



# PROTECTING SENIORS FROM FINANCIAL FRAUD AND ABUSE

Seniors need to be vigilant in protecting their assets from scammers. Seniors are targets of fraud for many reasons, including:

1. Older Americans are likely to have sums of money saved or invested, own their own homes or have excellent credit, all of which scammers will try to leverage.
2. Individuals who grew up prior to the 1960's are generally polite and trusting. Scammers will try to exploit these traits knowing that seniors may find it difficult to disengage.
3. Older Americans are less likely to report fraud because they don't know whom to report it to, or are too ashamed to admit that they are victims.
4. When elderly victims report crime, they often make poor witnesses due to their poor memory. They are often unable to supply detailed information to investigators.
5. Seniors are often interested in products that promise results such as increased cognitive function or virility, so scammers target them using related products.

Management and protection of retirement income for seniors is more important than ever. Contrary to popular belief, saving for your retirement does not end once you retire—it switches gears. People are living longer, fuller lives and will need to ensure that income continues during their senior years. Following are helpful tips from the District of Columbia Department of Insurance, Securities and Banking for navigating investing as a senior and avoiding fraud.

## COMMON TYPES OF FRAUD

**Ponzi Scheme.** A scheme where initial investors in an investment are paid profits from new investors. When the stream of new money stops, the scheme collapses, and investors lose everything.

**Internet and Robo-Call Fraud.** A scammer uses software to email or call several potential victims at once often impersonating the IRS, a bank, healthcare provider or credit card company to trick recipients into sharing personal information such as passwords, checking and credit card account numbers and Social Security numbers.

**Romance Scams.** Scammers meet potential victims on dating or social media websites using a false identity. Once trust is gained, the scammer begins to ask for money or personal information to commit fraud.

*To view more examples of fraud and ways to combat it, visit [DISB.dc.gov/consumeralerts](https://disb.dc.gov/consumeralerts).*

## BEST PRACTICES FOR SENIOR INVESTORS

Seniors often fall victim to investment fraud because they are afraid of running out of money and are looking for easy ways to increase their savings. However, investing is a key component to any retirement plan. The best protection against fraud is investing wisely using licensed professionals.

### WHO CAN HELP?

For a fee, an Investment Adviser can provide ongoing investment advice and monitor your investments. A Broker-Dealer and its agents recommend securities transactions to you and are paid commissions when they execute transactions.

### CHECK BEFORE YOU INVEST!

State and federal laws require Investment Advisers, Broker-Dealers and their representatives to be registered or licensed to conduct business. To see if your Investment Adviser has a disciplinary history, visit [investor.gov](http://investor.gov) and for Broker-Dealers visit [brokercheck.finra.org](http://brokercheck.finra.org).

The Securities Bureau of the DC Department of Insurance, Securities and Banking is responsible for the regulation of securities professionals in the District of Columbia and the protection of investors and consumers.

## TIPS FOR AVOIDING FRAUD:

1

Do not respond to unsolicited emails or phone calls.

2

Do not share personal information such as social security numbers, date of birth, address or passwords with unverified sources.

3

Avoid investments that are too good to be true. Fraudsters will often promise high returns with low risk.

4

Report suspected investment fraud or elder financial abuse to DISB at 202.727.8000.

5

If you suspect your identity is stolen, report the crime to your financial service providers and to the three credit bureaus—Equifax: [equifax.com](http://equifax.com) or 1.800.525.6285; Experian: [experian.com](http://experian.com) or 1.888.397.3742; and TransUnion: [transunion.com](http://transunion.com) or 1.800.680.7289.

6

If you are a victim or suspect someone you know is a victim of elder abuse, contact the District of Columbia Adult Protective Services at 202.671.4200.

**Remember: Investing in securities involves a risk of loss for which investors should be prepared.**

To learn more about our dynamic programs and services, call us at **202.727.8000**, visit us at **DISB.dc.gov** and follow us on social media.