

# ALABAMA SECURITIES COMMISSION

## LEGISLATIVE UPDATE



*Investor Education*  
*and*  
*Fraud Prevention Outreach Program*

*Fiscal Year Ending September 30, 2008*

*Investor Education and Fraud Prevention Outreach Program*

**TABLE OF CONTENTS**

*ASC Director Joseph Borg’s Comments . . . . . 1*

*ASC Education Corner. . . . . 1*

*Youth Learning About Money Management Skills. . . . . 3*

*High School Field trips to the ASC. . . . . 4*

*2008 ACES Estate Planning Highlights. . . . . 5*

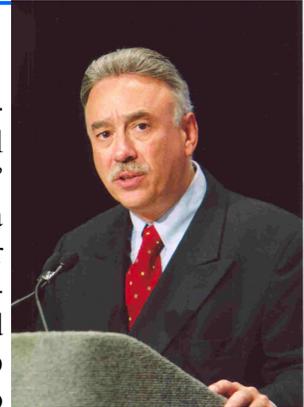
*2008 AARP Investor University Highlights. . . . . 5*

*Education Outreach Statistics and Events by Geographic Area. . . . . 6*

# *Investor Education and Fraud Prevention Outreach Program*

## **Director's Comments**

The Alabama Securities Commission (ASC) believes that investor education and fraud prevention training is the first line of defense against financial crimes that target our citizens' personal financial assets—their “nest eggs.” Seven years ago, the ASC launched its Education and Public Affairs office as a means to deliver timely, appropriate outreach activities to all segments of our state's population. As a result of aggressive efforts during the past fiscal year, 74 investor education and fraud prevention training events have been conducted statewide and more than 6,400 Alabama citizens have more information to help build an estate, to better protect themselves from fraud and the knowledge to make informed investment decisions.



*Joseph P. Borg*

The Commission's outreach efforts targeted youth, affinity groups, including working professionals and senior citizens. One of the keystones to successful youth outreach is our partnerships with the Department of Education, Alabama Jump\$tart Coalition and the Alabama Cooperative Extension System (ACES). By combining resources and assisting these agencies to apply for and receive grants directly from the Investor Protection Trust in Washington, D.C., Alabama's youth receive personal finance and investor education in many existing business and technical courses in grades 7-12. The ASC has partnered with ACES to sponsor numerous Estate Planning Seminars throughout the state for working adults and retirees, with emphasis on reaching all Alabama citizens, whether in rural areas such as Monroeville, Scottsboro or Eufaula, or metro areas like Tuscaloosa, Huntsville and Mobile (see events listing, page 6). ASC partnerships with the Alabama Department of Senior Services, the Attorney General's office, AARP's Campaign for Wise and Safe Investing and ACES Estate Planning program provided thousands of retirees with timely information about money management and wise investing. ASC is committed to helping Alabamians protect their life savings and share in the prosperity of this great nation during their retirement years.



*Clint Niemeyer, Public Affairs Specialist*

## ***ASC EDUCATION CORNER***

***Promoting Investor Protection  
Through Instruction and Preparation***

The ASC's Education Office serves a fundamental but indispensable service pursuant to the agency's mission to protect investors from securities fraud and to preserve legitimate capital markets in Alabama.

During the past year, ASC's Education Office has promoted personal finance education and fraud prevention techniques to citizens throughout Alabama, representing almost every age group. Educational outreach was provided to three distinct target groups: high school through college youth, working adults in affinity groups and seniors 50 years of age and older. The following paragraphs describe outreach activities tailored by group to provide effective information and education opportunities.



