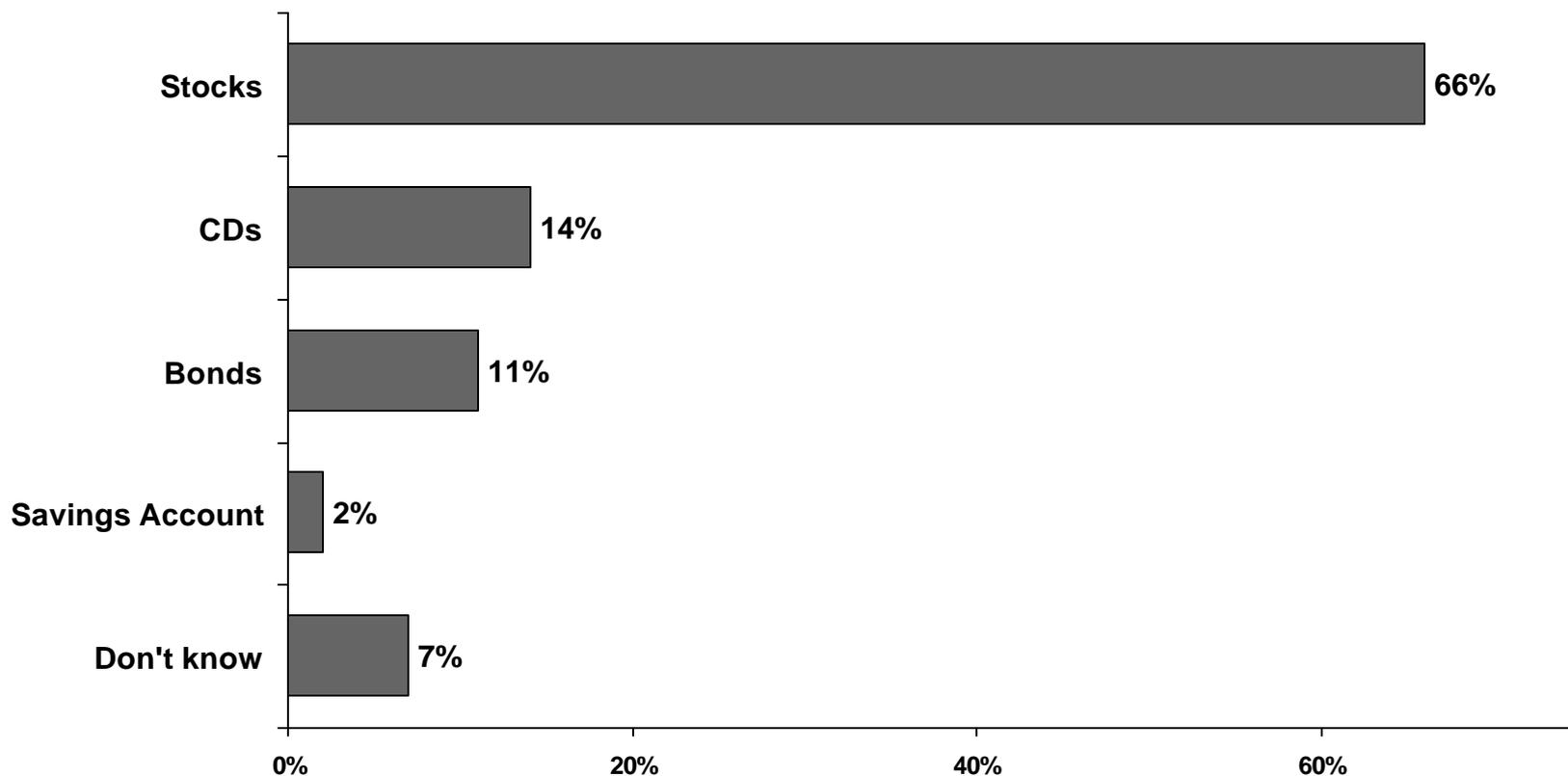


Getting the Best Rate of Return

- ◆ Two-thirds of investors (66%) who invest directly through a broker, planner or advisor, correctly chose stocks as the investment instrument that would have offered the best return over the last 25 years. Fourteen percent chose certificates of deposit while 11% think bonds offer the best return. Only 2% think a passbook savings account would have offered the best return over the last 25 years.
 - Men are more likely than women to choose stocks as the best investment (75% vs. 56%).
 - Respondents in households with less than \$35,000 in annual income were less likely to pick the correct answer -- stocks -- than were those making \$35,000 or more (43% vs. 72%).
 - Respondents in single person households are less likely to choose the right answer than those in households with three or more (57% vs. 70%).
 - Respondents with a college degree are more likely to choose stocks as the best investment than are those with less than a high school education (75% vs. 64%).

Getting the Best Rate of Return

QA4: For the last 25 years, which one of the following investments do you think would have offered you the best return on your money: stocks, bonds, a savings account or certificates of deposit?



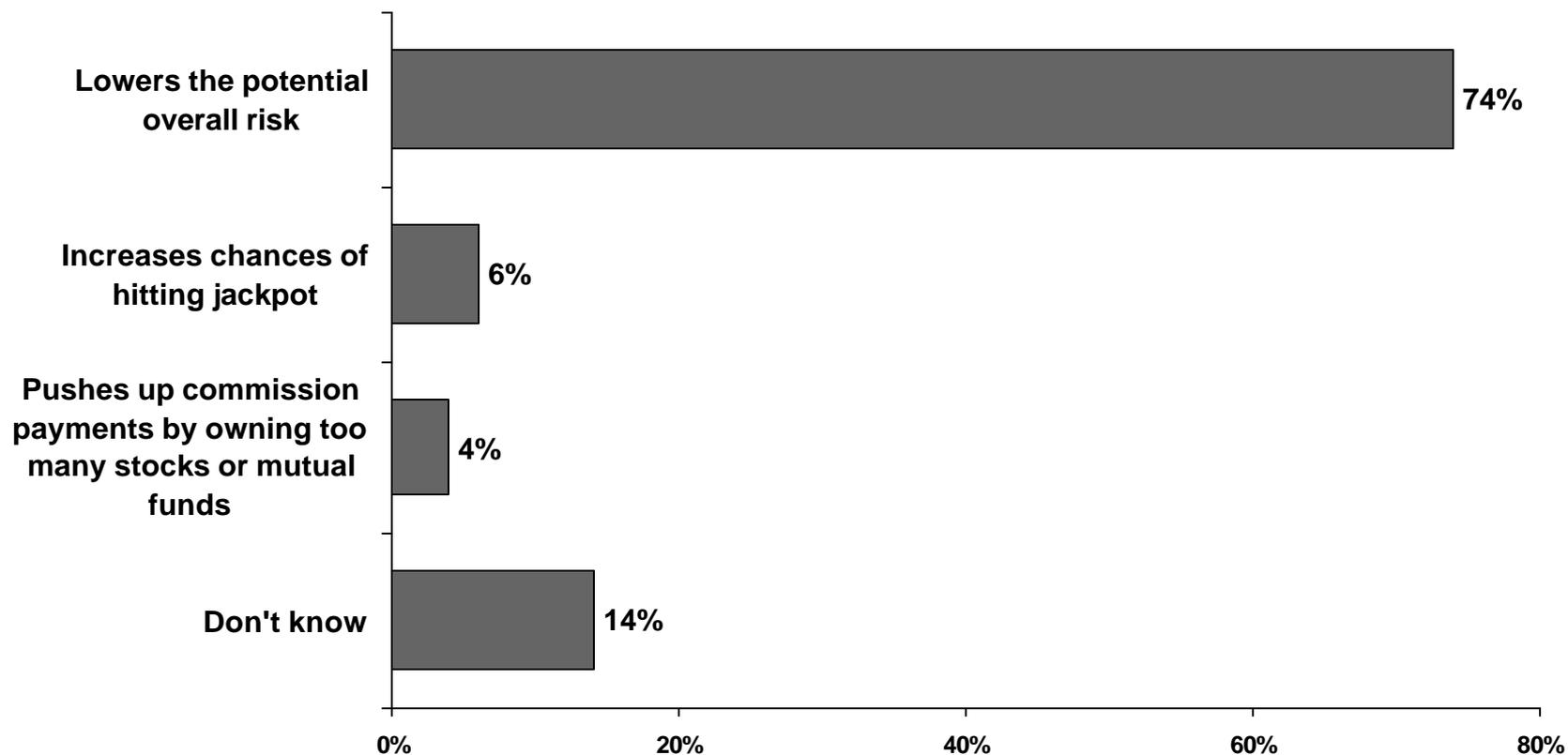
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

