

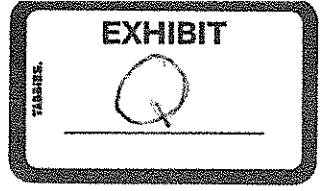
| Date | Respondent | Type | Total Arkansas penalty | Contribution amount | Contribution made to: | ASD fine | Comments |
|------------|--|--|------------------------|---------------------|-----------------------|----------------|---|
| 4/30/1999 | Summit Brokerage Securities, Inc | agent not registered, unsuitable trading | \$20,000.00 | \$20,000.00 | IPT | \$0.00 | |
| 9/13/1999 | Argent Securities, Inc | unsuitable trading | \$5,000.00 | \$5,000.00 | IPT | \$0.00 | |
| 11/4/2002 | Merrill Lynch | research analyst global settlement | \$500,000.00 | | | \$500,000.00 | |
| 8/22/2003 | UBS Warburg LLC & UBS PaineWebber Inc. | research analyst global settlement | \$250,000.00 | | | \$250,000.00 | \$5,000,000 paid to IPT for all states |
| 9/22/2003 | Goldman, Sachs & Co | research analyst global settlement | \$250,000.00 | | | \$250,000.00 | \$10,000,000 paid to IPT for all states |
| 9/23/2003 | Credit Suisse First Boston LLC | research analyst global settlement | \$750,000.00 | | | \$750,000.00 | |
| 9/29/2003 | Bear, Stearns, & Co, Inc. | research analyst global settlement | \$250,000.00 | | | \$250,000.00 | \$5,000,000 paid to IPT for all states |
| 10/1/2003 | JP Morgan Securities, Inc. | research analyst global settlement | \$250,000.00 | | | \$250,000.00 | \$5,000,000 paid to IPT for all states |
| 10/1/2003 | Lehman Brothers, Inc. | research analyst global settlement | \$1,500,000.00 | | | \$1,500,000.00 | \$25,000,000 paid to IPT for all states |
| 11/5/2003 | Citigroup Global Markets, Inc. | research analyst global settlement | \$125,000.00 | | | \$125,000.00 | |
| 11/5/2003 | US Bancorp Piper Jaffray Inc. | research analyst global settlement | \$287,500.00 | | | \$287,500.00 | \$2,500,000 paid from order to IPT for all states |
| 6/23/2005 | Deutsche Bank Securities | research analyst global settlement | \$246,500.00 | | | \$246,500.00 | |
| 3/21/2007 | Wachovia Financial Group | research analyst global settlement | \$19,693.16 | | | \$17,723.85 | |
| 12/21/2009 | RBC Capital Markets Corporation | auction rate | \$402,331.47 | \$1,969.31 | IPT | \$17,723.85 | |
| 1/8/2010 | Merrill Lynch, Pierce, Fenner & Smith Inc | auction rate | \$35,781.78 | \$40,233.14 | IPT | \$362,098.33 | |
| 1/13/2010 | Deutsche Bank Securities Inc. | auction rate | \$56,513.51 | \$3,578.17 | IPT | \$32,203.61 | |
| 2/11/2010 | JP Morgan Chase & Co | auction rate | \$106,705.79 | \$5,651.35 | IPT | \$50,862.16 | |
| 2/12/2010 | Banc of America Securities | auction rate | \$238,385.75 | \$10,670.58 | IPT | \$96,035.21 | |
| 3/16/2010 | Wachovia Securities, LLC and Wachovia Capital Markets, LLC | auction rate | \$145,323.93 | \$23,838.56 | IPT | \$214,547.19 | |
| 3/19/2010 | Citigroup Global Markets Inc. | auction rate | \$156,785.80 | \$14,532.39 | IPT | \$130,791.54 | |
| 3/25/2010 | Morgan Stanley & Co, Inc. | auction rate | \$30,000.00 | \$15,678.51 | IPT | \$141,107.29 | |
| 4/16/2010 | Credit Suisse Securities (USA) LLC | auction rate | \$377,725.00 | \$3,000.00 | IPT | \$27,000.00 | |
| 5/18/2010 | Merrill Lynch, Pierce, Fenner & Smith, Inc. | client associates not registered | \$4,796.66 | \$37,772.50 | IPT | \$339,952.50 | |
| 9/23/2010 | Wells Fargo Investments LLC | auction rate | \$1,314.17 | \$479.66 | IPT | \$4,317.00 | |
| 11/16/2010 | UBS Securities LLC | auction rate | \$265,036.69 | \$131.41 | IPT | \$1,182.76 | |
| 12/28/2010 | Goldman, Sachs & Co | auction rate | \$78,556.45 | \$26,503.67 | IPT | \$238,533.02 | |
| 10/19/2011 | Morgan Keegan & Co | proprietary funds | \$434,215.00 | \$7,855.65 | IPT | \$70,700.80 | |
| 9/18/2012 | Bankers Life and Casualty Co | unregistered activity | \$84,937.98 | | | \$434,215.00 | |
| 11/19/2012 | Proequities | unregistered activity | \$8,207.55 | | NASAA | \$84,937.98 | |
| 12/13/2012 | Uvest Financial Services Group, Inc. | unregistered activity | \$14,150.94 | | NASAA | \$0.00 | |
| 4/4/2012 | Raymond James & Associates | auction rate | \$5,766.45 | \$8,207.55 | | \$5,766.45 | |
| 7/9/2013 | Crews & Associates | Bamco | \$150,000.00 | \$14,150.94 | | \$0.00 | |
| 10/31/2013 | RBC Capital Markets LLC | client associates not registered | \$44,745.17 | \$150,000.00 | NASAA | \$44,745.17 | |
| 11/14/2013 | UBS Financial Services, Inc. | client associates not registered | \$70,605.36 | | | \$70,605.36 | |
| | | | \$7,415,578.61 | \$389,253.39 | | \$7,026,325.22 | |

Circuit Court of Pulaski County 6th Division -
Ordered disgorgement in the amount of \$306,000
\$0.00 in addition to the payment of \$20,000 to IPT.