*Dan Lord, Manager*

*Continued on Page 2*

## *Investor Education and Fraud Prevention Outreach Program*

*Continued from page 1*

### ***Youth and Student Programs***

The ASC's Education Office is an active member of the Alabama Jump\$tart Coalition and works with other business, government and nonprofit agencies to promote financial literacy programs geared toward public and private middle and high school students. ASC offers two professionally developed financial literacy publications to state educators for classroom use. *Basics of Savings and Investing* is a teaching guide used in various business, math and social studies classes in grades 7-12. Additionally, high school economics teachers can obtain *Personal Finance in the Economics Classroom* to augment financial literacy instruction. In July 2008, at the Annual Conference for Business and Technical Teachers, ASC Deputy Director Randall McNeill was the keynote speaker at a luncheon for 400 business/marketing teachers and discussed the importance of integrating personal finance education into their classroom activities and how to protect their own personal finances. For the fifth consecutive year, the ASC Education Office partnered with Trenholm State Technical College to conduct a personal finance summer school program for high school students. Additionally, the ASC Education Office sponsored five extracurricular field trips (see page 4) at no cost for approximately 140 Alabama high school business and finance students and their teachers to provide information about the ASC's regulatory role in the Alabama securities industry, investor personal finance/investor education classes and career building seminars. The ASC partnered with the Alabama Cooperative Extension System on a special youth outreach program called *Youth Learning About Money Management Skills* (Y-LAMMS) (see page 3).

### ***Affinity Group Programs***

The ASC Education Office has enjoyed tremendous success in carrying the Commission's investor education initiative to affinity groups throughout the state. Affinity groups are business, civic, religious, fraternal or other stakeholder organizations with common interests or goals. These groups are typically comprised of working professionals who invest in securities, assume certain levels of financial risk and can become involved in investment ventures that may or may not be legitimate. They also are often difficult to reach for investor education and fraud prevention training. The Commission's outreach efforts during the past fiscal year reached numerous diverse groups throughout Alabama. Presentations were made to Chambers of Commerce, Alabama State employee organization members of ASEA or ARSEA, real estate investment clubs, attorneys, civic leaders, Rotary Clubs, college business and finance students and instructors and Area Agency on Aging senior citizen service providers, among many others.

### ***Adult and Senior Citizens Programs***

Adults and senior citizens, aged 50 and above, comprise the fastest growing segment of our state and national population and hold a majority of the personal wealth. The ASC, as part of its mission, strives to make certain that Alabama's senior investors do not fall prey to unscrupulous and illegal investment schemes. The ASC Education Office partnered with the Alabama Department of Senior Services, The Alabama Attorney General's office, the Alabama Cooperative Extension System (ACES) and AARP Alabama and other agencies to conduct adult and senior citizen outreach events throughout Alabama to promote personal finance skills, investor education and fraud prevention. ASC provided highly qualified staff members to make presentations and offered free printed and electronic educational materials for Alabama citizens. ASC staff members participated, for the fourth consecutive year, in the 2008 Senior Expo event at the Von Braun Civic Center in Huntsville, Alabama. This event was attended by an estimated 12,000 people. ASC personnel answered individual inquiries and distributed a wealth of personal finance, investor education and fraud prevention materials to hundreds of senior citizens during the two-day event.

## *Investor Education and Fraud Prevention Outreach Program*

### **Youth Learning About Money Management Skills (Y-LAMMS)**

The Alabama Cooperative Extension System (ACES) partnered with the Alabama Securities Commission (ASC), Gadsden Community College and local school officials, educators and volunteers to orchestrate an exciting personal finance training day for sophomore and senior students in Cherokee and Etowah counties. The event, *Youth Learning About Money Management Skills (Y-LAMMS)*, reached more than 400 high school students and more than 100 volunteers helped provide six hours of reality-based personal finance and investor education information to participants. The program was constructed around three seminars and an educational simulation



called “Reality Check,” conducted by ACES, a program designed to expose the students to “real life” scenarios for handling daily expenses. At the start of the simulation, each student received a family status, monthly income amount, occupation and check card. They proceeded from booth to booth purchasing real life necessities. At each booth, students made decisions, such as purchasing a new or used vehicle and also made choices about housing, weekly groceries, internet and cable services, child care, entertainment

and several other daily life considerations. Stations were set up to allow students to deal with adverse circumstances, such as paying for a wrecked auto, doctor’s office visit, flat tire, broken computer or DUI fine. As the simulation progressed and students were able to review their monthly budget, many became aware of the need to make prudent lifestyle choices. Many realized they had made choices that were too expensive and they revisited some booths to adjust their purchases, such as selecting a less expensive car or apartment, for example. Reality Check helped students to see how money and real life expenses really work. Instructors from the ASC (pictured above) conducted a seminar entitled “Your Money and Investing,” teaching participants the importance of establishing an effective, secure personal financial plan that could later fund their retirement. The Alabama Jump\$tart Coalition, in cooperation with BancorpSouth, the Alabama Council on Economic Education and the Federal Reserve Bank of Atlanta presented “The ABCs of Credit,” teaching students how to build and properly use credit to help fund their financial futures. ACES instructors conducted “Brilliant Minds at Work: Teens Starting Their Own Business,” teaching students the fundamentals for establishing a small business and tips on developing long-range business plans. Organizers and sponsors of the Y-LAMMS program hope the insights gained by students will have a positive impact on how they make decisions and manage finances for the rest of their lives.