What is Diversification

- ◆ Most investors chose the correct description of diversification from a list of three choices. Seventy-four percent correctly identified diversification as the process of “lowering potential risk of loss by spreading assets across different types of investments.” Only 6% think diversification increases a person’s chances of hitting the jackpot, while 4% think diversification means increasing commissions owed from owning too many stocks or mutual funds.
 - Men are more likely than women to chose the right description of diversification (80% vs. 68%).
 - Respondents in households with \$75,000 or more in income or those with a college degree (both 83%) are far more likely to chose the correct description of diversification than are those with less than \$25,000 in income (63%) or less than a high school education (36%).

What is Diversification?

QA5: Diversification is the process by which an investor....



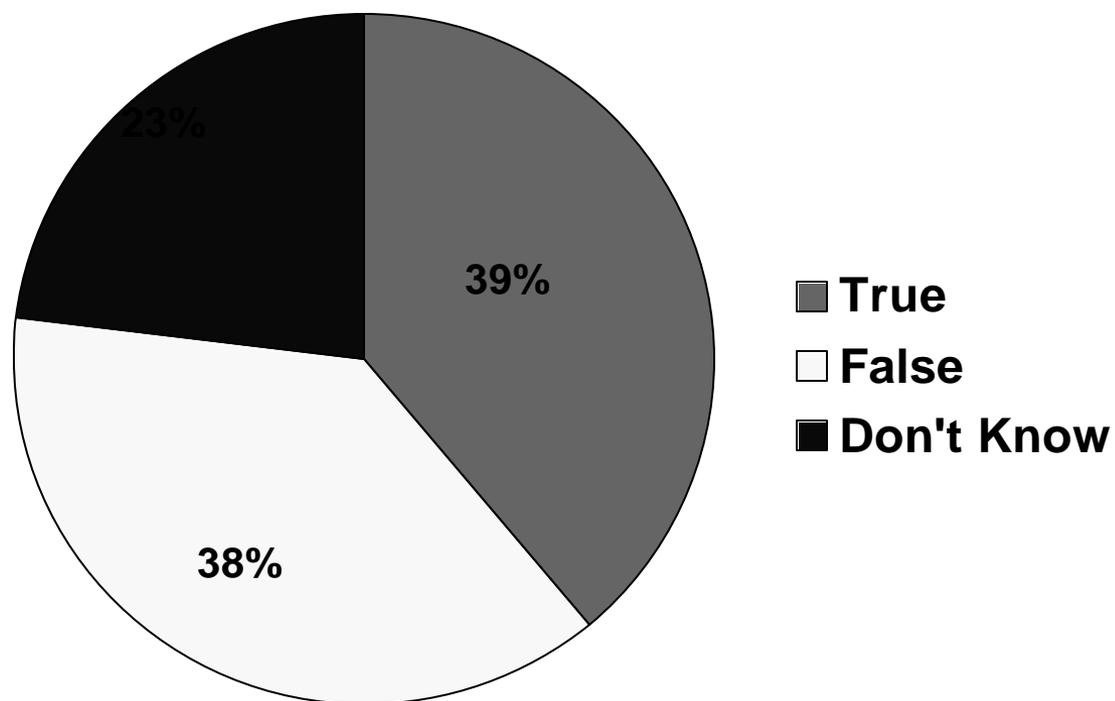
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

No-Load Mutual Funds -- What Are They?

- ◆ Investors aren't certain what the correct definition of a no-load mutual fund is. About four-in-ten (39%) correctly identified it as one that involves no commission or sales charges of any kind. Thirty-eight percent said this description was false and 23% don't know. This is the first knowledge question where less than 50% gave the correct answer.
 - Men are more likely than women to give the correct answer for this question (45% vs. 32%).

No-Load Mutual Funds – What Are They?

QA6: A no-load mutual fund involves no commission or sales charges of any kind. Is this statement true or false?



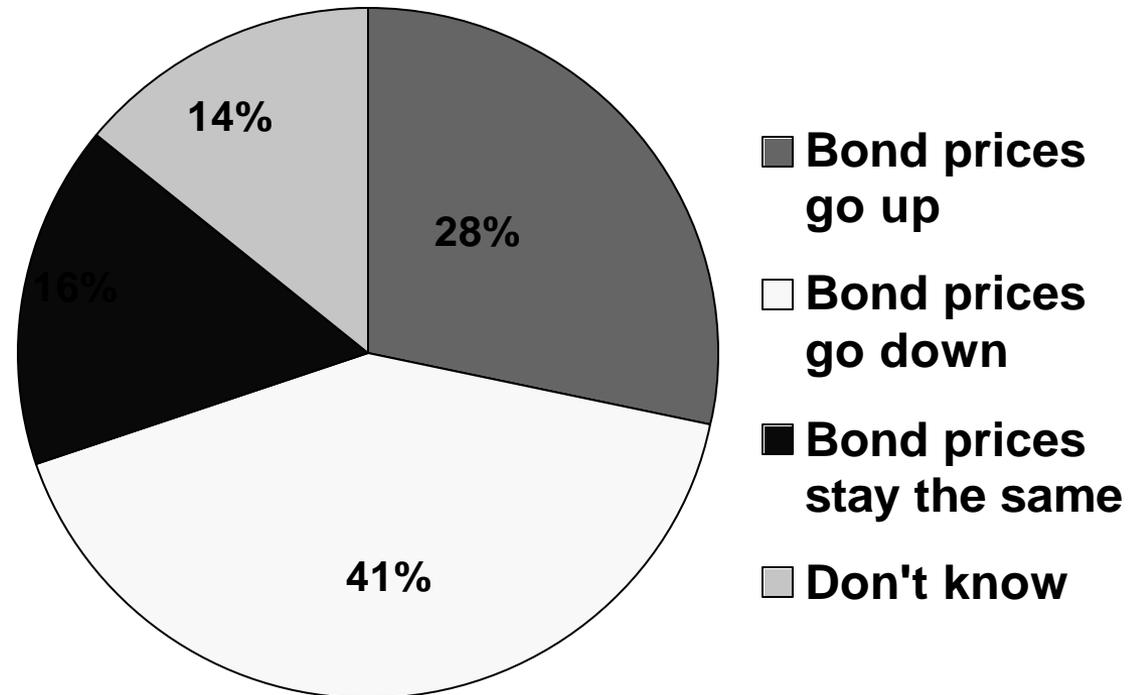
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