9/11/2008 Dennis Vinciguerra sold unregistered securities

6/28/2006 Ameriquest mortgage

Total paid to IPT
Total paid to NASAA
Total paid to CSBS



| Date | IPT grantee | Program | Amount |
|-----------|---------------------------------|--------------------------------------|-----------|
| 8/1/2012 | University of Arkansas | How Can I Afford Retirement | \$78,594 |
| 3/1/2009 | AARP | Protecting Arkansans Town-halls | \$25,000 |
| 3/13/2009 | AARP | Campaign for Wise and Safe Investing | \$15,000 |
| 6/30/2009 | University of Arkansas | How Can I Afford Retirement | \$76,564 |
| 6/1/2007 | University of Arkansas | Global Financial Trading Center | \$45,078 |
| 2/1/2007 | Arkansas Securities Department | Radio program | \$80,000 |
| | Total amount of grants from IPT | | \$320,236 |

**Garrison Financial
Institute**

Fax

| | | | |
|---------------|-------------------------------|---------------|-----------------|
| To: | Ann McDougal | From: | Rickey Costrell |
| Fax: | (501) 324-9268 | Pages: | 12 |
| Phone: | (501) 324-8685 | Date: | 2/10/09 |
| Re: | IPT Grant Proposal (Part One) | | |
| cc: | | | |

☐ **Urgent** ☐ **For Review** ☐ **Please Comment** ☐ **Please Reply** ☐ **Please Recycle**

• **Comments:**

Dear Ms. McDougal,

Attached please find our grant submission for the "How Can I Afford Retirement" program sponsored by the Investor Protection Trust Foundation. Due to the large size of the attachments, I have sent this to you in two parts. Part one (attached) has the proposal and budget. Part two has the other attachments and was sent to you via email.

Since Commissioner Abshire's email is blocked can you please forward part one and two to him?

Please do not hesitate to contact me if I can be of assistance to you or if you have any questions.

Thank you for your time and prompt attention to this important matter.

Rickey

Rochelle M. Costrell
Associate Director
Garrison Financial Institute
Sam M. Walton College of Business
1 University of Arkansas, WCOB 302
Fayetteville, AR 72704

Phone: (479) 575-4399
Fax: (479) 575-8407
Email: rcostrell@walton.uark.edu
Office Location: RCED 208

Garrison Financial Institute - *Advancing financial research and knowledge through practice.*



IPT Grant Proposal Form

| Project Principal | 501(c)(3) Organization or State Securities Administrator |
|--|--|
| <p>Name: Wayne Y. Lee Title: Professor of Finance Affiliation: Sam M. Walton College of Business, University of Arkansas Address: 1 University of Arkansas, Business Bldg 302, Fayetteville, AR, 72701 Telephone: (479) 575-3944 Fax: (479) 575-8407 E-mail: wll@walton.uark.edu</p> | <p>Name of Organization: Board of Trustees, University of Arkansas, Fayetteville Campus Type of Institution: State Controlled Institution of Higher Learning Address: 1 University of Arkansas, Fayetteville, AR, 72701 Other Related Information: Garrison Financial Institute at the Sam M. Walton School of Business (Rosemary Ruff, Director of Research and Sponsored Programs) Telephone: (479) 575-3845 E-mail: rcostrell@walton.uark.edu Federal Tax ID Number: 716003252 Website URL: www.waltoncollege.uark.edu</p> |

Project Title: How Can I Afford Retirement – An Investor Protection Trust Program at the Fayetteville Public Library in Partnership with the Garrison Financial Institute

Grant Amount Requested: \$73,676

Duration of Project: 24 Months

Summary of Project (300 words or less):

Utilizing the "How Can I Afford Retirement" model developed by the Boston Public Library and supported by the Investor Protection Trust Foundation, the Garrison Financial Institute in cooperation with the Fayetteville Public Library, propose to host 20 to 25 multipart, non-commercial educational events targeted specifically at Arkansans ages 45 to 70 who have not saved adequately for retirement. The subject matter will cover specific investor education topics aimed at helping this age cohort plan ahead and avoid investment errors that can undermine their retirement security.

Increasingly, financial responsibility for retirement has shifted towards individuals and away from corporate and government sponsored retirement plans. Research shows, however, that Americans approaching retirement have not set aside sufficient savings to support themselves during retirement. Saving for retirement is not rocket science, but educating the public on how to better prepare for retirement is an urgent national imperative that is on par with the space race decades earlier.

Experts from the community will address investor education issues that are critical to individuals 45-70 years of age. Cognizant of our adult audience, the message will be reinforced in multiple ways – first, by lecture, and second, by a reference librarian who will speak about investor education resources that are available at the library. Presentations will be followed by small group breakout sessions facilitated by trained personnel at which time participants will complete workbook exercises focused around topics covered. Groups will reconvene with the speaker for a question and answer session. At the end of each program, participants will have a greater understanding of their financial situation, how to better prepare for retirement, and avoid fraud.

Description of 501(c)(3) organization, if applicable:

The University of Arkansas is a leader in providing world-class investment education. The University of Arkansas finance faculty created the first variable annuity and is the only institution on the country with five student-managed-investment funds. Over the latest 5-year period ending November 28th, 2008, the student-managed Rebsamen Trust delivered a 3.7% return, versus losses of -1.4% for both the Russell 1000 and the S&P 500. In 2008, the Shollmier Fund placed first in the Graduate Hybrid Funds Class in the student-run portfolio competition at the eighth annual Refining Investment Strategy Education Forum held at the University of Dayton in Ohio. As a result of this first-place showing, Shollmier Fund students were featured in *BusinessWeek* and appeared on CNBC's "*Squawk on the Street*".

The Garrison Financial Institute at the Sam M. Walton College of Business was created in 2006 by a gift from the Garrison family and the Walton Charitable Trust Foundation to advance financial education and knowledge through practice. Its mission is to enhance student learning through experience, foster research that extends and perfect best practices, and contribute to the economic development of the state of Arkansas and the welfare of its citizens.