*Investor Education and Fraud Prevention Outreach Program*

**THE ALABAMA SECURITIES COMMISSION WELCOMES  
HIGH SCHOOL CLASS VISITS/FIELD TRIPS**



**HOOVER HIGH  
SCHOOL FINANCE  
ACADEMY VISIT  
THE ALABAMA  
SECURITIES COM-  
MISSION  
(OCTOBER 16, 2007)**

High School students and teachers from all over Alabama visit the Commission at no cost other than to provide their own transportation and lunch. Typical field trips last about four hours and include over two hours of investor education and information about how ASC regulates the securities industry in the state of Alabama. The Commission will tailor Field Trip visits to the teacher's lesson plan and objectives. Sometimes the Commission provides professional Special Agents and Analysts to talk about their profession and how they achieved their position for career education. On many occasions a guided tour of the State Capitol is included during the visit.. High School teachers may call 1-800-222-1253 and ask for the Education and Public Affairs Office to schedule a tailor made field trip.

**THE WILLIAMSON  
HIGH SCHOOL  
BUSINESS AND FI-  
NANCE ACADEMY  
(MOBILE) VISIT  
THE ALABAMA  
SECURITIES COM-  
MISSION SEPTEM-  
BER 29, 2008.**



## Investor Education and Fraud Prevention Outreach Program

### 2008 Estate Planning Highlights in Alabama

ASC has used its successful partnership with the Alabama Cooperative Extension System (ACES) to continue hosting Estate Planning Seminars to Alabamians 50 years and older statewide. ASC assisted ACES to apply for and acquire a \$9,000 grant from the Investor Protection Trust in Washington, D.C., to conduct 18 outreach events during Fiscal Year 2008 in counties throughout Alabama. ASC Education Office personnel gave motivational and thought-provoking presentations on topics like, *What Seniors Should Know in Order to Make Informed Investment Decisions*, to seminar attendees. The presentations served to illustrate to retirees and senior investors how their financial assets can be targeted by criminals and the knowledge they need to avoid unsuitable financial “opportunities” and investment fraud. Joining ASC presenters at each event was Auburn University Associate Professor and estate planning attorney, Dr. Robert A. Tufts, who discussed the benefits of long-term estate planning and the various components of a well-structured estate plan such as powers of attorney and advance directives for health care with seminar attendees. During Fiscal Year 2008, Estate Planning Seminars were held in Cleburne, Marengo, St. Clair, Dale, Hale, Russell, Shelby, Walker, Chilton, Pike, Clay, Blount, Barbour, Bullock, Chambers, Etowah and Madison Counties reaching out to more than 700 Alabama seniors.



### 2008 Investor University Highlights in Alabama

In Fiscal Year 2008, ASC and AARP Alabama joined forces to conduct several senior investor-focused outreach events known as Investor University. More than 160 senior Alabamians attended eight workshops held in Jefferson, Tuscaloosa, Houston, DeKalb, Calhoun and Jackson Counties. ASC Education Office personnel assisted AARP presenters to instruct senior investors about personal finance and investor education, budgeting, planning and saving and investing for financial security in retirement, especially regarding their pension and individual savings plans. Attendees also learned valuable knowledge and techniques to help them avoid unfair, unsuitable or fraudulent activities.

