ANSWERS TO QUIZ:

1. True – the point of the question is that people who are more cautious, more deliberate in making decisions, willing to stick to their decision are better investors. Another words men as a whole have more of a “remote control” mentality.
2. False – insurance is not regulated by the SEC it is exempt asset and because it is a “fixed” annuity it does not protect you from inflation.
3. True – it is the law
4. False – the first question you should ask anyone who is dealing with your money; “how are you paid?” according to former SEC Chairman, Arthur Levitt as reported by the WSJ in 2001.
5. False – protects you from broker theft or bankruptcy (think Bernie Madoff)
6. True – I usually add that mother does not believe that an investment should go down and she should not be in the stock market. Risk is the issue and how much can you take.
7. True – inverse relationship
8. True – A blatant trick to entice people to learn about the “It’s Your Estate” workshop series. We will not sell the idea of a living trust and will give the advantages and disadvantages of probate. If you owe a lot of money at death or a fight over your estate you will likely save money in probate court.
9. True – Money Markets by law cannot take on greater credit risk of notes of more than 90 days. Most money market funds invest 80% of their assets 30 day duration or less.
10. False – I usually ask someone who is married if the spouse spends their money rationally. Lots of studies show how irrational we are when it comes to investing and spending.
11. False – the standard is “suitability” for brokers. SEC study believes it should be a “fiduciary” standard.
12. True – before you invest a dime a person should go through all these issues.
13. More than $102 14. Less than today 15. Fall 16. True 17. False   (3.1 refers to average correct)

The survey instruments were designed by a multi-disciplinary team that included Professor Annamaria Lusardi of Dartmouth College, Applied Research & Consulting LLC (ARC), the FINRA Investor Education Foundation and the Office of Financial Education of the U.S. Treasury Department. Additional input was provided by Craig Copeland of the Employee Benefit Research Institute (EBRI), the American Institute of Certified Public Accountants (AICPA) and Professor Robert Willis of the University of Michigan, among others.

The Financial Capability Study highlights how many Americans are disadvantaged by their lack of financial capability, and offers a wealth of previously unavailable information on Americans' behavior relating to how they manage their resources and how they make financial decisions (including the factors they consider and the skill sets they use). This robust set of multi-dimensional measurements allows policymakers and researchers to look at individual financial behavior from various angles, at a level of detail that has never been possible before.

The data were collected through an online survey of 28,146 respondents (approximately 500 per state, plus D.C.), over a five-month period, June through October 2009. Within each state, data were weighted to match 2008 American Community Survey (ACS) distributions on age category by gender, ethnicity and education. Additional information on the ACS is available at www.census.gov/acs. All data in the surveys are self-reported by the respondents themselves.