The Fayetteville Public Library was the recipient of the Library Journal's "Library of the Year Award" in 2005. This 88,000 square foot architecturally innovative facility was built in 2005. It has a large meeting room that can accommodate 200 adults, a smaller room that can hold 26 adults, free onsite parking for 212, ample street parking, and is handicap accessible. It serves the Washington County area with a population of 193,771 people. Eighty percent of the local population has a library card compared to the national average 61% attesting to the popularity of this library. In 2006, the library had 551,696 visits and its annual expenditure per capita was \$49.98 which is 19% higher than the national average of \$41.90. For more information visit www.faylib.org

Goals and Objectives:

Goal 1: Provide Arkansans aged 45 to 70 with access to non-commercial, impartial information on which to base sound retirement investment decisions, and avoid fraud

Objectives:

1. Hold 20 to 25 investor education events designed to meet the information needs of Arkansans aged 45 to 70.
2. Publicize the availability of investor education programs to attract 50 Arkansans per event, for a total of between 1,000 and 1,250 Arkansans served over a two year period.

Goal 2: Facilitate greater availability of permanent, non-commercial, retirement investment and fraud avoidance information at the Fayetteville Public Library

Objectives:

1. Provide selected books, publications and DVDs to the Fayetteville Public Library so that Arkansans can access a permanent collection of retirement investor education materials repeatedly and on their own schedules.
2. Utilize public lectures, small facilitated discussions, and an explanation of available library resources.

Goal 3: Provide a model for non-commercial, impartial, retirement investment education that can be replicated throughout Arkansas

Objectives:

1. Utilize presentation materials, workbooks, DVDs, and other materials produced by the Investor Protection Trust Foundation, based on their program "How Can I Afford Retirement" developed in partnership with the Boston Public Library.
2. Provide assistance to communities in Arkansas seeking to replicate this program.

Detailed project description:

The project will be conducted by the Garrison Financial Institute in cooperation with the Fayetteville Public Library. Over two years, the Garrison Financial Institute will organize between 20 and 25 public events aimed at Arkansans aged 45 to 70 who may not have saved adequately for retirement. The investor education subjects covered will help this age cohort plan ahead and avoid investment pitfalls that can further undermine their retirement security.

Goal 1: To provide people ages 45 to 70 with access to non-commercial, impartial information on which to base sound retirement investment decisions. To achieve this goal, the Garrison Financial Institute will organize and present 20 to 25 investor education events for individuals in our target group. These events will be topic focused and include issues of particular relevance to the target population. The sessions will cover specific topics which will be repeated during the project period. Events will repeat at varying times of day to attract people with differing schedules. Sample topics are:

Taking the Mystery Out of Retirement Planning

- Setting retirement goals
- Projecting retirement income and expenses
- Allocating assets for retirement investments
- Developing a personal financial/investment plan
- Next steps

Closing the Gap: Investment and Expense Strategies - Even for Late Starters!

- Determining the gap between desired and projected income
- Building investment strategies to address financial gaps
- Creating retirement income from investment assets
- Learning catch-up provisions

Investing Wisely to Avoid the Financial Risk of Longer Life Expectancy

- Assessing the risk of outliving your assets

- Determining the best diversification, asset allocation and types of investments
- Understanding the impact of withdrawal rates on your investments

Protecting Your Investments - The Best Defense is a Wise and Safe Investor

- Learning the common investment and retirement planning mistakes
- Understanding common methods of financial fraud and abuse
- Discovering basic insurance investment strategies for retirement

Each session will be publicized in print, radio, an on line to attract at least 50 people to each event. The project will also reach out to affinity groups such as life-long learning communities, university alumni, religious organizations, and civic groups.

Goal 2: The second goal is to facilitate permanent availability of non-commercial retirement investment and fraud avoidance information at the Fayetteville Public Library. This will be accomplished by providing selected books, publications and DVDs to the Fayetteville Public Library so that Arkansans can access a permanent collection of retirement investor education materials repeatedly and on their own schedules. These materials include Investor Protection Trust publications such as Five Keys to Investing, Getting Help With Your Investments, and Maximizing Your Retirement Investments. DVD's include the first three volumes of Money Track, the only television show that offers unbiased, non-commercial investing education. To introduce Arkansans to library recourses, presenters will utilize lectures and small group facilitated discussions. In a slight departure from the Boston Public Library model, our group facilitators may be peers, regional business people, professionals, library personnel, library volunteers, or academics.

Goal 3: The third goal is to provide a model for non-commercial, impartial, retirement investment education that can be replicated throughout Arkansas. We will provide this model by utilizing the "How Can I Afford Retirement" program developed by the Investor Protection Trust Foundation in partnership with the Boston Public Library. This program consists of a series of retirement investment education events as described above in goal one, supplemented by providing a permanent collection of printed and electronic media to the Fayetteville Public Library as described in goal two above. The Garrison Financial Institute and the Fayetteville Public Library will also provide assistance to communities throughout Arkansas that seek to replicate this program in their local public library.

Needs Assessment:

Responsibility for retirement has increasingly shifted to individuals, but research shows that the median account balance in defined contribution plans as of 2007 is approximately \$22,000.¹ With major market indexes, such as the Dow Jones Industrial Average, down 32% in 2008, median defined contribution plan balances as of 2009 are likely to be significantly lower than \$22,000.

Workers need to take advantage of voluntary workplace retirement plans such as 401(k)s, 403(b)s, and 457 plans to augment their savings. Yet an analysis of Census Bureau Population Survey data published by the Employee Benefit Research Institute in 2006 found that only 48% of workers aged 21-64 participated in workplace retirement plans.

¹ Tergesen, Anne, How to Fix 401(k)s (Wall Street Journal), December 13, 2008

Workers also need to utilize voluntary tax advantaged retirement savings vehicles like Individual Retirement Accounts (IRAs). Savings rates, however, have fallen since the 1980's, and Americans who have not participated in workplace savings programs, have not made up for their lack of retirement savings with (voluntary) personal savings.² Yet retirees will likely be expected to provide as much as 75% of their pre-retirement income from personal savings.

