

The logo for the Florida Securities Dealers Association, Inc. (FSDA) is displayed in a bold, blue, sans-serif font. The letters 'FSDA' are large and prominent, with a slight shadow effect. To the right of the logo, there is a background image of a coastal city skyline with palm trees and a body of water under a blue sky.

**FSDA**

*Florida Securities  
Dealers Association, Inc.*

1

# Elder Exploitation: The Silent Siege on Seniors' Financial Security

# What is the FSDA?

2

- The FSDA, founded in 1933, is the oldest and largest state securities association in the country.
- The FSDA's Board of Governors is comprised entirely of volunteers from members of the financial services community, who contribute significant time and effort to achieve the FSDA's objectives.
- The FSDA is committed to raising the financial literacy of, and providing financial education to, all Floridians.

# Presenters

3

- **Trish Cowart** has been involved with the FSDA in different capacities, including as president, since the mid 1980's. She is now an attorney with Wells Fargo and her area of expertise is retail brokerage litigation issues.
- **Eric Siber** has been a board member of the FSDA for the past three years, and is currently an Expert witness in litigation cases. Eric spent his career with several leading Broker-Dealers as a Financial Advisor, Complex Director, National Sales Director and head of Private Client Wealth Management
- **Melissa Acayan** is the chairperson of the FSDA's Elder Education Committee and an attorney with Raymond James Financial. Her practice focuses on the protection of the firm's senior and vulnerable adult clients.

# Who is an “Elderly Person”

4

- AARP membership-**age 50**
- Social Security benefits-**age 62**
- Mandatory IRA distributions begin at age – **age 72**  
(**70 1/2 if you reach 70 1/2 before January 1, 2020**)

**Chapter 895 of the Florida Statutes is entitled, “Abuse, Neglect and Exploitation of Elderly Persons and Disabled Adults.”**

**“Elderly person” means a person 60 years of age or older who is suffering from the infirmities of aging as manifested by advanced age or organic brain damage, or other physical, mental, or emotional dysfunctioning, to the extent that the ability of the person to provide adequately for the person’s own care or protection is impaired. §825.101(4), Fla. Stat. (2019).**

# What's the Big Deal?

6

- Elder Financial Exploitation costs Americans *at least* \$36.5 billion per year
- Financial Exploitation is the 3<sup>rd</sup> most common form of elder abuse in Florida
- Only 1 in 44 cases are reported
- Exploited seniors are 3 times more likely to suffer early death and 4 times more likely to go into a nursing home
- 1 in 10 victims will turn to Medicaid as a result of their own savings being stolen

# Why target “Elderly Persons?”

7

- The United States population older than age 65 will double in the next 25 years.
- Persons over the age of 50 control more than 70% of the nation’s wealth.
- 81% of households 65 and older own their homes.
- Households headed by people 75 or older have the highest median net wealth of any age group.

# Why target “Elderly Persons?”

8

- Seniors may be concerned about running out of money in retirement and are more open to promises of quick profits.
- Seniors may be isolated socially, making them more vulnerable to undue influence and exploitation.
- Seniors have traditional values and often respond politely when faced with unsolicited proposals or charitable requests.
- Sometimes seniors avoid reporting that they were scammed because they fear they will lose their independence.



# Who Are The Victims Of Elder Fraud?

- The average age of a financial fraud victim is 69.
- Victims ages 70 – 79 suffer the highest losses.
- Women are nearly **twice** as likely to be victims as men.
- The National Adult Protective Services Association suggests the typical victim of reported elder financial fraud is between the ages of 70-89, white, female, frail, and cognitively impaired.

# Cognitive Impairment

10

- Normal, healthy aging
  - Less risk averse
  - Not as able to identify non-verbal cues of deceit
- Mild, cognitive impairment
  - Greater than normal, age-related changes
  - Problems with memory, language, thinking and judgment
- Alzheimer's or other causes of dementia
  - Nonreversible decline in mental function
  - Destroys memory and thinking skills

# Cognitive Impairment

11

- One in three seniors will die with some form of dementia
- Even subtle cognitive changes can increase risk of financial exploitation
- Cognitive impairment and the need for help with activities of daily living make victims more vulnerable to exploitation

# Who Are The Perpetrators Of Elder Fraud?

12

- Strangers - 10.3%
- Home Care Aides – 14.9%
- Friends and Neighbors – 16.9%
- Family – 57.9%

# Examples of Fraud

13

- Power of Attorney Abuse
- Grandparent Scam
- Romance Scams
- Advanced Fee Scams
- Government Agency Scam
- Affinity Scam
- Investment Scam