The Relationship Between Interest Rates and Bond Prices

- ◆ Some investors (41%) correctly understand the relationship between interest rates and bond prices well enough to know that when interest rates go up, bond prices go down. Twenty-eight percent incorrectly think that an increase in interest rates drives bond prices up. Sixteen percent think that bond prices remain the same when interest rates go up.
 - Men are more likely than women to give the correct answer for this question (48% vs. 34%).
 - Respondents aged 45-54 are the most likely age group to give the correct answer (53%).
 - Those in the West (48%) are more likely than respondents in the Northeast (35%) to correctly identify the effect of rising interest rates on the price of bonds.
 - Respondents with household incomes of \$75,000 or more are also the most likely to give the correct answer (52%) than are those in households with less that \$25,000 in income (29%).

The Relationship Between Interest Rates and Bond Prices

QA7: When interest rates go up, what usually happens to the price of bonds? Would you say...?



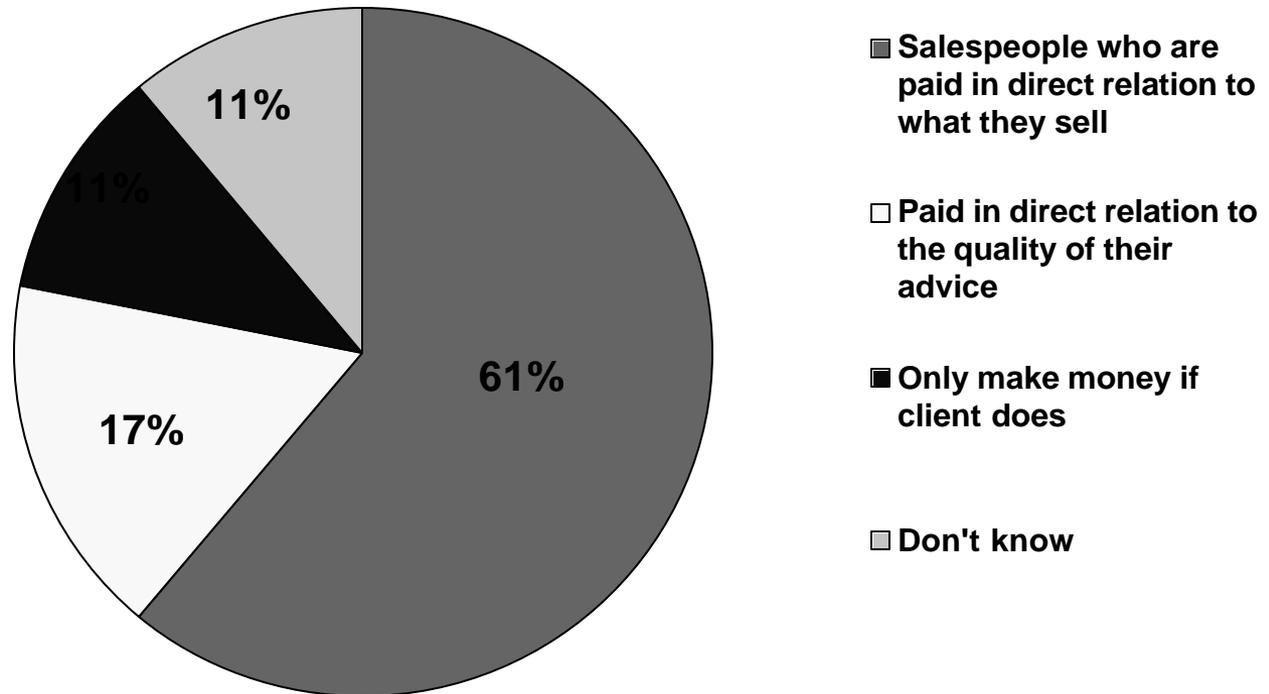
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

The Role of Brokers, Planners and Advisors

- ◆ A majority of investors (61%) correctly understand that financial planners, investment advisors or brokers are salespeople who are paid in direct relation to the amount and type of investments they sell. Only 17% think advisors or planners are paid based on the quality of the advice they give and 11% think they are paid only if their client makes money.
 - Respondents aged 35-44 are the most likely age group to give the correct answer (68%).
 - Respondents with household incomes of \$75,000 or more are also the most likely to give the correct answer (68%) than are those in households with \$25,000 to less than \$35,000 in income (32%).
 - Those with a college degree are also more likely to give the correct answer (70%) than are those with a high school degree (44%).

The Role of Brokers, Planners and Advisors

QA8: Which of the following statements best describes full-service brokers and most financial planners or investment advisors? Most brokers and financial planners are...



