

Elder Financial Abuse Scams & Fraud- Protect Yourself



Speaker Bio

- ▶ **Tony Cavallaro (Moderator)** is the chair of the FSDA's elder fraud training initiative committee. He is currently with Robinhood as a senior director in the Customer Trust and Safety area and is responsible for the vulnerable investors program. Prior to Robinhood, Tony worked for FINRA, the New York Stock Exchange and Manhattan District Attorney's Office and over the years handled hundreds of matters involving senior fraud.
- ▶ **Brooke Hickman** is Director of FINRA's Vulnerable Adults and Seniors Team ("VAST"). The mission of the Vulnerable Adults & Seniors Team is to deter, detect, and investigate the financial exploitation and abuse of seniors and vulnerable adults.
- ▶ **Liz Loewy** is Co-founder and COO of EverSafe, a technology service that monitors the financial health of older adults and families for fraud, theft, and age-related issues. She was formerly the Chief of the Elder Abuse Unit in the Manhattan District Attorney's Office, where she assisted financial institutions develop protocols focused on protecting older clients.
- ▶ **Joel Quattlebaum** serves as the Largo Police Department Senior Services Officer where he investigates elder related crimes such as exploitation of seniors, schemes to defraud, along with neglect and abuse cases involving seniors. The Senior Service Officer position is a unique position and serves as both law enforcement and community resource role where in fraud prevention and early scam recognition education is a priority as a strategy for community-oriented policing.
- ▶ **Lia Skelton** is Director and Sr. Counsel of the Senior and At-Risk Client's team at Raymond James. Lia leads a team that is passionate about protecting Seniors and Vulnerable Adults.
- ▶ **David Spero** has been a board member of the FSDA for the past two years and is currently leading Fidelity Investments regulatory response team. The team handles inquiries and examinations from securities industry regulators including the SEC, FINRA and various state securities agencies.

Agenda

- ▶ Background on Elder Abuse
- ▶ Overview of Current Scams and How to Protect Yourself
- ▶ Trusted Contacts
- ▶ What Can Family and Friends do to Protect Elder Parents or Friends?
- ▶ Resources
- ▶ Key Contacts

Elder Financial Exploitation

ILLEGAL/IMPROPER USE OF SENIOR'S FUNDS/PROPERTY

- ▶ Cashing a senior's check without authorization or permission
- ▶ Forging an older person's signature
- ▶ Misusing or stealing an older person's money or possessions
- ▶ Coercing or deceiving an older person into signing any document
- ▶ Stealing through the abuse of a power of attorney
- ▶ The improper use of conservatorship or guardianship

Elder Fraud in the US: Our Hidden Epidemic

- ▶ Assets owned by 50+: 83%
- ▶ Seniors who die with dementia: 1 in 3
- ▶ Victims Lose: \$120K
- ▶ Caregivers Lose: \$36K
- ▶ Total Annual Losses > \$37B
- ▶ Only 1 in 44 Cases Reported



Who are the Victims?

- ▶ 68.7% are women
- ▶ Average Age: 78

Other Risk Factors:

- ▶ Cognitive Issues
- ▶ Social Isolation
- ▶ Loneliness
- ▶ Loss of a loved one



Who are the Exploiters?

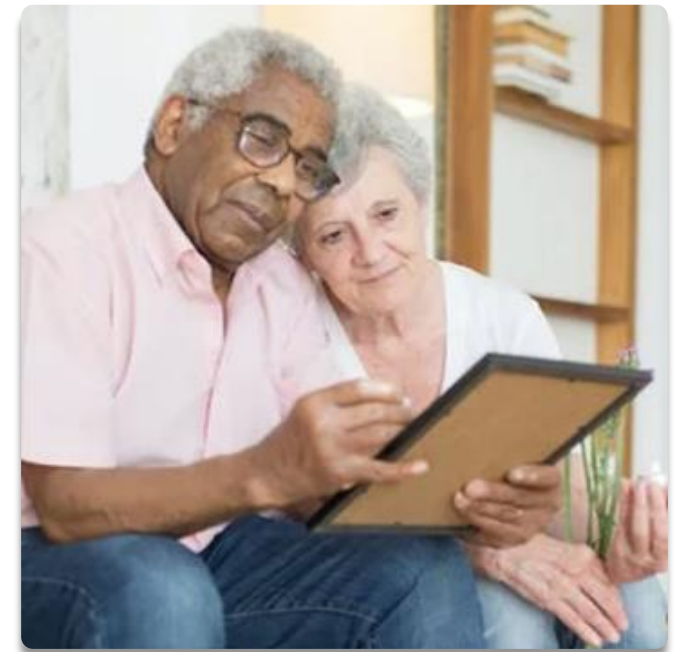
- ▶ 59% are men
- ▶ 45% are 40 or younger

They Include:

- ▶ Relatives
- ▶ Aides and “Caregivers”
- ▶ Professionals, including those in a fiduciary role
- ▶ Strangers-Scammers

What do the cases have in common?

