

## Guard Against Financial Exploitation

Seniors lose an estimated \$36 billion each year to financial fraud.

Don't let it happen to you. Talk to your investment professional.

Use these conversation starters to open the dialogue with your investment professional. It could prevent you from becoming a victim of financial fraud or exploitation.

### **1. APPLY HEALTHY SKEPTICISM: Can you explain why these investments are right for me?**

Make sure you are informed and ask questions. Your professional should be able to explain your investments, including: your fees, their compensation, product characteristics, and why it is appropriate for you. A trustworthy financial professional will encourage you to ask questions, and will want to ensure you understand the investment.

**TIP:** Apply extreme caution when dealing with strangers by phone or computer. NEVER wire money to strangers. If you don't know the caller, HANG UP!

### **2. BUILD CONTINGENCY PLANS: Can you help me prepare for the worst and ensure my intentions are realized?**

Consider who would manage your finances if you could not due to health issues or memory loss. Select a trusted contact and provide his or her information to your broker or adviser. This person will be someone that the investment professional can talk to if there are concerns of financial exploitation or diminished capacity.

### **3. AVOID UNDUE INFLUENCE: What protections does your firm have in place to handle suspected financial abuse or undue influence? What training have you received to recognize the warning signs and how would you address it with me?**

A new friend has offered to take an active role in your finances, such as acting as a Power of Attorney or signing on your account. Unfortunately, many financial exploitation cases involve a family member, relative, or friend who abuses that trust. To protect yourself, only execute a Power of Attorney if you can appoint an agent you can trust completely and only after consultation with an attorney. Be aware of gifting clauses and only grant the authority or access that is absolutely necessary.

### **4. UNDERSTAND VULNERABILITY FACTORS: How can you help me ensure I'm not at risk for financial fraud?**

Consider the following risk factors. You may want to discuss these vulnerabilities with your investment professional and find out if any additional safeguards can be put in place:

- Pressure from children, caregivers, or others to share money or change your will
- Financially responsible for another family member (adult child, grandchild, etc.)
- Anxiety, frequent mistakes or feeling overwhelmed about finances
- Dependent on someone to provide everyday care or other services
- Recent change in health or loss of loved one

**TIP:** If you haven't checked out your investment professional, contact your state or provincial securities regulator via the North American Securities Administrators Association (NASAA) at [www.nasaa.org](http://www.nasaa.org).