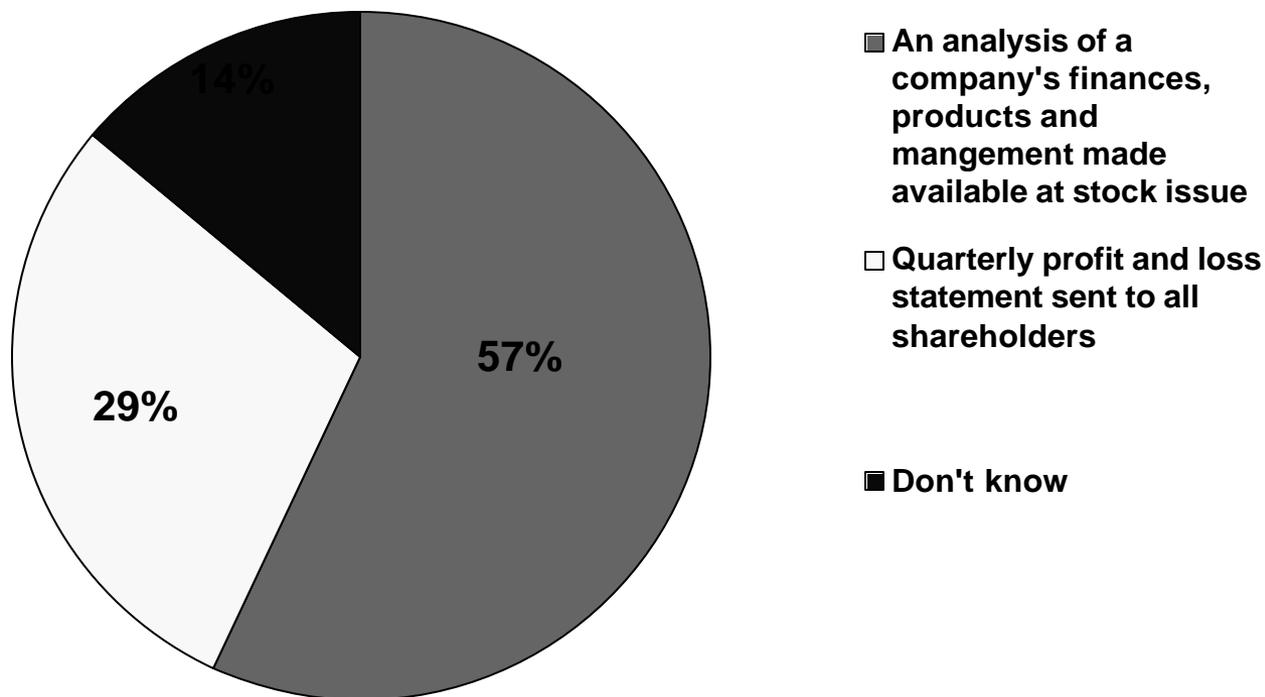
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

What is a Prospectus?

- ◆ Just over half of investors (57%) know that a prospectus is an analysis of a company's finances, products and management that is made available when the stock is first issued. About a fourth (29%) think it is a quarterly profit/loss statement sent to all shareholders.
 - Men are more likely than women to give the correct answer for this question (63% vs. 50%).
 - Respondents aged 45-54 are the most likely age group to give the correct answer (66%).
 - Those in households with only one person (64%) and those in households with no children (61%) are more likely to know what a prospectus is than households with two or more people present (55%) or with the presence of children (50%).
 - Respondents with a college degree (62%) are more likely to give the correct answer than those who have graduated high school (40%).

What is a Prospectus?

QA9: What does the term prospectus mean? Is it ...



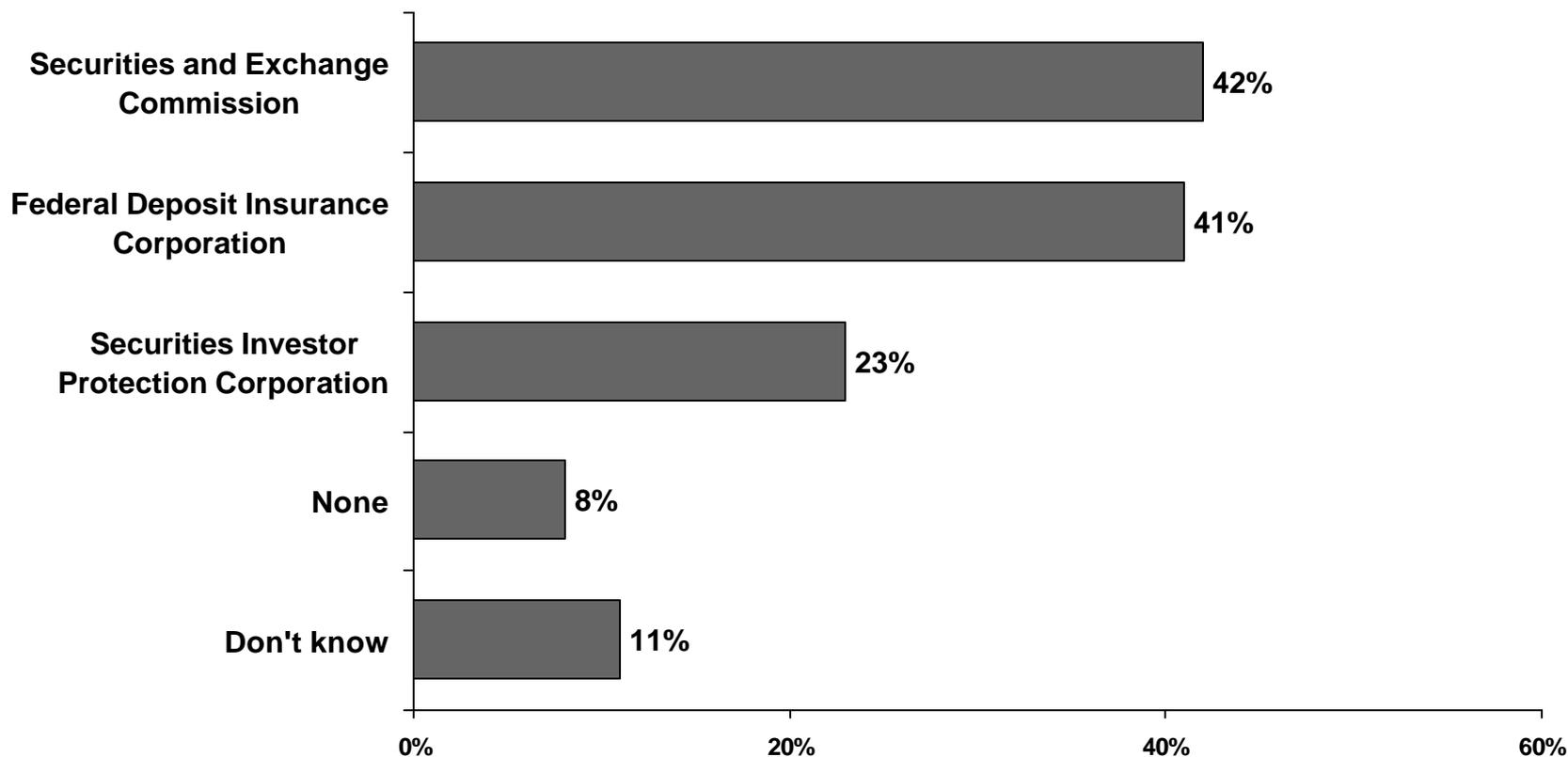
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