- ▶ Older or vulnerable victims – sometimes
- ▶ Red Flags
- ▶ Lack of monitoring – financial institutions and at home
- ▶ Weeks or months ensue before discovery
- ▶ Devastation and early death



Under the Radar: Elder Abuse Prevalence Study

SELF REPORTED PREVALENCE &
DOCUMENTED CASE SURVEYS

Only 1 in 44 cases reported.

Why so low?



Reasons for Under-reporting?

- **Family members/Caregivers:**
highest percentage of exploiters
- **Embarrassment & shame**
- **Guilt**
- **Loss of independence**
- **Diminished capacity**



Diminished Financial Capacity NEEDS TO BE ADDRESSED IN A MEANINGFUL WAY

- When does it start?
- Diminished financial capacity makes older adults more vulnerable to financial abuse
- Even cognitively normal adults may reach a point at which managing finances and judging if an offer is a scam becomes more challenging

As Cognition Slips, Financial Skills Are Often the First to Go

APRIL 24, 2015

Retiring

By TARA SEIDEL
BERNARD

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WHEN Helen Clark brought her father-in-law, then 83, to the doctor last year, she knew his mind was slowing, but a mental status exam confirmed it. He knew the year, where he lived and the name of the president. But when the doctor asked him to count backward from 100, subtracting seven from each number — 100, 93, 86, 79 — a look of confusion washed over his face.

Studies show that the ability to perform simple math problems, as well as handling financial matters, are typically one of the first set of skills to decline in diseases of the mind, like Alzheimer's, and Ms. Clark's father-in-law, who suffered from mild dementia, was no exception. Research has also shown that even cognitively normal people may reach a point where financial decision-making becomes more challenging.



Francis, 84, with his daughter-in-law, Helen Clark. He has mild dementia, and his family says his former wife took advantage of him. *Max Whitaker for The New York Times*

Overview of Current Scams

- ▶ Grandparent Scam
- ▶ Celebrity Imposter
- ▶ Tech and Firm Customer Support Scam
- ▶ Romance Scams
- ▶ Family Scams

Grandparent Scam



How to protect yourself

- ▶ Do not answer phone calls from numbers you do not recognize
- ▶ Hang up and call the phone number you have on file for the family member purporting to be in trouble
- ▶ Block the phone number that called you – either on your cell phone directly or contact your phone service provider to have the number blocked
- ▶ Report the incident to the Federal Trade Commission (FTC)

Celebrity Imposter Scam



Notifications



Follow request
keanu_reeves.8700



- ▶ Social media post or direct message from a celebrity
- ▶ Soliciting money for a charitable donation or a big prize, like exclusive tickets to a private concert

How to protect yourself

- ▶ Google the celebrity's name with the word "scam" to see if it has been connected to impostor schemes.
- ▶ Don't give personal information or send money via gift card, wire transfer, prepaid debit card or peer-to-peer payment app to someone you don't know.
- ▶ Don't engage with a supposed celebrity on an unverified social media account, even if they don't initially ask for money.

Tech or Firm Customer Support Scam



- ▶ Or, you receive a call from someone claiming to be from a financial services firm or another reputable service provider.

How to protect yourself

- ▶ Don't click on pop-up ads or links from unknown senders
- ▶ No reputable institution will call you and request to remotely access your computer
- ▶ If you receive a pop-up warning on your computer, don't call the phone number
- ▶ Never share your passwords or one-time access codes

Romance Scam

Signs of a Scam



Professes love quickly.
Claims to be from the U.S.,
but is overseas for business
or military service.



Asks for money, and lures
you off the dating site.



Claims to need money
— for emergencies,
hospital bills, or travel.
Plans to visit, but can't
because of an emergency.

How to protect yourself

- ▶ Be careful what you post and make public online.
- ▶ Research the person's photo and profile using online searches to see if the image, name, or details have been used elsewhere.
- ▶ Beware if the individual quickly asks you to leave a dating service or social media site to communicate directly.
- ▶ Never send money to anyone you have only communicated with online or by phone.
- ▶ Beware if the individual promises to meet in person but then always comes up with an excuse why he or she can't.