Due to the rural character and lower than average incomes in parts of Arkansas, this state is underserved by qualified financial planners compared to other states. There is no state association of financial planners in Northwest Arkansas, and local citizens have requested that the University of Arkansas provide assistance with retirement planning. To quantify this need, the Garrison Financial Institute conducted a survey during the summer of 2007. Results showed that among our target audience, there is a strong demand for retirement counseling and that the Fayetteville Public Library would be a convenient location. We also gathered data on where our target audience obtains their local news and incorporated these findings into our marketing plan.

A research study conducted by a University of Arkansas faculty member found that full-time farm operators from 5 states put a higher value on retirement planning information from *Cooperative Extension Services* than retirement information from accountants, bankers, and other professionals.³ Because there is a need for more financial counseling and local people trust advice from the University of Arkansas, a university run retirement education program will provide an important resource to this community.

This project will address the lack of preparation and adequate savings by people ages 45-70 for retirement as well as the need to have access to a permanent, non-commercial source of investor information at a time when individuals can be most vulnerable to poor decision-making.

Areas of Need being Met by the Project: Within the larger context of inadequate savings and preparation for retirement, these are specific areas of need that will be addressed:

- Ways for people with limited retirement savings make the most of their remaining earning years.
- Investing concerns of women and how divorced or widowed women can be particularly vulnerable to fraud.
- Choosing investments wisely.
- Protecting your life savings by avoiding investment scams: Investor Bill of Rights; and the role of federal and state governments in protecting investors.
- Choosing financial advisors.

Target audience and number of people targeted by project:

Our target audience is Arkansans aged 45 through 70 who live within a 40-mile radius surrounding the University of Arkansas, Fayetteville campus. In 2006, 44% of the population

²General Information on Pensions and Retirement Security. Economic Policy Institute, September 2006, p 6.

³ Bailey, William and Turner, Jean. *Significance of Sources of Retirement Planning Information for Farmers* Financial Counseling and Planning, Volume 5, 1994 edition, p. 83.

in this target area, or 209,861 persons were in this demographic group. By 2011, this number is projected to grow by 10.8% to 231,512 people or 45% of the total population in the target area.⁴

We will also target participants from local affinity groups. As part of the University of Arkansas system, we will have access to the 2,700 members and mailing list for the Osher Institute for Life Long Learning. The Osher Institute is a group of adults over 50 years of age who come together to explore intellectual and cultural topics of interest. Courses offered through the Osher Institute are led by current and retired University of Arkansas faculty and community experts, and do not require participants to take tests or write papers. We will also target the 53,527 Fayetteville Public Library cardholders and local AARP members.

In total we hope to reach between 1,000 and 1,250 Arkansans through 20 to 25 investor education sessions over two years.

Implementation:

A project team will be formed consisting of a project leader, two project administrators, a reference librarian, a marketing professional, a graphic designer, a website designer, and an advisory board. The Executive Director and Managing Director of the Garrison Financial Institute, who are also University of Arkansas finance professors, will advise the project team as needed. In addition, other members of the Sam M. Walton College of Business could be tapped as speakers should their services be required.

The project leader will coordinate with the external partners, such as the Fayetteville Public Library, local affinity groups, local members of the Certified Financial Analyst Society, and the advisory board to organize and schedule the investor education sessions. The project leader will also train the break out session facilitators. Working with the advisory board, the project leader will secure speakers for the program sessions. In cooperation with the Director of Communications at the Walton College of Business, a marketing plan will be developed and implemented. In cooperation with the Technology Center at the Walton College, a website will be created and maintained. The project coordinators will assist the project leader with the tasks listed above. Materials provided by the Investor Protection Trust Foundation in partnership with the Boston Public Library for their "How Can I Afford Retirement" program will be utilized for the sessions. Some of these materials will be given to the Fayetteville Public Library for their permanent collection.

Prior to submitting this proposal, the following steps were taken:

- On October 31, 2008 the "How Can I Afford Retirement" program was presented to the 25 members of the Garrison Financial Institute Advisory Board. The board enthusiastically endorsed the program, and volunteered their services and the services of their companies to provide speakers, facilitators, and project team members.
- The Director of Communications at the Walton College of Business has developed a preliminary marketing plan.
- The Technology Center at the Walton College has allocated resources for the spring of 2009 to develop a website.

⁴Demographic data is provided by AnySite Online, a subsidiary of MapInfo Corporation (Attachment P)

- The Manager of Reference and Adult Services at the Fayetteville Public Library has identified dates for this spring when the first sessions could be held.

Time Frame for Project:

Months 0-3 Project ramp-up including:

- Form "How Can I Afford Retirement" advisory board
- Secure proposed presentation dates from the Fayetteville Public Library
- Identify and recruit speakers and back up speakers for year one
- Recruit and train 8-10 pro-bono facilitators
- Study Presentation Materials and Workbooks
- Work with reference librarians at the Fayetteville Public Library to evaluate, update, replenish and customize library resources
- Refine and implement marketing plan
- Create website

Months 4-24

- Conduct 20-25 events
- Identify and recruit speakers and back up speakers for year two
- Maintain, train, and if necessary recruit 8-10 new pro-bono facilitators
- Continue and refine implementation of Marketing Plan
- Maintain Website
- Evaluate program

Project outcomes and deliverables:

1. Between 1,000 and 1,250 Arkansans attending 20 to 25 retirement education events leading to a greater understanding by our target demographic group of the investment subjects covered in the sessions attended.
2. Increased Fayetteville Public Library resources providing Arkansans with access to permanent, impartial, non-commercial retirement investment education material.
3. Increased capacity for the Fayetteville Public Library to continue parts of this program inexpensively.
4. Garrison Financial Institute will act as a resource for communities in Arkansas seeking to replicate the "How Can I Afford Retirement Program" at their public libraries.
5. If applicable, the Garrison Financial Institute and the Fayetteville Public Library can make suggestions for improving the program.

Replication and Sustainability:

This proposal seeks to replicate the "How Can I Afford Retirement" program developed by the Investor Protection Trust Foundation in partnership with the Boston Public Library. If the "How Can I Afford Retirement" program is successful in Northwest Arkansas, it is possible that it may be replicated in other parts of the state.