Insuring Investors Against Loss Due to Fraud

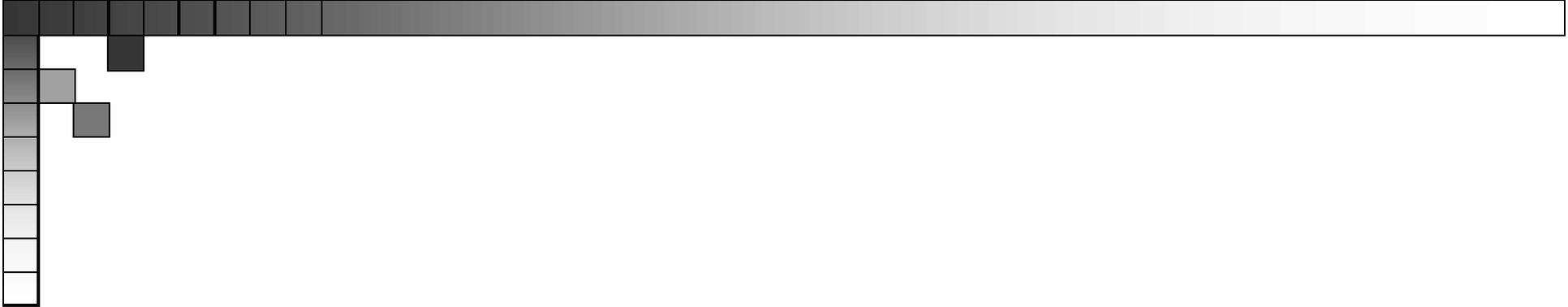
- ◆ Most investors (80%) incorrectly believe that there is some institution out there to insure them against loss due to fraud in their investment portfolio. Forty-two percent think the Securities and Exchange Commission is their insurer against loss due to fraud and 41% think the Federal Deposit Insurance Corporation will protect them in this instance. Twenty-three percent choose the Securities Investor Protection Corporation. Only 8% gave the correct response which is that none of these protects investors against fraud in their investment portfolio.
 - Men are more likely than women to give the correct answer for this question (11% vs. 5%).

Insuring Investors Against Loss Due to Fraud

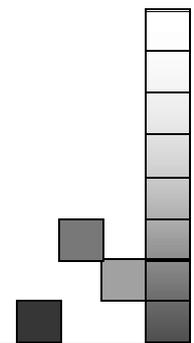
QA16: Which of the following organizations insures you against losing money as a result of fraud in your investment portfolio?



Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.



Investment Behavior



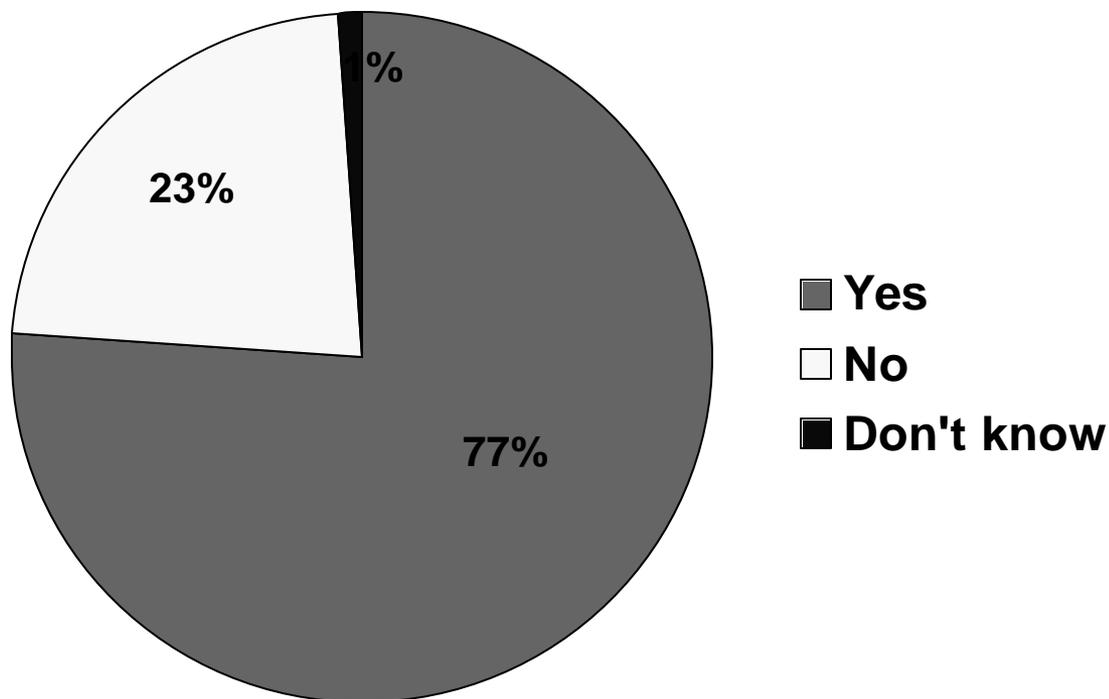


Most Investors Have a Financial Plan

- ◆ More than three-fourths (77%) of investors have a financial plan prepared either by themselves or a professional. About a fourth (23%) have yet to make up a financial plan.
 - Respondents in households with \$75,000 or more in income are somewhat more likely to have a financial plan than are those in households with less than \$25,000 in income (81% vs. 65%.)
 - Interestingly there is no difference for this question by gender, age, or presence or absence of children

Most Investors Have a Financial Plan

QA3: Do you have a specific financial plan prepared by yourself or a professional?



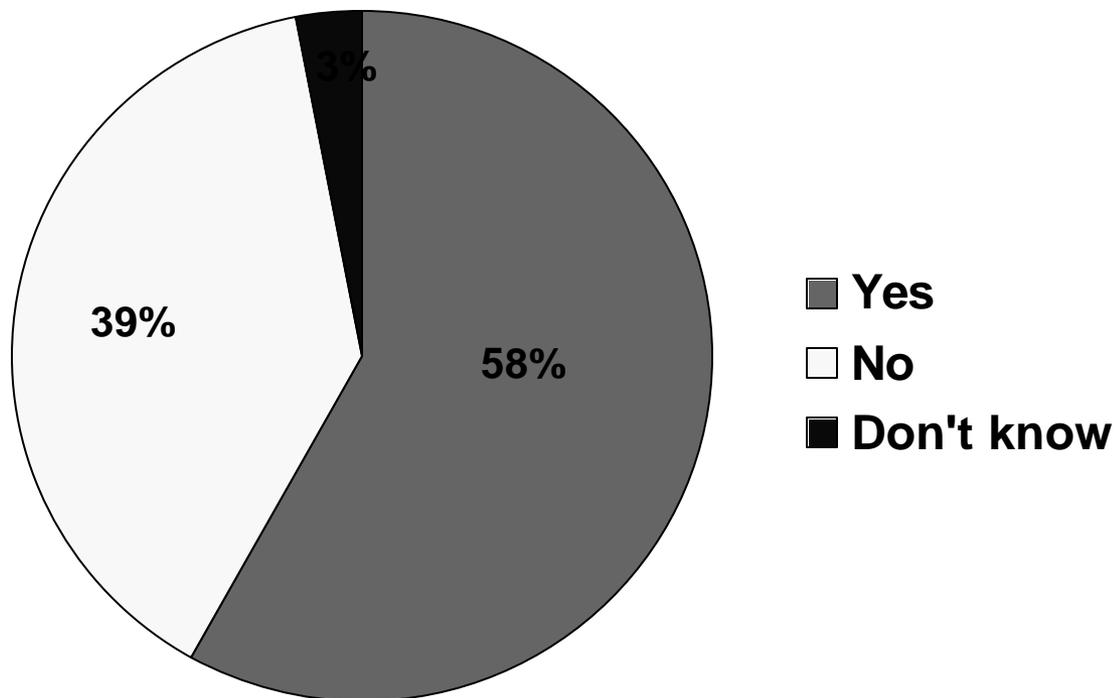
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

Reading a Prospectus

- ◆ More than half (58%) have ever read a prospectus for a mutual fund or stock. Thirty-nine percent have not.
 - Men are more likely than women to have ever read a prospectus (68% vs. 48%).
 - Incidence of reading a prospectus is also a lot higher in the South (65%) than in the Northeast (48%).
 - Respondents in households with \$75,000 or more in income are somewhat more likely to have read a prospectus than are those in households with less than \$25,000 in income (72% vs. 47%).