Family Scams

The New York Times

N.Y. / Region

WORLD U.S. N.Y. / REGION BUSINESS TECHNOLOGY SCIENCE HEALTH SPORTS OPINION

Brooke Astor's Son Guilty in Scheme to Defraud Her

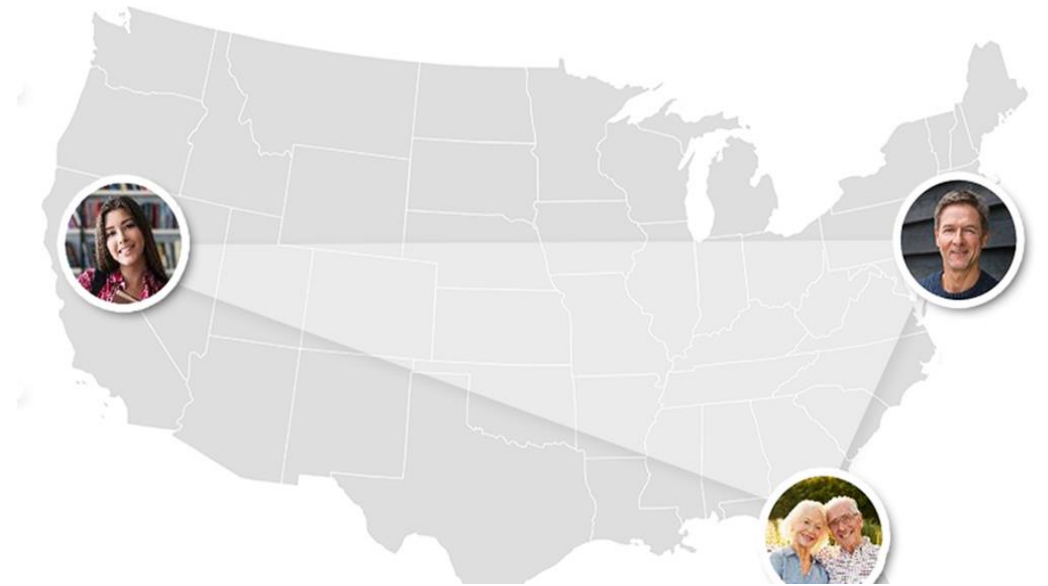


How to protect yourself

- ▶ Family conversation
- ▶ Advance Planning
- ▶ Involve more than one person in your plan
- ▶ Monitor, Monitor, Monitor
- ▶ Consider the use of tech tools

Challenges for Caregivers

- ▶ High Demand, Short Supply, Limited Visibility
- ▶ Monitor, Monitor, Monitor



Promising Tech Developments

- ▶ SAR- Flag Box
- ▶ Monitor across accounts, institutions w/alerts to trusted contacts
- ▶ Tech-enabled bill pay
- ▶ Call Monitoring
- ▶ Pre-Paid Debit Cards
- ▶ Digital Safe
- ▶ Reporting Initiatives: HelpVul



Trusted Contacts

- ▶ A Trusted Contact Person is someone that your financial firm can reach out to if they suspect that you are a victim of financial exploitation or if the firm suspects that you are experiencing cognitive decline and you may not be able to protect yourself.
- ▶ A Trusted Contact Person is an additional layer of protection (emergency contact).
- ▶ A firm will never give your Trusted Contact Person your personal information, nor will the firm take instructions from a Trusted Contact Person.
- ▶ Check with your financial advisor to ensure that you have a Trusted Contact in place.

[FINRA Trusted Contact Information](#)

Resources

*** If you are in immediate danger, contact 911 or local law enforcement***

- ▶ FINRA Securities Helpline for Seniors 844-57-HELPS (844-574-3577)
<https://www.finra.org/investors/need-help/helpline-seniors>
- ▶ NASAA Serve our Seniors Website <https://www.nasaa.org/serveourseniors/>
- ▶ National Adult Protective Services Association <https://www.napsa-now.org/>
- ▶ AARP Fraud Watch Network Helpline 877-908-3360 <https://www.aarp.org/>
- ▶ NASAA Establishing a Trusted Contact <https://www.nasaa.org/investor-education/investor-library/trusted-contact/>

Opt Out of Marketing Solicitations

DO NOT CALL LIST

donotcall.gov/
1-888-382-1222

CREDIT BUREAUS

optoutprescreen.com

ACXIAM

isapps.acxiom.com/optout/optout.aspx

DIRECT MARKETING ASSOCIATION

dmachoice.org

COMMERCIAL MARKETING MAIL

www.lexisnexis.com/privacy/directmarketingopt-out.aspx

BLOCK ROBO CALLS

nomorobo.com
youmail.com

COMMERCIAL MARKETING EMAIL

www.ims-dm.com/cgi/optoutemps.php.

Fraud Alert

EQUIFAX:

800-525-6285

EXPERIAN:

888-397-3742

TRANSUNION:

800-680-7289

FREE CREDIT REPORT:

annualcreditreport.com

Credit Freeze

EQUIFAX

www.equifax.com/personal/credit-report-services/

EXPERIAN

www.experian.com/freeze

TRANSUNION

www.transunion.com/credit-freeze

Financial Protection

IDENTITY THEFT & FINANCIAL MONITORING:

www.EverSafe.com

Creating a Safety Net

HelpVul

➤ Goals:

- Uniform, efficient & secure reporting
- Protected document-sharing
- Improved identification & investigation of referrals involving suspected exploitation of at-risk adults
- Enhanced communication & efficiency

➤ Partners

- National Adult Protective Services Association (NAPSA)
- Securities Industry & Financial Markets Association (SIFMA)
- EverSafe

➤ Live:

- North Carolina, Missouri, Montana, Pennsylvania, San Francisco
- 27 financial institutions
- Target: All States, Banks, Broker-Dealers, Credit Unions

What is the FINRA Securities Helpline?

