

CONSUMER ALERT!

BE SKEPTICAL ABOUT “FREE MEAL” SEMINARS QUESTION CREDENTIALS OF INSURANCE AND FINANCIAL SERVICES EXPERTS

Have you received an invitation or seen an ad offering you a free lunch or dinner at a nice restaurant if you attend a seminar about financial, retirement, or estate planning?

Has an insurance or financial professional contacted you recently to set up a time to meet?

Before you accept any invitation about financial, retirement or estate planning, the [Insert Name of State Department of Insurance] wants you to know that many insurance and financial firms reach out to middle-aged and older adults or host free meal seminars. The goal often is to sell you an insurance or financial product or service. The invitation or individual who contacted you may clearly state that nothing will be sold, and only advice will be offered. But there’s a chance you’ll be encouraged to buy something either during or after an event or meeting.

To protect yourself, the [Insert Name of State Department of Insurance] would like to encourage you to follow these suggestions:

- **Be skeptical about “free meal” seminars.** The offer of free meals, door prizes, and/or free advice may lead you to attend a seminar when you wouldn’t otherwise. Some invitations make you feel it’s urgent to register due to “limited space.” A nice restaurant, an expensive meal, and a well-dressed presenter may be impressive, but it doesn’t mean that what they’re selling is right for you.

There is *always* a purpose to a “free” seminar, even those advertised as unbiased and educational. When federal regulators examined firms that offered free lunch seminars, they found that **every** seminar was a sales presentation. You should know that if you put personal information on a registration form, that information likely will be used to market products or services to you.

- **Do your homework before you attend a seminar or meet with an insurance or financial expert.** Contact the [Insert Name of State Department of Insurance] to verify that the person is licensed to sell the product. Ask if there have been complaints or enforcement actions against this person.
- **Review credentials closely.** Individuals selling insurance and financial products may advertise their credentials to gain the trust of clients. Some credentials suggest a certain expertise to provide insurance and financial advice that may or may not exist. As an example, an expert who is “certified” or “accredited” or one who claims expertise in retirement planning or senior issues *sounds* qualified to help you but may or may not be.

Before you attend a free seminar or meet with an insurance or financial expert, find out how they earned their credentials. Two ways to do this are to conduct an online search or contact the [Insert Name of State Department of Insurance]. Some professional credentials require a difficult study program and a series of extensive exams. Other credentials require much less to earn them. In the worst cases, anyone who pays a fee could earn certain credentials. Individuals with those credentials may not have any special experience or expertise.

- **Does this product or service make sense for you?** Always be sure you understand what’s being sold.

Insurance and financial products can be complicated even for the most informed consumer. Don’t hesitate to ask questions, especially if you don’t understand something. You should be able to explain a product in your own words to someone (other than the salesperson) in a way that makes sense to both of you.

It’s rare that one product or service will meet the financial needs and goals of everyone attending a seminar. Be cautious about any promises that one product can meet all of your financial needs. The product must be right for you, your lifestyle, your financial goals, and your tolerance for risk. If the presenter doesn’t know your personal financial situation, he/she can’t know if a product is right for you.

- **Never make a final decision at a seminar.** If you attend a seminar, you may be exposed to high pressure tactics, frightening stories about people who don't have enough money to live on in retirement, and promises of unrealistic financial returns.

Decide **before** you go that you won't give out any personal information, sign any documents, or make any decisions while you're there. Leave your checkbook at home and consider getting a second opinion.

- **Report suspected scams to the [Insert Name of State Department of Insurance].** *Anyone* can find themselves the victim of a financial scam so don't let fear, embarrassment, or uncertainty keep you from asking for help. Your report will help prevent others from becoming victims too.

The [Insert Name of State Department of Insurance] Is Here to Help

As a consumer protection agency, the [Insert Name of State Department of Insurance] may be able to help if you believe an insurance agent or company has misled you or sold you a product that isn't right for you.

To file a complaint, please visit our website at [Insert Website Address] or send a written complaint and any supporting documents to:

[Name of State Department of Insurance]
[Address]
[City, State Zip Code]
[Applicable Telephone Numbers / Fax Numbers]
[Applicable Email Addresses]

For more information about buying insurance, please visit [Insert State Department of Insurance Website Address] or call [Insert Telephone Number].

[Drafting Note: State insurance departments who wish to provide additional references to consumers can insert the following sentence with links to specific information where they feel it would be most applicable:

For more information about [Insert Name of State] laws and rules regarding the use of professional designations or offering free meals to market insurance services, please refer to [Insert State References].

Other Important Contacts

[Drafting Note: States can modify this alert where necessary to reference the appropriate names and phone numbers of the securities and/or other regulatory agencies that a consumer should contact for licensing and complaint information.]