



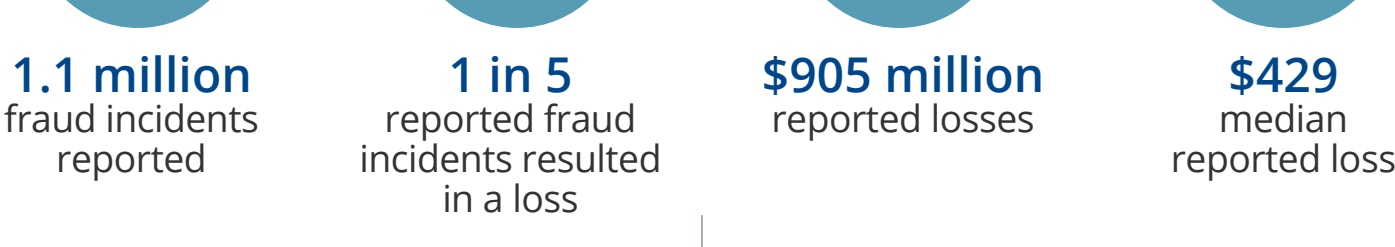
Who is at risk for fraud?

Advanced age can mean bigger losses for fraud victims

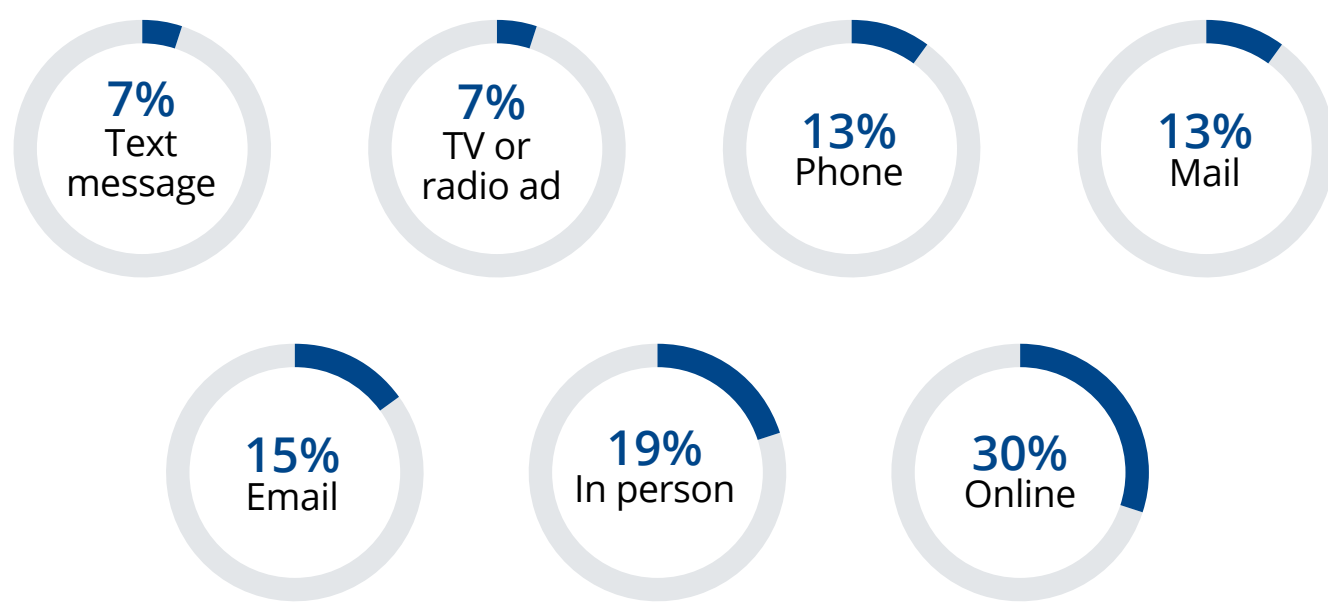
Financial advisors can help curb the prevalence of fraud by educating their clients about how to protect themselves from common scams. Although fraud impacts people of all ages, levels of education and incomes, clients may face increased risk as their cognitive abilities decline with age. And when older people are victimized, research suggests they may be at greater risk for losing more money.

The federal government received more than **1 million** fraud reports in 2017, but experts estimate these represent just a fraction of the actual incidents.

Official fraud incidents reported in 2017¹

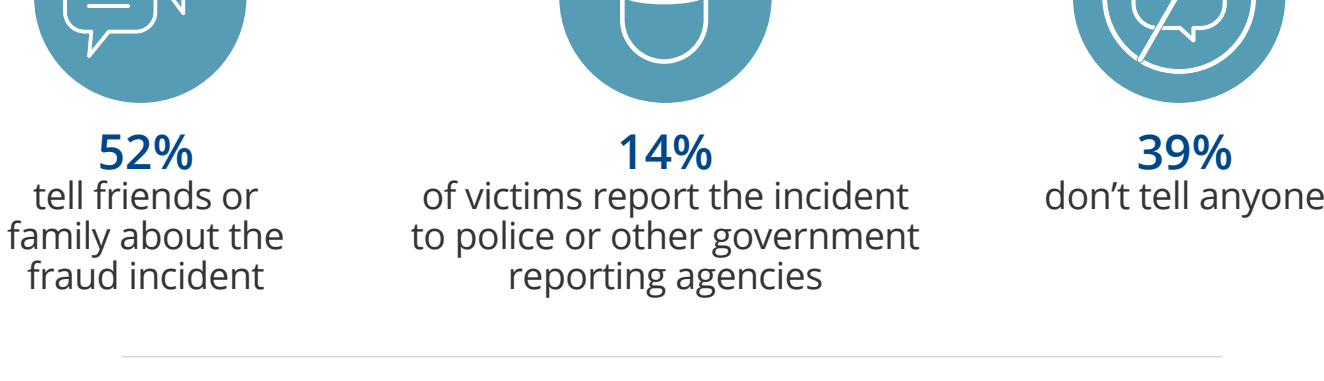


How is fraud solicited?²



Underreported fraud

It's difficult to know the full extent of how fraud affects victims because incidents of fraud are significantly underreported.³