Reading a Prospectus

QA10: Have you ever read a prospectus for a mutual fund or stock?



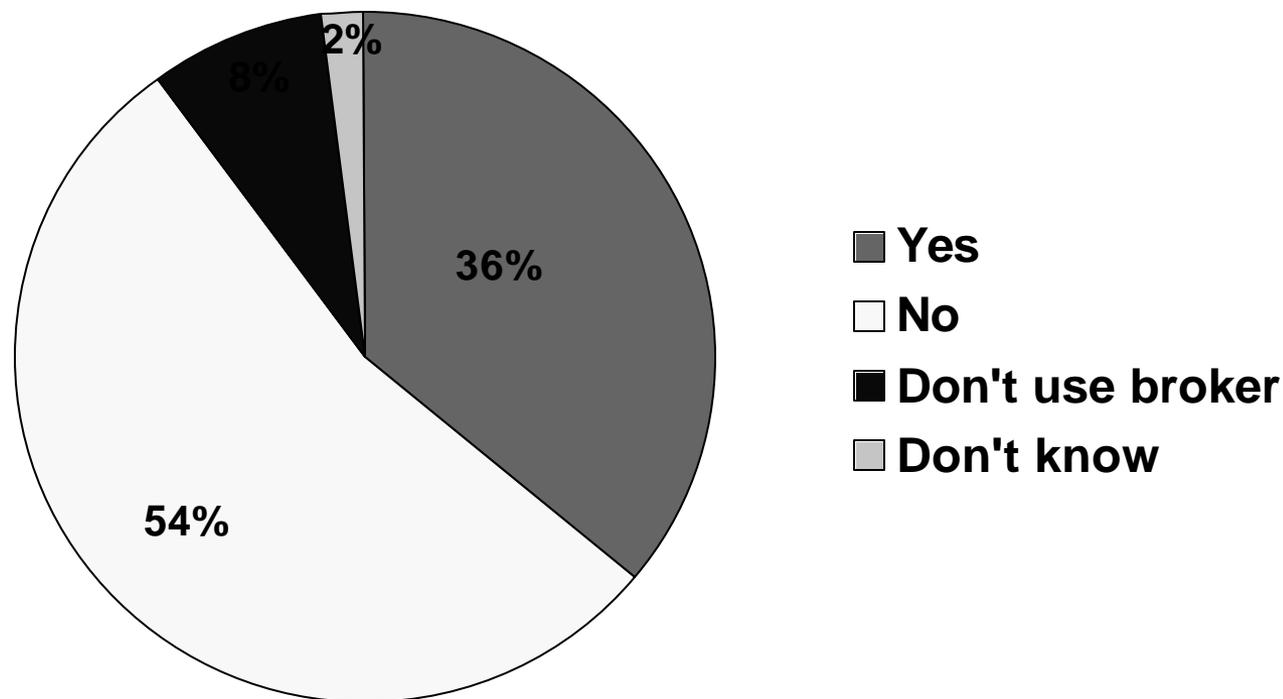
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

Checking a Broker or Planner's Disciplinary Background

- ◆ Only a third (36%) have ever checked the disciplinary background of their broker or planner. Half have never looked into this (54%) and 8% don't use a planner or broker. This is the first behavior question where less than a majority have reported doing the "correct" thing.
 - Those in the South (43%) are much more likely to check into their broker's background than are those in the Midwest (26%).
 - Respondents in households with \$75,000 or more in income are somewhat more likely to have checked the broker's background than those in households with \$25,000 to less than \$35,000 in income (44% vs. 18%.)
- ◆ Those who have not checked out a broker's disciplinary background say they trust their broker (61%) or they don't know how to get the information (22%). Nine percent say their broker has told them there is no problem in their background to check out.

Checking the Broker's Background

QA11: Have you checked out the disciplinary background of your broker or financial planner?



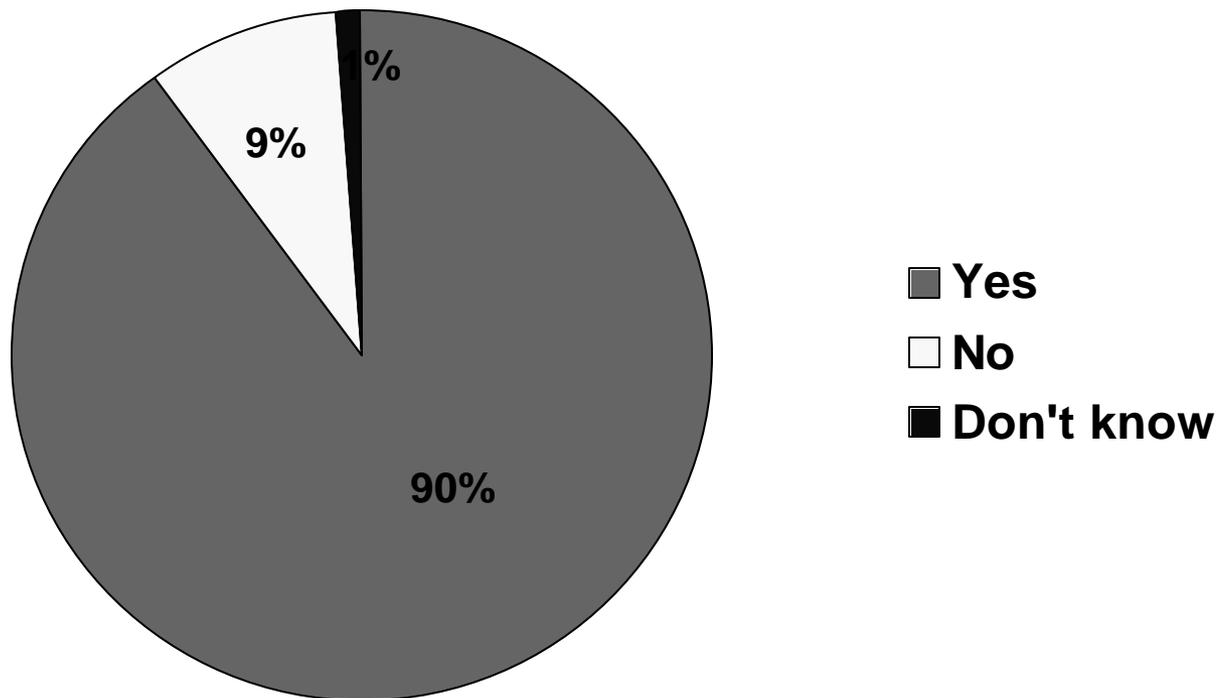
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

Reviewing Investment Account Statements

- ◆ Nearly all investors (90%) review their account statements and other periodic reports about their investments. Only 9% do not read such statements.
 - Respondents aged 25-34 are the least likely age group to read their investment statements (80%).
- ◆ Those who don't review their statements on a regular basis give the following as reasons: not enough time (38%), rely on others to review it (20%), trust your broker or planner to keep on top of things (14%) or they don't understand the statement (13%).