This program will be sustainable through the Fayetteville Public Library due to their commitment to maintaining a well funded and staffed reference section and providing programs for adult learners. Based on the well-documented need in Northwest Arkansas for impartial, non-commercial, retirement advice and mission of the Garrison Financial Institute to provide investor education to the citizens of Arkansas, the "How Can I Afford Retirement" is likely to be in existence for many years in the future.

Objective performance evaluation measures:

The success of this program will be measured as follows:

1. Fayetteville Public Library and the Garrison Financial Institute will provide between 20-25 investor education sessions to between 1000 and 1250 people over two years
2. Participants will be given a survey after each session, and these will be analyzed to measure the effectiveness of the sessions.
3. Production of effective advertising materials and website.
4. Successful recruitment of speakers.
5. Successful training and deployment of facilitators.
6. Evaluation of speakers and facilitators of their project experience.
7. Evaluation of the "How Can I Afford Retirement" material and program by the Fayetteville Public Library and the Garrison Financial Institute.

Alternative/additional funding available to the project:

The University of Arkansas through the Garrison Financial Institute at the will contribute \$49,839 in year one and \$44,966 in year two for a total of \$94,805 over two years.

In-kind and non-financial contributions/resources available to the project:

The in-kind and non-financial resources available to this project through the Sam M. Walton School of Business and the Garrison Financial Institute are considerable. Through the Walton College, we have access to marketing and technology professionals who will assist us with producing and deploying our marketing materials and website. In addition the Director of Communications at the Walton College will write press releases about these events to promote media coverage. The Garrison Financial Institute has a full-time staff of three, including two Chartered Financial Analysts who can serve as facilitators or speakers as needed. In addition, the Finance Department at the Walton College has a faculty of 17 professors, who can be called upon to be speakers. The Garrison Financial Institute also has an advisory board consisting of 25 financial industry professionals. Many of these board members have all ready expressed their interest in participating in the "How Can I Afford Retirement" program as speakers, facilitators and volunteers. KUAF 91.3 FM, the local National Public Radio affiliate, is located at the Fayetteville Campus of the University of Arkansas, and will provide repeated public service announcements about the program to its listeners.

Qualifications of Organization, Project Principal or Project Team:

Wayne Y. Lee, Professor of Finance, is the Executive Director of the Garrison Financial Institute at the Walton College of Business. He also holds the Garrison Chair in Finance and the Alice Walton Chair. Dr. Lee has a BSME from De La Salle College, and MBA from Santa Clara University, and a PhD from University of California, Los Angeles. Professor Lee has published articles in leading journals of finance including *Journal of Finance*, *Journal of Financial Economics*, *Journal of Financial and Quantitative Analysis*, *Journal of Economic Theory*, and many other prominent academic finance journals.

Craig G. Rennie, Associate Professor of Finance, holds the Clete and Tammy Brewer Chair in Finance at the Walton College of Business. Dr. Rennie has a B.A. from the University of Toronto, an MBA from Dalhousie University, and a PhD from the University of Oregon. He

has published articles in the *Journal of Business*, *The Financial Review*, and *The Journal of Financial Research*. Dr. Rennie teaches a course in portfolio management, and has taught a course on investing for high school students attending a summer program for gifted and talented students at the University of Arkansas.

Rochelle Costrell is the Associate Director of the Garrison Financial Institute at the Walton College of Business. She holds a BA from York University, and an MBA from the University of Massachusetts. As a Vice President at State Street Corporation in Boston, Rochelle spent 10 years in the area of structured finance. She held a management position at the public accounting firm of Deloitte & Touche, and worked as an Investment Analyst at Liberty Mutual Insurance Company, where she participated in the management of a \$7 billion fixed-income portfolio.

Sergio Santamaria is a Research Analyst at the Garrison Financial Institute. Mr. Santamaria holds BSBA degrees from the University Carlos III of Madrid in Business and Finance, an MBA from the University of Arkansas, and is a member of the Market Technician Association. He holds a Series 65 securities license, and is a Chartered Financial Analyst. His professional experience includes working as an investment analyst and co-manager for the \$11 million Dickson Street Hedge Fund.

Ventsislav Stamenov is a Research Analyst at the Garrison Financial Institute. Mr. Stamenov holds BA and MA degrees from the University of National and World Economy, Bulgaria, an MBA from the University of Arkansas, and is a member of the Market Technician Association. He holds a Series 65 securities license, and is a Chartered Financial Analyst. His professional experience includes working as an investment analyst and co-manager for the \$11 million Dickson Street Hedge Fund.

Michele Raine is the Manager of Reference and Adult Services at the Fayetteville Public Library. Ms Raine holds a Master of Library and Information Science Degree from the University of Oklahoma, and Master of Arts in American Culture Studies, from Bowling Green University, and a Bachelor of Science in Communication from the University of Tulsa. Previously, Ms Raine worked for the Tulsa County Library System where over an eight-year period she designed and delivered information services as a reference librarian, provided public services in a variety of branch libraries throughout the system, and provided leadership as branch manager by developing service goals and creating a budget that allowed the library to meet its goals.

Demonstration of support from the appropriate State Securities Administrator:

Intentionally left blank to leave space for a one-page letter from the Arkansas Securities Department.

Limit of 10 pages for this part of the application.

Other Pertinent Information:

Attachments A – F: Please refer to the Grant Proposal Guidelines for specific information on the required attachments.