**Invest a Half-Day in a Secure Financial Future**

**December 4, 2007**

**9:00 a.m. – 1:00 p.m.**

**Auburn Chamber of Commerce**

**714 E. Glenn Avenue**

**Auburn, AL**

**LUNCH SPEAKER:  
Joseph P. Borg, Director  
Alabama Securities Commission**



## *Investor Education and Fraud Prevention Outreach Program*

### **Summary Key Investor Education Activities**

**Record of Alabama Securities Commission Presentations (Fiscal Year Ending September 30, 2008)**

<u>Date</u>	<u>Place</u>	<u>Number</u>	<u>Audience Type</u>
9/29/2008	Montgomery, AL at the Commission	30	High School Students from Mobile, AL
9/26/2008	Heflin, AL, Recreation Center	15	ACES Estate Planning seminar for seniors
9/25/2008	Bessemer, AL UAB Medical West	15	AARP & ASC - Seniors from the community
9/22/2008	Guntersville, AL State Park Lodg	200	ARSEA senior members state wide
9/21/2008	Tuskegee, AL - Cooperative Ext Office	13	Rising Star Invest Club - seniors
9/12/2008	Demopolis, AL at the Sport Plex	18	ACES Estate Planning seminar for seniors
9/5/2008	Odenville, AL -Bethel Baptist Church	60	ACES Estate Planning seminar for seniors
8/29/2008	Ozark Alabama	25	ACES Estate Planning seminar for seniors
8/22/2008	Greensboro, Alabama	35	ACES Estate Planning seminar for seniors
8/15/2008	Phenix City, AL	97	ACES Estate Planning seminar for seniors
8/6/2008	Columbiana, AL	36	ACES Estate Planning seminar for seniors
8/5/2008	Jasper, AL	15	AARP & ASC - Seniors from the community
7/24/2008	Tuscaloosa, AL partnered with AARP	24	AARP & ASC - Seniors from the community
7/22/2008	Birmingham, AL at BJCC, Bus Tech Teachers	450	Business Technical Teachers and Jump\$tart
July 15 & 16	Mobile, AL at the Renaissance Hotel	60	School teacher breakout seminars
7/14/2008	Dothan, AL at Troy University Campus with AARP	50	AARP & ASC - Seniors from the community
7/11/2008	Jasper, AL	60	ACES Estate Planning seminar for seniors
7/9/2008	Ft. Payne, Western Sizzlin with AARP	6	AARP & ASC - Seniors from the community
6/23/2008	Montgomery, AL at TrenholmTech	28	High School Students, Parents, Faculty
6/23/2008	Montgomery, AL at the Commission	28	High School Students from Trenholm
6/19/2008	Millbrook, AL at the Civic Center	50	Millbrook Area Chamber of Commerce
6/11/2008	Gadsden, AL - Senior Activity Building	130	ADSS-ASC Seniors from t community
6/6/2008	Clanton, AL - City Hall	35	ACES Estate Planning seminar for seniors
5/23/2008	Pike County Economic Dev. Center	28	ACES Estate Planning seminar for seniors
5/17/2008	Sandestin, FL Alabama State Bar, Young Lawyers	30	Presentation to new lawyers
5/15/2008	Talassi, AL at Talisi Hotel	50	Chamber of Commerce Leaders Elmore Cty
5/9/2008	Lineville, AL at First United Methodist Church	18	ACES Estate Planning seminar for seniors
6&7 May	Huntsville, AL - Senior Expo 2008 at Von Braun	1000	10k plus attended, display & talk with 1k
5/2/2008	Oneonta, AL at Twin Oaks at Heritage	60	ACES Estate Planning seminar for seniors
4/26/2008	Montgomery, AL at Madison Hotel	100	Seminar for Cont. Society, Inc. adults
4/23/2008	Eufaula/Barbour County Chamber of Commerce	25	ACES Estate Planning seminar for seniors
4/22/2008	Birmingham, AL at St Lukes Church,	35	Seniors Organization at the church
4/19/2008	Montgomery, AL - Southland Middle School	35	All ages from community and sororities
4/18/2008	Birmingham, AL at BJCC	80	FBLA High School students/teachers
4/9/2008	Montgomery, AL at Gordon Persons Building	30	AL State Emp. Assn. chapter members
4/8/2008	Oxford, AL - Oxford Civic Center	110	Calhoun/Cleburne/Talladega County seniors
4/4/2008	Foley, AL - John Archer Agriculture Building	40	Seniors from Baldwin/Mobile Counties

(Continued on next page)

