

Welcome to the SeaComm Federal Credit Union podcast. Your guide to financial information and what's going on at your credit union.

World Elder Abuse Awareness Day was June 15, so let's take a closer look at the frightening epidemic of elder financial abuse.

This type of abuse involves taking advantage of an older person for financial gain.

Elder financial abuse is big business. According to some estimates older adults lose more than \$36 billion nationally each year to scams, fraud and exploitation. According to the New York State office of adult services, the financial loss to vulnerable elderly New Yorkers from financial exploitation is an estimated \$1.5 billion a year. With large numbers of Baby Boomers aging into retirement, experts predict the problem is only going to get worse.

Anyone can be a victim of scams and fraud, but seniors can be especially vulnerable. While an age-related decline in cognitive thinking could make some seniors easier targets for abuse, there are other reasons such as a larger net worth, a more trusting nature and sometimes a declining ability to make sound financial decisions.

There are many ways in which elder financial abuse is carried out. Here are some of the more common ones carried out by strangers:

Scammers claim to be associated with a prize or lottery commission. They may tell the victim that they won the lottery or a special prize and that they need to send money to cover the taxes on their winnings.

Or crooks claim to be in the neighborhood doing repairs and offer a discounted price for work. They take the money but leave without doing the work.

Charity scams look for donations often after a natural disaster. The money of course goes in the criminal's pocket.

Dating scams involve the crook establishing a long distance relationship with the victim. Eventually there will be an ask for money and then another ask and another ask and so on. The crooks do a lot of research and are pretty good at this.

Scammers will also pretend to be grandchildren or family members in trouble and ask for money, and again the crooks do their research into the victim and can they be very, very convincing.

Crooks may also use intimidation as a tactic claiming they are from a government agency such as the IRS or from the Police and the victim needs to send money to avoid consequences.

Other types of financial fraud include investment fraud with the crooks selling bogus opportunities or predatory lending scams.

Fraudsters are often out there trying to talk seniors out of their personal financial information so they can commit identity theft and open fraudulent credit cards and other types of credit in their names. So

again, the number one rule is don't give out any personal information unless you establish the contact... and if somebody wants you to send them funds with a prepaid card or maybe with a wire transfer, don't do it. It's a red flag of fraud.

Financial crimes against the elderly can also be carried out by family, friends or other trusted individuals.

Someone who has been granted power of attorney can sometimes abuse that designation in order to acquire money, assets and possessions.

A caretaker who has access to a senior's bank cards or checks can use them to withdraw money or make fraudulent purchases.

A friend or family member might threaten to maybe not pick up the person's groceries, not mow their lawn or withhold any other service unless they receive an exchange of money or a paid caretaker might neglect certain responsibilities while still collecting their full payment.

Now, if you suspect you or a family member or friend is a victim or may be on the verge of becoming a victim, it is crucial to speak up. Reporting it takes the matter out of your hands and enables law enforcement and Adult Protective Services to protect you or the senior in question.

It may be difficult to report the suspected abuser, especially if it is someone you or your loved one is close to. Many elders are intimidated by their abusers and are too frightened to report the problem themselves. Your loved one may even discourage you from going to Adult Protective Services or the police about the matter, but you must make your report to them and do your part to protect those who are vulnerable.

That's it for this edition of the SeaComm Federal Credit Union podcast. Thanks for joining us!