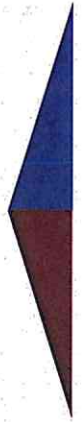
Attachment C
How Can I Afford Retirement Budget

| <u>Description</u> | <u>Cost Share</u> | | <u>Year One</u> | | <u>Cost Share</u> | | <u>Year Two</u> | | <u>Total</u> | |
|--|-------------------|-------------------|-----------------|-------------------|-------------------|-------------------|-----------------|-------------------|------------------|-----------------|
| | <u>Unit Cost</u> | <u>University</u> | <u>IPI</u> | <u>Total Cost</u> | <u>Unit Cost</u> | <u>University</u> | <u>IPI</u> | <u>Total Cost</u> | <u>Two Years</u> | <u>Cost For</u> |
| STAFF | | | | | | | | | | |
| Project Leader and Trainer | \$ 25,000 | \$ 15,000 | \$ 10,000 | \$ 25,000 | \$ 25,000 | \$ 15,000 | \$ 10,000 | \$ 25,000 | \$ 50,000 | \$ 50,000 |
| Project Coordinators | \$ 10,000 | \$ 12,000 | \$ 8,000 | \$ 20,000 | \$ 20,000 | \$ 12,000 | \$ 8,000 | \$ 20,000 | \$ 40,000 | \$ 40,000 |
| Marketing Manager | \$ 2,000 | \$ 2,000 | \$ - | \$ 2,000 | \$ 2,000 | \$ 2,000 | | \$ 2,000 | \$ 4,000 | \$ 4,000 |
| Graphic Designer | \$ 1,000 | \$ 1,000 | \$ - | \$ 1,000 | \$ 1,000 | \$ 1,000 | | \$ 1,000 | \$ 2,000 | \$ 2,000 |
| Website Creation | \$ 5,000 | \$ 5,000 | \$ - | \$ 5,000 | | | | | \$ 5,000 | \$ 5,000 |
| Website Maintenance | | | | | \$ 1,500 | \$ 1,500 | \$ - | \$ 1,500 | \$ 1,500 | \$ 1,500 |
| Fringe Benefits - 25.3% | | \$ 8,855 | \$ 4,554 | \$ 13,409 | | \$ 7,970 | \$ 4,554 | \$ 12,524 | \$ 25,933 | \$ 25,933 |
| Other Direct Costs | | | | | | | | | | |
| Printing, Supplies, Postage | \$ 3,100 | | \$ 3,100 | \$ 3,100 | \$ 3,100 | | \$ 3,100 | \$ 3,100 | \$ 6,200 | \$ 6,200 |
| Event Refreshments | \$ 100 | \$ - | \$ 1,200 | \$ 1,200 | \$ 100 | \$ - | \$ 1,300 | \$ 1,300 | \$ 2,500 | \$ 2,500 |
| Planning & Training Meetings | \$ 500 | | \$ 1,000 | \$ 1,000 | \$ 500 | | \$ 500 | \$ 500 | \$ 1,500 | \$ 1,500 |
| Library Materials | \$ 5,000 | | \$ 5,000 | \$ 5,000 | \$ 2,000 | | \$ 2,000 | \$ 2,000 | \$ 7,000 | \$ 7,000 |
| Advertising | | \$ 1,000 | \$ 2,000 | \$ 3,000 | | \$ 1,000 | \$ 2,000 | \$ 3,000 | \$ 6,000 | \$ 6,000 |
| Total Direct Cost | | \$ 44,855 | \$ 34,854 | \$ 79,709 | | \$ 40,470 | \$ 31,454 | \$ 71,924 | \$ 151,633 | \$ 151,633 |
| Indirect Cost (10% of total Cost) | | \$ 4,984 | \$ 3,873 | \$ 8,857 | | \$ 4,497 | \$ 3,495 | \$ 7,992 | \$ 16,848 | \$ 16,848 |
| Total Project Cost | | \$ 49,839 | \$ 38,727 | \$ 88,566 | | \$ 44,966 | \$ 34,949 | \$ 79,915 | \$ 168,481 | \$ 168,481 |
| Summary | | | | | | | | | | |
| | <u>University</u> | <u>Share</u> | <u>IPI</u> | | | | | | | |
| Year One | \$ 49,839 | \$ 38,727 | | | | | | | | |
| Year Two | \$ 44,966 | \$ 34,949 | | | | | | | | |
| Totals | \$ 94,805 | \$ 73,676 | | | | | | | | |
| Cost per person based on 1250 | \$ 75.84 | \$ 58.94 | | | | | | | | |



1701 Centerview Drive, Suite 205
Little Rock Arkansas 72211

Directions: From I-40 E. at Wynne/Marianna, Exit 239, toward Wynne. Turn **LEFT** onto N Washington St/AR-1. Continue to follow AR-1 (go 13.5 miles). End at 1790 Falls Blvd N., Wynne, AR .



Protecting Arkansans



Thursday, March 26, 2009

Registration at 8:00 a.m.

Program—8:30 a.m. — 12:00 Noon

Technical Center for the Delta

1790 Falls Blvd. North

Wynne, Arkansas



The power to make it better.®



Learn from the Experts:

- ♦ Arkansas Office of the Attorney General
- ♦ Arkansas Securities Department
- ♦ Arkansas Bank Department
- ♦ Arkansas DHS — Division of Aging and Adult Services
- ♦ Arkansas Insurance Department—SHIP
- ♦ AARP Arkansas



Register Today.

Call toll-free 1-877-926-8300

Attendance is limited.

Advanced registration required. No charge.

Refreshments provided.

Please RSVP by March 25, 2009

Program Schedule

| | |
|------------|-------------------------------|
| 8:00 a.m. | Registration & Refreshments |
| 8:30 | Welcome/Opening Remarks |
| 8:35 | Panel Discussions |
| | Consumer Alerts |
| | Bank Safety & Soundness |
| | Securities Fraud |
| 10:00 | Break and visit exhibits |
| 10:30 | Panel Discussions |
| | Senior Insurance Issues |
| | Medicare Fraud |
| | Make Good Financial Decisions |
| 12:00 Noon | Adjourn |

Five state government agencies are collaborating with AARP Arkansas to protect the financial interests of all Arkansans.

AARP Foundation Grant IPT Campaign for Wise and Safe Investing

Reallocated \$10K Grant Application

Date September 30, 2008

State Office Arkansas

Contact Person and Telephone: Susan Kuehner 501-217-1625

Please share in two or more paragraphs how your state office intends to use the \$10,000 Investor Protection Grant.

