

Spot and Stop Senior Investment Fraud

CHECKFIRST

THE DOWNSIDE

Fraudsters target seniors because they often have built a nest egg for retirement, or have property or a pension. Seniors may be looking to maximize their investments to help them through retirement and leave money for their family. While anyone can be a victim of investment fraud, seniors have less time to recover from a financial loss.



LET'S START WITH A FEW FACTS:

1. Financial abuse is one of the most **frequently** reported forms of elder abuse in Canada.¹
2. It has the potential to **worsen** as Alberta's population continues to age. It is projected that by 2035, approximately one in five Albertans will be a senior.²
3. Seniors are a **target** because of increased physical and mental vulnerabilities associated with the ageing process. Any financial loss experienced is **magnified** because there is less time to recover lost funds.

¹ Source: www.seniors.alberta.ca/seniors/elder-abuse.html

² Source: www.seniors.alberta.ca/seniors/aging-population.html

THE UPSIDE

There are free and easy ways to educate and protect yourself against investment fraud. The Alberta Securities Commission (ASC) has tips and resources to help seniors learn ways to recognize and avoid it. Reviewing this guide is a good start, and you can find more information on our website: www.CheckFirst.ca/seniors.

INVESTMENT SCAMS COMMONLY TARGETED AT SENIORS:

Once you know what you're looking for, it becomes much easier to spot. If you have been approached with or are considering an investment offer that sounds like any of the scams listed below, do your research, consult an unbiased third party or contact the ASC (1-877-355-4488) before investing.

Affinity Fraud

A scam that exploits the trust and friendship that exists in groups of people who have something in common, such as religious or ethnic communities, social clubs or professional groups.

Online Advertising

Online pop-ups or ads that appear on various websites that seniors visit designed to lure them in with promises of "easy money" or "retiring rich." When contact information is provided, the scam artist begins to build a relationship with the senior and pressures them to invest in a scam.

Cold Calls

Persistent sales people use aggressive sales tactics over the phone to pitch genuine-sounding investment opportunities.

Investment Seminars

Seniors are lured into attending an "educational seminar" that often includes a free lunch. The seminar is really a sales pitch about an "exciting" investment opportunity. Attendees often feel obligated to invest because they accepted the free meal and have been pressured with convincing sales tactics.

Charity Scams

Scam artists take advantage of seniors' generosity by convincing them to donate their money to a fake charity or for a cause related to a current event (i.e. fire or flood).



TIPS TO PROTECT YOUR NEST EGG

- **Don't judge a book by its cover** – successful scam artists look and sound very professional. They have the ability to make even the flimsiest deal seem as safe as putting money in the bank.
- **Don't be a victim of your manners** – it's okay to just say "no" to an offer you are unsure about.
- **Remain in charge of your money** – beware of individuals asking you to sign something you don't understand or urging you to leave everything in their hands, like power of attorney.
- **Watch out for salespeople who prey on your fears** – scam artists know that you worry about your future and focus on your fears and insecurities when convincing you to invest. All investment decisions should be made with a clear mind, with no pressure or emotions clouding your judgement.
- **Look out for difficulties retrieving your principal or profits** – if you receive any push back or stalling tactics when you want to pull out your principal or profits, you may have uncovered someone trying to cheat you.
- **Check registration** – check out the firm or person offering you an investment or providing you with investment advice by searching the National Registration Database online: www.aretheyregistered.ca.

For more tips on how to protect your nest egg please visit www.checkfirst.ca/seniors

FINANCIAL CONCERNS CHECKLIST

Are you, or a senior you know experiencing any of the following financial issues or concerns?

(check all that apply)

- I have recently assumed control of my finances for the first time.
- I don't feel confident in making financial decisions alone.
- I have trouble paying bills because the bills are confusing to me.
- My children or others around me are pressuring me to give them money or make financial decisions I am unsure about.
- People are contacting me by phone, email or mail asking me for money.
- Money seems to be disappearing from my accounts. I think someone may be accessing them without my permission.
- I don't receive regular financial statements for my bank accounts and/or investments.
- I do receive regular financial statements for my bank accounts and/or investments but don't review and/or understand them.
- I have trouble getting in touch with my financial adviser or person who takes care of my finances.
- I have been forced or am being pressured to sign over my power of attorney or change my will.

If you checked any of the boxes above and are concerned about your finances, help and resources are available. Speak to someone you trust, such as a friend, doctor, caregiver, accountant or lawyer or the Alberta Securities Commission (1-877-355-4488).

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