## *Investor Education and Fraud Prevention Outreach Program*

### Summary Key Investor Education Activities (Continued)

Record of Alabama Securities Commission Presentations (Fiscal Year Ending September 30, 2008)

<u>Date</u>	<u>Place</u>	<u>Number</u>	<u>Audience Type</u>
4/2-3/2008	Birmingham, AL at Winfrey Hotel	40	Alabama Gerontological Society conference
4/3/2008	Bessemer, AL at Public Library	35	Bessemer/West Jefferson AARP (seniors)
3/24/2008	Tuscaloosa, AL - Bryant Conf. Center	70	DECA State Conf. for high school students
3/21/2008	Livingston, AL at University of West Alabama	30	Seniors from Sumter County, surrounding area
3/19/2008	Glencoe, AL at N. Baptist Church	100	Students from Etowah Cty Schools
3/12/2008	Montgomery, AL at RSA Plaza - Working Lunch	30	SEC Chair, NASAA, Ed Partners
3/11/2008	Birmingham, AL at Samford University	125	Business Students and Faculty
3/7/2008	Foley, AL at Civic Center	15	ACES Seniors from local community
3/4/2008	Huntsville, AL at Heritage Club	35	Fin&Est Planning Council Hunstville
3/4/2008	Birmingham, AL at Vestavia Hills Country Club	25	Alabama Profit Sharing Council
2/28/2008	Huntsville, AL Fin and Estate Planning Council	125	Fin Industry - BD, IA, Ins etc.
2/28/2008	Center Point, AL at court house	250	Partner with AG to reach seniors
2/27/2008	Montgomery, AL at the Commission	16	High School students-Oak Mtn.
2/6/2008	Union Springs, AL at Great S. Outdoors	35	ACES Estate Planning seminar for seniors
1/29/2008	Centre, AL at Church "The Rock"	175	ACES & ASC - 10th graders from 5 schools
1/29/2008	Montgomery, AL at Shiloh Baptist Church	280	Partner with AG to reach seniors
1/28/2008	Homewood, AL - Senior Center	120	Real Estate Investment Club
1/28/2008	Athens, AL Senior Center	180	Partner with AG to reach seniors
1/25/2008	Mobile, AL	175	Partner with AG to reach seniors
1/15/2008	Birmingham, AL at the Harbert Center,	50	Rotarians (Rotarack Youth)
1/11/2008	Valley, AL at Chamber's Library	67	ACES Estate Planning seminar for seniors
12/7/2007	Montgomery, AL at RSA Plaza Terrace	30	Profession Auditor and Financial Institution Club
12/4/2007	Auburn, AL - AARP Club Meeting	25	Adult citizens from local community
11/30/2007	Gadsden, AL - Estate Planning/Investing	18	ACES Estate Planning seminar for seniors
11/19/2007	Point Clear, AL - Alabama District Attorney's Associatio	60	District Attorneys from Alabama
11/16/2007	Huntsville, AL - Estate Planning/Investing	80	ACES Estate Planning seminar for seniors
11/16/2007	Ozark, AL at Senior Center	160	ADSS-ASC Senior Citizens
11/15/2007	Greenville, AL at First Baptist Church	80	ADSS-ASC Senior Citizens
11/14/2007	Monroeville, AL at Vanity Fair Community House	60	ADSS-ASC Senior Citizens
11/13/2007	Mobile, AL at Tillman's Corner-Community Center	200	ADSS-ASC Senior Citizens
11/9/2007	Montgomery, AL at RSA Plaza,	40	High School Field Trip from Dothan, AL
11/7/2007	Anniston, AL	30	AARP & ASC - Seniors from the community
10/29/2007	Dothan, AL at Flowers Hospital	70	Senior Citizen - Partner with AG King's office
10/24/2007	Montgomery, AL- ACES & AARP Inv Univ,	75	Partner with ACES & AARP to reach seniors
10/19/2007	Mobile, AL at ASEA Annual Convention	400	Working and retired state employee's union
10/16/2007	Montgomery, AL at RSA Plaza	40	High School Field Trip from Hoover, AL
10/2/2007	Scottsboro, AL - at new chapter meeting	25	AARP & ASC - Seniors from the community

**TOTAL NUMBER OF EVENTS: 74**

**TOTAL NUMBER OF CITIZENS REACHED: 6492**