

April 2022 – Financial Exploitation Issue Brief

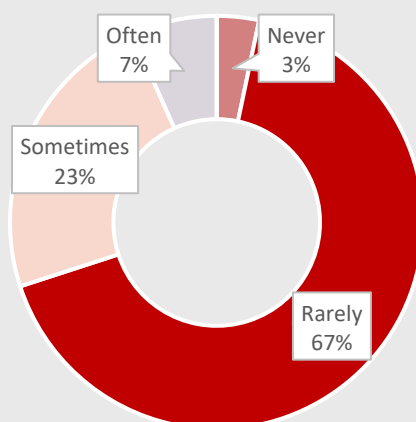
About PLAN The MIT AgeLab's Preparing for Longevity Advisory Network (PLAN) surveys financial and retirement planning professionals to better understand the future of advice in the global longevity economy. This brief report highlights financial professionals' attitudes and experiences with the topic of financial fraud and exploitation.

Survey Participants Data in this brief are inclusive of a small sample (N= 30 participants) who completed the PLAN Q2 questionnaire between April 20th, 2022 and April 28th, 2022.



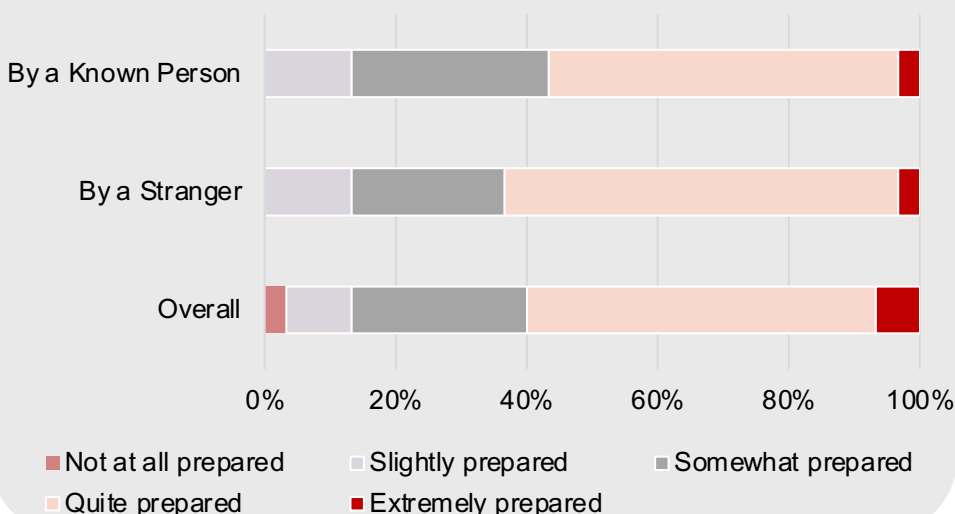
- ❖ 3 countries represented
- ❖ 23% female, 77% male
- ❖ 73% had worked in the industry for 20+ years.

These days in your work with clients, approximately how often would you say you encounter the issue of financial exploitation?

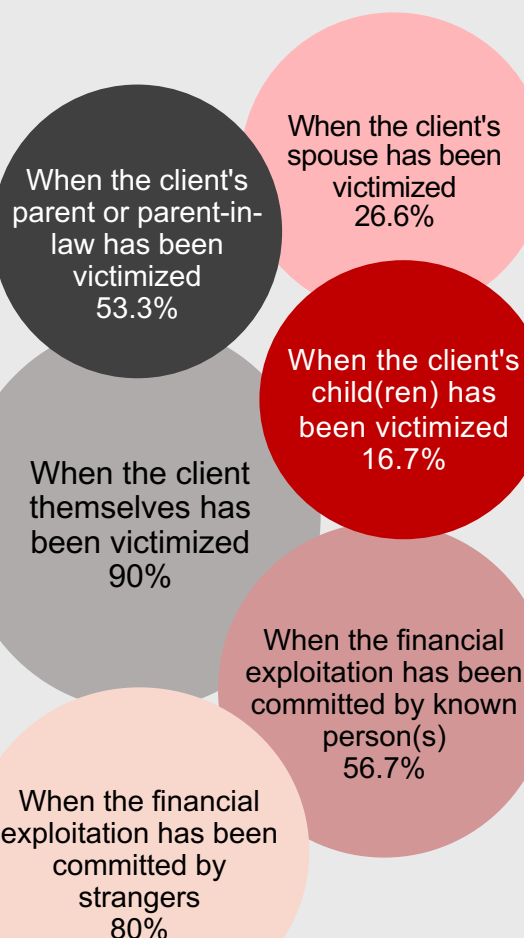


Fact: Nearly 70% of respondents *disagreed or strongly disagreed* with the statement, "Policies and services that exist to aid in cases of elder financial exploitation are sufficient as-is."

How prepared would you say you feel to advise, support, or otherwise help a client if they or a loved one were financially exploited by the following people?



In which of the following scenarios have you assisted, supported, or otherwise tried to help clients?



April 2022 – Financial Exploitation Resource Sheet



During the MIT AgeLab's April 2022 PLAN webinar, titled "Frauds, Scams, and Financial Exploitation. How Advisors can Educate, Intervene, and Support Clients," financial advisors in the audience shared the resources and practices that they have found most valuable in protecting their clients from financial exploitation. Here is a compilation of those insights, as well as links to resources that may be helpful both to advisors and clients.

✓ Implement employee training programs:

- "We provide [training] to new hires and do ongoing training."
- "There is a free program through AARP that firms can use...if you don't develop your own program... I believe the AARP program has a broker dealer version as well as a bank centered version."
 - Check out the [AARP Public Policy Institute's FREE Banksafe Training](#).

✓ Read up on laws and resources – and how they apply:

- "Our firm's main use of the **Senior Safe Act** is the provision that allows us to communicate directly with designated government agencies without subpoena, so we can provide statements and information to support an investigation... In order to qualify for that safe harbor, we do have to have a training program."
 - Check out Investor.gov's [Senior Safe Act Fact Sheet](#).
- Explore offerings of your state's Consumer Financial Protection Agency
- Keep up-to-date with the latest developments by using up-to-date resources such as [AARP's collection of Scams & Fraud articles](#).
- Transamerica's [Field Guide to Dementia](#) features AgeLab research on the intersection of cognition and financial fraud.
- Learn about the use of structured interview tools like the Interview for Decisional Abilities to gauge a client's decision-making ability

✓ Build the topic into the agenda – both with your clients and within your organization:

- "...[Make] it a part of annual compliance meetings/reviews."
- "...[Have] a trusted contact program where clients identify people that can be contacted in the event something is "fishy" and/or fraud is suspected."

✓ Educate clients:

- Let clients know what they can do to protect themselves with resources from the [Consumer Financial Protection Bureau](#) and [FTC instructions about blocking calls](#).

Helpful resources are a click or call away:

- [AARP's Scams and Fraud Articles](#)
- [AARP Public Policy Institute's Banksafe Training](#)
- [Transamerica's Field Guide to Dementia](#)
- [Consumer Financial Protection Bureau's Guides & Handouts](#)
- [Senior Safe Act Fact Sheet](#)
- [National Elder Fraud Hotline](#)

Have other tried-and-true tips? We want to hear about them!

Email us at agelab-plan@mit.edu.

Invite others to join plan!

agelab.mit.edu/plan

The context of how we live in retirement has changed, and a new approach to anticipating, planning and preparing for older age is accordingly needed. We invite financial advisors, retirement planners, and others in the retirement industry to join PLAN to contribute to the understanding of the future of advice and be among the first to learn key research take-aways.

