



Protecting America's Seniors



Financial abuse is a fast-growing form of exploitation of seniors, with approximately \$37 billion a year stolen from America's elderly.* As a service to our customers, AIG maintains a specialized unit focused solely on this particular area of senior vulnerability—the Elder and Vulnerable Client Care (EVCC) Unit.

We believe it's vital that we help Americans protect their hard-earned retirement savings as they age. One important step is making sure that seniors and their financial advisors (and caregivers) are aware of the signs of financial abuse, whether through financial scams perpetrated by strangers or financial exploitation conducted by a relative, friend or caregiver.

Common Scams Targeting Seniors

Financial scams targeting seniors are often conducted by parties unknown to the victim, catching unsuspecting seniors on the phone or through the internet to manipulate them into sending money. Here are some scams our EVCC unit sees most frequently:

- ! Lottery Scam:** Scammers inform individuals they won a lottery. They request an up-front payment of taxes in order to collect funds. Once the "taxes" are paid, the scammer disappears.
- ! Treasury/IRS Scam:** A caller says they are with the U.S. Department of Treasury and that the individual they contacted was awarded a grant, but must pay an upfront amount to receive the grant.
- ! Romance Scam:** Scammers target their victims through online dating sites. They're quick to befriend the individual and will eventually ask for money to pay expenses, such as travel expenses to come for a visit. Sometimes they ask for money to cover medical expenses. Often the scammer requests funds multiple times.
- ! Technical Assistance Scam:** In this scam, an individual contacts his or her victim claiming to be with a popular software outlet. They tell their victim that their computer is experiencing serious issues. They offer to fix the issues for a few thousand dollars. With the right information, some scammers can lock up the computer and hold it ransom until a payment is made.

- ! Grandparent Scam:** This scenario involves a caller claiming to be or to know the victim's grandchild or other family member. They state a family member is in trouble — in jail or having medical issues. They request money to help the family member. Individuals receiving these calls should verify the information by contacting the local police or hospitals.
- ! The Pigeon Drop:** This scam involves an individual contacting their victim, sometimes physically in open areas such as a park or church. They inform the victim that they found a large sum of money and will share it with them with a small upfront payment. Once the payment is received, they quickly leave the area.
- ! Charity Scam:** This occurs mostly around a time when a natural disaster has occurred. Someone claiming to be with a charity will call their victim seeking donations. Anyone receiving this type of call should research the charity before making a payment. It is also a good rule of thumb to only give to known and reputable charities.
- ! Other Phone/Email Scams:** Be very careful of any requests for bank account information. Also be wary of requests for payments using pre-paid credit or debit cards. This type of payment is frequently requested because it is difficult to trace. Be careful of callers claiming to be assisting utility companies collecting on invoices or past due fees. Utility companies typically do not use third-parties for payment of monthly charges.

Seniors Most at Risk from Those They Know

Though scams by strangers are prevalent, the elderly are more likely to be taken advantage of by people they know. In fact, 90% of perpetrators are family members or other trusted individuals.* Whether you are working to protect a family member or have a senior who is a client, here are some “red flags” to watch for with family members, friends or caregivers:

- Multiple requests to change account information, such as ownership or address.
- Pressure to obtain the ability to act on individual’s behalf, particularly asking to be made power of attorney.
- The sudden appearance of a family member who has not been in contact for some time and requests financial assistance.
- A person asks multiple questions about finances, account information or personal details typically used to authenticate accounts (place of birth, favorite food, mother’s maiden name, etc.).
- Someone habitually takes over conversations, not allowing the elderly individual to answer questions or make independent decisions.
- Someone who helps with applications for bank accounts, financial products or life insurance policies does not allow the account holder to review documents before signing.

Protect Yourself and Your Loved Ones—Report Senior Abuse

Financial abuse often accompanies other forms of abuse. It is important to recognize and report red flags of financial exploitation or abuse immediately.

**Contact your local Adult Protective Services agency to report financial exploitation.
Contact 911 if you or someone you know is in immediate danger.**

* Source: National Adult Protective Services Association (NAPSA), 2018.

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