Reviewing Investment Account Statements

QA13: Do you review your mutual fund or brokerage account statements and the other periodic reports about your investments?



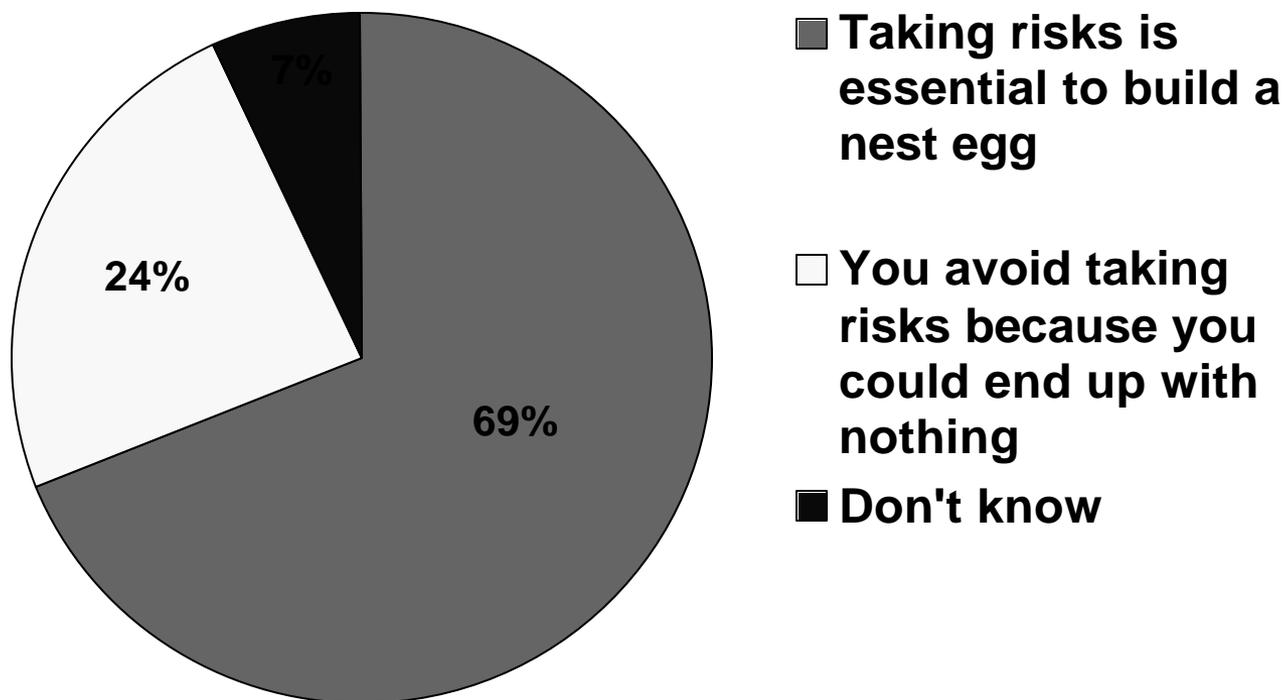
Base: Investors who invest directly through broker, financial planner or investment advisor, n = 550.

Taking Investment Risks

- ◆ Most investors understand that risk is essential in long-term investments to build a nest egg (69%). Only a fourth (24%) say they avoid risks because they could end up with nothing for their retirement.
 - Men are more willing than women to take risk in order to build up a retirement nest egg (73% vs. 65%).
 - Respondents aged 25-34 are the most likely age group to think risk is necessary, (83%) especially compared to those age 65 or over (51%).
 - Those in households with \$75,000 in income or more are much more willing to take risks to increase their investment than are those in households with \$25,000 to less than \$35,000 in income (82% vs. 57%).
 - Those with a college degree are also more likely to take risks with their investments than those with only a high school education (74% vs. 62%).

Taking Investment Risks

QA15: I want you to think about risk as it relates to investing for your retirement. Which of the following statements best describes your attitude about risk as it relates to your retirement savings?



Base: Investors who invest directly through broker, financial planner or investment advisor, n =550.

APPENDIX

RELIABILITY OF SURVEY PERCENTAGES

Results of any sample are subject to sampling variation. The magnitude of the variation is measurable and is affected by the number of interviews and the level of the percentages expressing the results.

The table below shows the possible sample variation that applies to percentage results reported herein. The chances are 95 in 100 that a survey result does not vary, plus or minus, by more than the indicated number of percentage points from the result that would be obtained if interviews had been conducted with all persons in the universe represented by the sample.

<u>Size of Sample on Which Survey Results Are Based</u>	<u>Approximate Sampling Tolerances Applicable to Percentages At or Near These Levels</u>				
	<u>10% or 90%</u>	<u>20% or 80%</u>	<u>30% or 70%</u>	<u>40% or 60%</u>	<u>50%</u>
1,000 interviews	2%	2%	3%	3%	3%
500 interviews	3%	4%	4%	4%	4%
250 interviews	4%	5%	6%	6%	6%
100 interviews	6%	8%	9%	10%	10%

Additional Sampling Tolerances for Samples of 1,000 Interviews

<u>9% or 91%</u> 2%	<u>8% or 92%</u> 2%	<u>7% or 93%</u> 2%	<u>6% or 94%</u> 1%	<u>5% or 95%</u> 1%
<u>4% or 96%</u> 1%	<u>3% or 97%</u> 1%	<u>2% or 98%</u> 1%	<u>1% or 99%</u> .2%	

SAMPLING TOLERANCES WHEN COMPARING TWO SAMPLES

Tolerances are also involved in the comparison of results from independent parts of the sample. A difference, in other words, must be of at least a certain number of percentage points to be considered statistically significant – that is not due to random chance. The table below is a guide to the sampling tolerances in percentage points applicable to such comparisons, based on a 95% confidence level.