AARP Arkansas is sponsoring joint public forums called, "Protecting Arkansas Seniors. " Six events are scheduled in Q4 of 2008 in target locations around the state. (A list of event dates and locations appears below)

To better inform residents about how to protect their money from fraud, we have joined with other co-sponsors which share this goal. The state banking, insurance, and securities commissions plus the state attorney general and AARP Arkansas are making presentations during the half-day forums. Local opinion leaders in the community such as elected officials will be briefed on the topics at a one to two hour session before each public forum. The Investor Protection Trust efforts and resources will be discussed at each forum and opinion leader event. Investor Protection Trust educational material will be shared with forum participants. The media will be invited to cover and report on each event, and a news release describing each forum will be provided to local media.

Event Dates and Locations

Tuesday, October 7th, at the Jones Center in Springdale

Monday, October 13th, at the Coronado Center in Hot Springs Village

Thursday, October 23rd, at the First Baptist Church in Mountain Home

Thursday, November 6th, at St. Bernard's Auditorium in Jonesboro

Thursday, November 13th, at University of Arkansas Community College at Hope

Monday, November 17th, at the University of Arkansas at Monticello

- more -

Agenda and Speakers

| | |
|-------|--|
| 8:30 | Registration |
| 9:00 | Welcome/Opening Remarks |
| 9:30 | Bank Safety and Soundness (Commissioner Candace Franks – Arkansas Bank Commission) |
| 9:50 | Consumer Alerts (Deputy Attorney General James DePriest) |
| 10:20 | Break |
| 10:40 | Securities Fraud (Commissioner A. Heath Abshire - Arkansas Securities Commission) |
| 11:00 | Payday Lending (Hank Klein, AARP Lead Volunteer, Financial Security) |
| 11:20 | Senior Insurance Issues (Commissioner Julie Bowman, Melissa Simpson, or Dan Honey - Arkansas Insurance Department) |
| 11:50 | Lunch |
| 12:20 | Medicare Fraud (John Pollett - Department of Human Services) |
| 12:40 | Meet your government officials and AARP officials Fraud Bingo |

IPT Activity Expenses

| Expenditure | Amount |
|---|-----------------|
| Staff Travel (T & S) | 1600.00 |
| Staff Meals | |
| External Meeting Expenses | |
| External Meeting & Conventions | |
| Campaign Product Consulting (partner dinner) | 1800.00 |
| Miscellaneous (<i>attendee lunches</i>) | 6600.00 |
| Printing | |
| TV/Print Media | |
| Agency Fees | |
| Audio Visual | |
| Research | |
| Volunteer Travel | |
| Volunteer Meals | |
| | |
| Total Amount | \$10,000 |

Best Practices From The Campaign for Wise and Safe Investing™



Overview

In 2006, the AARP Foundation, the Investor Protection Trust, and 35 States teamed up to create The Campaign for Wise and Safe Investing™, a national and state-level partnership between AARP state offices and their local state securities regulators. Together, 27 AARP state offices and their respective State Securities Regulators have done an excellent job at the State and local level of implementing a variety of tactics to increase awareness of fraudulent practices and educate maturing investors; a prime target for dishonest players in the market. Since its inception, the partnership has conservatively trained nearly 250 volunteer speakers, sponsored almost 500 events that were attended by more than 26,000 people, and raised the awareness of hundreds of thousands of investors through numerous media activities. Listed below are select highlights of this work and a sample of tactics used to raise awareness and educate older adults about investment protection.

Media

By utilizing the vast audiences that tune-in, read and or watch mass media, the Campaign has been able to successfully deliver information and resources to hundreds of thousands of investors. Examples include using print (stand alone materials and publications), electronic (paid and earned media; radio and television), internet sites, and video.

"The Lure of Money," a video jointly produced by AARP's Financial Security team and the Investor Protection Trust is one such example. The video was distributed to 34 Securities Regulators and to all AARP State Offices.

The video won three Communicators Awards; for Education, Training, and Writing. It was made available through a very successful on-line and internal marketing campaign, and featured e-enactments of fraud, real person stories of being victimized and investor guidance. It has been used for educational events, incorporated into local public broadcasting programming, as a highlighted presentation at the 2007 AARP Life @ 50 member event, at the Securities and

Exchange Commission's (SEC) 2007 Senior Fraud Summit, and promoted in AARP's *Money&Work* e-newsletter reaching more than two million members.

The use of print and broadcast radio media to educate and inform also worked well for states like Wyoming, West Virginia, Georgia and Tennessee, among others.

In Wyoming, more than 130,000 subscribers of the *Wyoming Sage* were educated on investment scams through two, in-depth articles. This publication was also inserted into multiple Wyoming daily and weekly papers on a quarterly basis thus increasing its outreach impact. Wyoming was also able to effectively utilize media by pitching and placing Wyoming-specific radio PSAs. The PSAs were picked up by 31 radio stations and played twice, if not more frequently. To further compliment their media campaign, the Wyoming team used paid advertising in the Wyoming Business Report to promote Wise and Safe Investing messages for a year reaching approximately 25,500 business people per issue.

The West Virginia team also used targeted newspaper advertisements to effectively reach African American investors. It purchased a half page ad in the special Martin Luther King, Jr. edition of West Virginia's only African American newspaper, *The Beacon Digest*, highlighting an investor protection message and reaching 35,000 readers. Additionally, the West Virginia team used a national event in conjunction with radio spots to raise awareness. The team conducted a variety of educational events in observance of National Consumer Protection Week related to investor protection and ran 950, thirty-second radio spots featuring investor protection messages. The spots were broadcast on 47 affiliates of the West Virginia MetroNews Statewide Radio Network reaching over one million West Virginians.

In Georgia, the team also successfully utilized the radio airways by participating in on-air interviews on WJTH's "Reggie Gay Gospel Show" for nineteen weeks. During the interviews the team promoted the availability of its 50 Fraud Fighter speakers to give free presentations on how to avoid becoming a victim of investment fraud. The show has a listenership of more than 40,000 people weekly.

Tennessee married two approaches and created a radio and web advertising campaign called the Investor Education Minute. Advertisements were broadcast on 81 radio stations across the state for 12 weeks. The project targeted and reached an estimated 604,000 Tennesseans 50+, as well as 1,304, 400 listeners 18+ with a rotation of 24 advertisements.