- ▶ Toll-free number that investors can call to:
 - Get assistance and have questions answered by knowledgeable FINRA Staff
 - Raise concerns about issues with brokerage accounts and investments
- ▶ Call toll-free: 844-57-HELPS (844-574-3577)
- ▶ Monday to Friday, 9 am -5 pm (Eastern Time)

Why should you call?

- ▶ To better understand how to review your investment portfolio or account statements
- ▶ To raise concerns about the handling of a brokerage account
- ▶ To get information about investor tools and resources from FINRA, including BrokerCheck®

Who should you contact?

- ▶ Report Phone / Mail Scams: <https://reportfraud.ftc.gov/#/>
- ▶ Report Internet Scams: <https://www.ic3.gov/Home/ComplaintChoice>
- ▶ Report Fraud (Financial Loss) / Dissemination of PII (Identity Theft):
Local Law Enforcement

Florida Resources

▶ Florida Agencies

- Florida Office of Financial Regulation

- Phone Number: (850) 487-9687

- Web Address: www.flofr.com

- Mailing Address:

- 200 E. Gaines Street

- Tallahassee, FL 32399



Questions

Protect Yourself – It can happen to you!

CON MAN AGREES TO REPAY MRS. COLOMBO \$1 MILLION

By Deseret News | Aug 5, 1995, 2:00am EDT

The case of the con man and Mrs. Colombo is over. Alfonso Cacace agreed to repay the \$1 million in cash, property and jewelry he bilked from Peter Falk's mom, 92-year-old Madeline Falk. Cacace, 50, pleaded guilty Thursday to grand larceny and received five years' probation. Falk, TV's disheveled Lt. Colombo, asked for an investigation in October.





Thank you for attending the FSDA Elder Fraud Program Webinar today. Don't forget to follow us on Facebook, Twitter and LinkedIn to tap into future FSDA events!



*Tony Cavallaro, Robinhood
FSDA*

FSDA Elder Fraud Webinar
World Elder Abuse Awareness Day 2023
FSDA.org

Visit us at
www.fsda.org

Appendix

NAVIGATION

- Dashboard
- Enter Referral**
- Messages 13
- Search
- Manage Users
- Organization Profile
- Training
- Training Survey
- Contact Us
- Logout

Referral Source

882446

Referral being submitted for ABC Advisors

123

123 MA 22222

Point of Contact*

Dwight Schrote For APS

Additional Point of Contact +

Chris Fedz For SSR

Client Information

Subject(s)*:

Incident

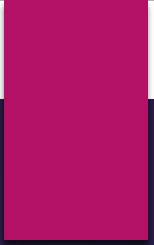
Submission Information*

+ Attach Files Attached Files (0) Send Save

POCs Identified @ Bank/Firm

Search Referrals Same Customer/Client Same Subject

Uniform Referring



Witness Contact Info
Client: Kate Bryan Point of Contact: Howard Tischler

[View Referral #269777](#) [View All Messages for Referral](#)

From: Hector Adams (APS Missouri) 9/22/2021 09:18 PM
To: ABC Advisors

Please provide contact information for the witness. Thanks

Click here to write a reply [Send](#)

Message from APS to Bank/Firm

"Please provide contact information for the witness.
Thanks."

Message from Securities Regulator to APS

"Thanks for the referral.
Any update on the client's capacity?"

2-Way Secure Messaging

Is your financial firm asking you for a **TRUSTED CONTACT?**

There are a number of very important reasons to give your financial firm the name of someone you trust, and FINRA, NASAA and the SEC urge you to consider the request.



WHAT IS IT?

A "trusted contact" is a person you authorize your financial firm to contact in limited circumstances.



WHO SHOULD HAVE ONE?

We suggest a trusted contact for anyone who has an investment account.

How would having a trusted contact help me?

Maybe your investment professional needs to get in touch with you but can't when:



You are traveling



There is a natural disaster



There is a concern about fraud



You are having a health issue



Your trusted contact **CANNOT** make trades in your account



Your trusted contact **CANNOT** make decisions about your account



Being a trusted contact **DOES NOT** make them a power of attorney, legal guardian, trustee or executor

A trusted contact is someone who can help your financial firm help you, if needed. Add one today!

finra.org/trustedcontact

Thank You!
Visit us at
www.fsda.org