Size of Samples Compared	Differences Required for Significance At or Near These Percentage Levels				
	10% or 90%	20% or 80%	30% or 70%	40% or 60%	50%
1,000 and 1,000	3%	4%	4%	4%	4%
1,000 and 500	3%	4%	5%	5%	5%
1,000 and 250	4%	6%	6%	7%	7%
1,000 and 100	6%	8%	9%	10%	10%
500 and 500	4%	5%	6%	6%	6%
500 and 250	5%	6%	7%	7%	8%
500 and 100	6%	9%	10%	11%	11%
250 and 250	5%	7%	8%	9%	9%
250 and 100	7%	9%	11%	11%	12%
100 and 100	8%	11%	13%	14%	14%

Questionnaire

Topline Results of Telephone Interviews With 2,063 Adult Americans
Conducted November 17-21, 2005

A1 Are you an investor, that is, do you own “securities” such as mutual funds, stocks, bonds, etc?
(Base N=2,063 unweighted, 2,000 weighted)

46%	YES	----->CONTINUE
50	NO	
2	DON'T KNOW/UNSURE	
1	REFUSED	----->SKIP TO NEXT SECTION

A2 Do you invest directly or through a retirement plan? Would you say you... [READ LIST.
RECORD ONE ANSWER]
(Base N=1,029 unweighted, 927 weighted, investors who own securities such as mutual funds,
stocks, bonds, etc.)

28%	Invest directly yourself or through a broker or financial planner/investment advisor
37	Invest through a retirement plan
31	Or, both
2	DON'T KNOW
1	REFUSED

IF INVEST DIRECTLY/THROUGH BROKER/FINANCIAL PLANNER/INVESTMENT ADVISOR,
A2 (01, 03), CONTINUE.
ALL OTHERS SKIP TO NEXT SECTION

A3 Do you have a specific FINANCIAL PLAN prepared by yourself or a professional?
(Base N=635 unweighted, 550 weighted, investors who own securities such as mutual funds, stock
or bonds and invest directly themselves or through a broker, planner or advisor)

77%	YES
23	NO
1	DON'T KNOW

A4 For the LAST 25 YEARS, which ONE of the following investments do you think would have
offered you the BEST RETURN on your money: stocks, bonds, a savings account, or certificates
of deposit (CDs)?

66%	STOCKS
11	BONDS
2	SAVINGS ACCOUNT
14	CERTIFICATES OF DEPOSIT
7	DON'T KNOW
1	REFUSED

- A5 DIVERSIFICATION is the process by which an investor . . . [READ ENTIRE LIST BEFORE RECORDING ONE ANSWER. ROTATE]
- 6% Increases his or her chances of hitting the jackpot
 - 74 Lowers the potential overall risk of loss by spreading out assets across different companies, types of funds, and industry sectors
 - 4 Pushes up his or her commission payments by owning too many stocks or mutual funds
 - 14 DON'T KNOW
 - 1 REFUSED
- A6 A "NO-LOAD" mutual fund involves no commission or sales charges of any kind. Is this statement . . . [READ LIST. RECORD ONE ANSWER]
- 39% True
 - 38 False
 - 22 DON'T KNOW
 - 1 REFUSED
- A7 When interest rates go up, what usually happens to the PRICE OF BONDS? Would you say . . . [READ LIST. RECORD ONE ANSWER]
- 28% Bond prices go up
 - 41 Bond prices go down
 - 16 Bond prices stay the same
 - 14 DON'T KNOW
- A8 Which of the following statements BEST describes FULL-SERVICE BROKERS AND MOST FINANCIAL PLANNERS OR INVESTMENT ADVISORS? Most brokers and financial planners . . . [READ ENTIRE LIST BEFORE RECORDING ONE ANSWER. ROTATE]
- 17% Are financial advisors who are paid in direct relation to the quality of the advice they offer
 - 11 Only make money if you make money as their client
 - 61 Are salespeople who are paid in direct relation to the amount and type of investments they sell
 - 10 DON'T KNOW
 - 1 REFUSED
- A9 What does the term "PROSPECTUS" mean? Is it . . . [READ ENTIRE LIST BEFORE RECORDING ONE ANSWER. ROTATE]
- 29% A quarterly profit and loss statement sent to all shareholders in a company
 - 57 An analysis of a company's finances, products, and management made available when stock is first issued
 - 14 DON'T KNOW/NEITHER
 - 1 REFUSED

A10 Have you ever READ A PROSPECTUS for a mutual fund or stock?

58% YES
39 NO
2 DON'T KNOW
1 REFUSED

A11 Have you checked out the DISCIPLINARY BACKGROUND of your broker or financial planner?

36% YES
54 NO
8 DON'T USE BROKER/FINANCIAL PLANNER/INVESTMENT ADVISOR
2 DON'T KNOW
1 REFUSED

[ASK IF NO IN A11 (02)]

A12 Why not? Would you say because . . . [READ AND ROTATE LIST. RECORD AS MANY AS APPLY. WAIT FOR YES OR NO FOR EACH]

(Base N=333 unweighted, 295 weighted, investors who own securities such as mutual funds, stock or bonds and invest directly themselves or through a broker, planner or advisor, and have not checked out the disciplinary background of the broker/planner.)

22% You didn't know how to get the information
61 You trust him or her
9 He or she told you there was no problem
19 DON'T KNOW
2 REFUSED

A13 Do you review your mutual fund or brokerage ACCOUNT STATEMENTS and the other periodic reports about your investments?

(Base N=635 unweighted, 550 weighted, investors who own securities such as mutual funds, stock or bonds and invest directly themselves or through a broker, planner or advisor)

90% YES
9 NO
1 DON'T KNOW

[ASK IF NO IN A13 (02)]

A14 Why not? Which of the following comes CLOSEST to describing your situation? [READ ENTIRE LIST BEFORE RECORDING ONE ANSWER. ROTATE]
(Base N=45 unweighted, 48 weighted, investors who own securities such as mutual funds, stock or bonds and invest directly themselves or through a broker, planner or advisor, and do not review statements from mutual funds or brokerage accounts.

- 13% You don't understand them, they're too complicated
- 38 You have no time, you're too busy
- 20 You rely on others to review
- 14 You trust your broker or financial planner to keep track of things
- 3 OTHER [SPECIFY]
- 9 DON'T KNOW
- 3 REFUSED

A15 I want you to think about RISK as it relates to investing for your retirement. Which of the following statements BEST describes your attitude about risk as it relates to your retirement savings? [READ ENTIRE LIST BEFORE RECORDING ONE ANSWER. ROTATE]
(Base N=635 unweighted, 550 weighted, investors who own securities such as mutual funds, stock or bonds and invest directly themselves or through a broker, planner or advisor)

- 24% If you take risks, you could end up with nothing for your retirement years, so you avoid taking risks
- 69 Taking risks in long-term investments is essential if you are to build a retirement nest-egg
- 5 DON'T KNOW
- 2 REFUSED

A16 Which of the following organizations INSURES YOU AGAINST LOSING MONEY as the result of FRAUD in your investment portfolio? [READ AND ROTATE LIST. RECORD AS AS MANY AS APPLY. WAIT FOR YES OR NO FOR EACH]

- 42% Securities and Exchange Commission
- 41 Federal Deposit Insurance Corporation
- 23 Securities Investor Protection Corporation
- 8 NONE OF THESE
- 11 DON'T KNOW
- 1 REFUSED