# Warning Signs of Potential Fraud

14

- You are asked for your Social Security number.
- You are asked for your bank account or credit card number by individuals and companies unfamiliar to you.
- You are asked to donate to an agency whose name sounds like a well-known charity—such as the “American Cancer Center” (instead of the American Cancer Society).
- You won a prize or free gift.
- You are told a family member is in trouble

# Warning Signs

15

- You are told that you are one of just a few special people to receive this offer.
- You are pressured to allow the caller to send a courier to your home to get your payment.
- You are told that you have purchased the caller's product or service in the past but you don't remember doing so.
- You must act immediately or lose out on a great deal.
- You must pay for shipping your prize or free gift.

# Warning Signs

16

- You are promised fantastic, unrealistic financial returns or risk-free investing.
- Annuity sales – pressure to using equity to buy an expensive annuity which may not mature until the person is well into their 90's or over 100
- Predatory Lending – pressure to engage in an inappropriate reverse mortgage or other loan
- You are pre-selected to receive a special offer.
- Strange charge on your financial statement



# Protect Yourself!

17

- FINRA (Financial Industry Regulatory Authority)
- **[www.finra.org](http://www.finra.org)**
- BrokerCheck Report to determine if a financial advisor is licensed
- Information includes any disciplinary history and prior complaints or lawsuits



- **Contact Information**

- Phone Number: (850) 487-9687
- Web Address: [www.flofr.com](http://www.flofr.com)
- Mailing Address:
  - 200 E. Gaines Street
  - Tallahassee, FL 32399

# Protect Yourself

19

- Never reveal your financial account numbers or other personal information to someone who calls you on the phone.
- Never allow strangers to come into your home and take information about you and your assets.
- Never assume that a stranger who says he represents a deserving organization will use the money you give him or her for a good purpose.
- Never assign power of attorney to people you don't know very well.

# Protect Yourself

20

- Get receipts from persons who shop for you and make sure that you are returned correct change and that all of your items were purchased and delivered to you.
- Never buy legal services from telemarketers or door-to-door salespersons.
- Social Security and Medicare employees will not call you unless you first contact them about a problem.
- Do not click on links that are sent to you purporting to be from your financial institution.

# Protect Yourself

21

- Shred financial documents once a year.
- Be careful with credit card receipts.
- Watch credit card charges and balances.
- Monitor financial statements.
- Request free copies of credit reports yearly.
- Never sign contracts with blank lines.
- Never arrange for a home loan unless a knowledgeable third party reviews the contract.

# Identity Theft

22

- Definition: Someone wrongfully obtains and uses your personal data in some way that involves fraud or deception, typically for economic gain.
- Indicators of Identity theft
  - You receive bills for a credit card account you did not open.
  - You see unauthorized charges on your credit card, bank or other financial accounts.
  - You are contacted by a collection agency regarding a debt you did not incur.
  - Checks disappear from your checkbook.
  - Bank and credit card billing statements don't arrive on time.
  - You are turned down for a credit card, loan, mortgage or other form of credit due to unauthorized debts on your credit report.

# What To Do If You Are The Victim Of Identity Theft?

23

- Close all fraudulent and unauthorized accounts.
- Contact the fraud departments of the three major credit bureaus.
- Call the police department and Florida Office of Financial Regulation.
- If you have trouble clearing your credit, consider contacting your congressperson.
- Share your experience with a trusted family member who can help.

# Covid-19 Fraud

24

- Scams
  - Vaccine Scams
  - Investments in Research and Development Scams
  - Government Assistance Scams
  - Home Sanitation Scams
  - Charity Scams
- Precautions
  - Do not click on links from unknown sources
  - Beware of Solicitations
  - Look for misspellings
  - If a deal seems too good to be true, it probably is



# Just remember the word “SCAM”

25

- **Stingy**: Be stingy with the personal information that you share.
- **Check**: Check your financial information regularly.
- **Ask**: Ask for a copy of your credit report annually- you are entitled to a free copy once a year under federal law.
- **Maintain**: Maintain careful records of your financial accounts.

The logo for the Florida Securities Dealers Association (FSDA) is displayed in a bold, blue, sans-serif font. The letters 'FSDA' are large and prominent, with a slight shadow effect. The background of the slide features a scenic view of a city skyline with palm trees and a body of water under a clear blue sky.

**FSDA**

*Florida Securities  
Dealers Association, Inc.*

26

Visit us at  
[www.fsda.org](http://www.fsda.org)

Thank you