In addition to being broadcast to the 75-station Tennessee Radio Network, and four radio stations targeting African Americans, the Investor Minutes were translated into Spanish and broadcast on two Hispanic stations reaching approximately 22,400 listeners over a twelve week period.

The teams have also worked hard in reaching online investors as evidenced by the promotional effort in Michigan where the team has successfully used electronic media as a way to reach internet savvy consumers. They posted upcoming investment fraud seminars to be held at public libraries on the AARP Michigan website. Tennessee also created a website, www.investortn.com, to educate and inform electronically. The website lists among other things in audio and text form the aforementioned Investor Minutes.

Events and Partnerships

More than 500 successful investment fraud events were conducted by the teams across the country. Typically, these events sought creative ways to educate attendees about wise and safe investing, alert investors to potential financial frauds and market place abuses, and guide them on when, where, and how to seek help. Partnerships with local and national organizations became a valuable and successful way to reach additional investors the team may not have had access to traditionally. Traditional events included the AARP state office and the state securities regulator presenting forums across the state. These forums also typically feature a key note speaker and panel discussions with topics such as, "Investments: What You Need to Know," and "Avoiding Investment Fraud."

The events targeted special populations as well. For example, AARP Alaska conducted outreach to 1,135 native Alaskans to educate them on how to better manage financial decision making when saving for retirement, and increase awareness of financial frauds and marketplace abuses that can erode retirement security.

While most of the events were held during the daytime to take advantage of retired older adults, the team in Texas took a different approach—it held its "Investigate Before You Invest" seminars in the evening across the state. With as many as 80 investors attending the events, the seminars were planned and conducted with the intent of providing interested consumers with information on financial planning and investing wisely. Specific topics included: "An Introduction to Financial Planning and Investing"; "How to Protect Yourself from Investment Fraud", and "The Basics---Stockbrokers, Investment Advisers and Arbitration."

The Pennsylvania team conducted a two-day initiative to educate investors on how to make smart investment decisions. The first event entitled, "Money Matters 2007: Taking Charge of Your Financial Future" reached 550 investors and was held on October 17. Keynote speakers Pam Krueger and Jack Gallagher, co-hosts of the IPT funded "MoneyTrack" national public television program, opened the session by encouraging the audience to invest wisely and protect their investments from scam artists. The second event "Money Matters: Protecting Your Retirement" was held on October 20 and reached 150 investors. The event featured presentations from AARP Pennsylvania, the Securities Commission, and "MoneyTrack" program. The event was also highlighted by the attendance of Ruth Mitchell, a fraud victim that shared her story of being defrauded of more than \$100,000 by a close family friend.

In West Virginia, the team with the aid of volunteers worked with nearly 85 places of worship across the state to distribute over 14,000 bulletin inserts during Consumer Protection Sunday. The team also sponsored an "Information Fair" at a local mall where AARP volunteers and partners distributed consumer protection information related to investor protection to over 200 investors.

The Wisconsin team used the popular Lunch and Learn investor protection series to attract and engage media. Through direct outreach, the series informed 200 people about free lunch tactics; however, when team members spoke on-air to the ABC affiliate WKOW about the practice, more than 866,000 viewers or 369,220 households were informed.

Montana utilized local and state relationships with Faith in Action, SCORE and the Area IX Agency on Aging to plan and conduct 8 events across the state reaching 180 investors. The attendees were pleased with the training and took materials to share with family, friends and neighbors. Given Montana's rural landscape, this is an important and effective way to educate and distribute information.

The New York team in conjunction with the New York State Attorney General, and the Evelyn Brust Foundation sponsored three events at community colleges which were designed to provide valuable information to AARP members on wise and safe investing. The Brust Foundation provided prescreened volunteer certified financial planners. The three events reached approximately 450 people.

New Hampshire debuted a new model for forums by partnering with the Financial Industry Regulatory Authority (FINRA, formerly NASD) and the SEC to conduct its Safe Investing Forum. The room was filled to capacity, with over a hundred and twenty investors in attendance. Opening remarks were given by an AARP Group Executive Officer, as well as a representative from the NH Bureau of Securities Regulation, and SEC. The Office of Investor Education and FINRA participated in the panel, "Investments: What You Need to Know". In addition,

AARP Financial Security national staff facilitated an investor protection panel that included the NH Bureau of Securities Regulation and the SEC Division of Enforcement and used segments of *The Lure of Money* video.

Fraud Fighter

In addition to events and media, volunteers have been and remain a vital and necessary force in helping the Campaign achieve its goals. They are a strong and committed group; often proactively scheduling new presentations or responding to incoming requests. The two examples noted below, show how the team has used a special group of volunteers, Fraud Fighters, to support the campaign's outreach efforts.

Indiana, much like other states utilized its army of Fraud Fighters to conduct 21 events educating 603 investors within communities throughout the state. To further strengthen their outreach the team engaged a television reporter who recorded a presentation given to African-American church members.

Through its hundreds of events, media activities, and the efforts of committed staff and volunteers, the Campaign for Wise and Safe Investing™ has been a successful national and state-level effort with many Best Practices. The partnership between AARP state offices and their local state securities regulators continues to be an effective way to educate mature investors about how to recognize and prevent investment fraud. With the continued deployment of unique outreach tactics and fraud awareness seminars, the AARP Foundation and the Investor Protection Trust look forward to the opportunity to raise awareness and educate investors in 2008.

For additional information regarding the Campaign for Wise and Safe Investing™, please contact:

Don Blandin
President and CEO
Investor Protection Trust
IPT, Suite 300
919 Eighteenth Street NW
Washington, DC 20006-5517
202-775-2112
blandin@investorprotection.org
www.investorprotection.org

Kelley Coates-Carter
Manager, Financial Security
AARP
601 E Street NW
Washington, DC 20049
202-434-2061
kccarter@aarp.org
www.aarp.org/money

Patricia D. Shannon
Vice President and Chief
Financial Officer
AARP Foundation
601 E Street NW
Washington, DC 20049
202-434-3399
tshannon@aarp.org
www.aarp.org