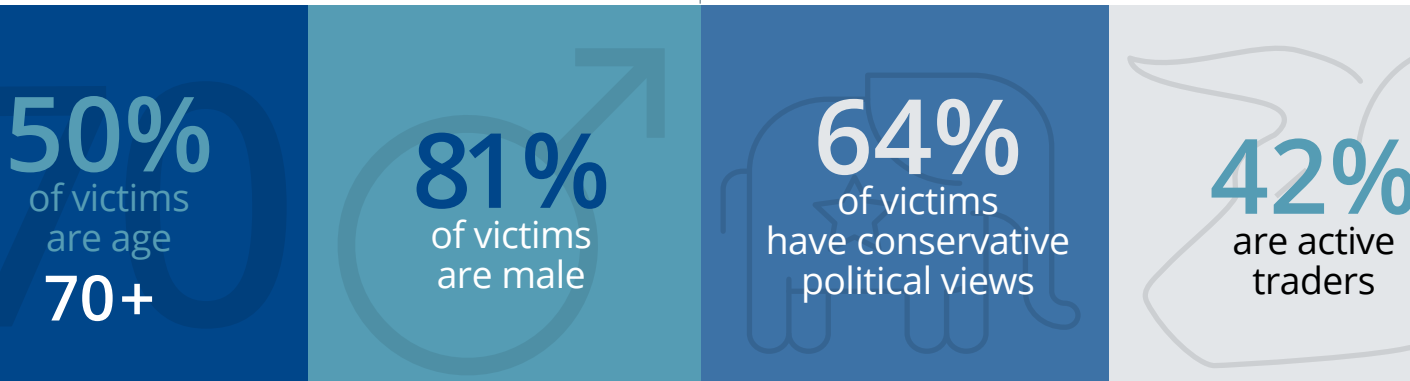
Of victims who never report the incident:⁴



How fraud affects older victims

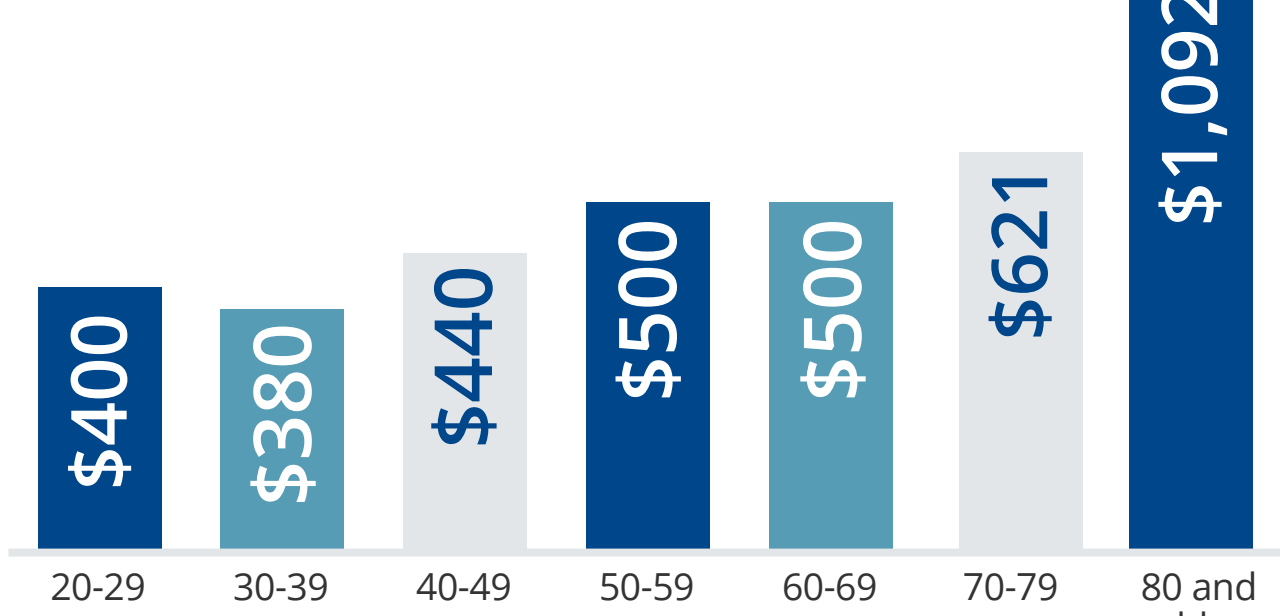


Investment fraud risk factors¹⁰



Older victims report bigger losses

The median loss a fraud victim incurs increases with age.¹¹



Annual losses

Seniors lose an estimated **\$36 billion** to elder financial abuse annually. Of that they lose:¹²



Scammers tend to believe older victims have bigger nest eggs that may lead to a higher payoff. They also prey upon retirees on a fixed income, who might be more open to financial opportunities. Financial advisors can help clients avoid high-dollar scams by raising their awareness of investment fraud and other types of financial abuse.

¹ Federal Trade Commission, FTC Consumer Sentinel Network Data Book 2017: Visual Snapshot, 2017. [ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/visual-snapshot](https://www.ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/visual-snapshot)

² Stanford Center on Longevity, "Findings From a Pilot Study to Measure Financial Fraud in the United States, 2017." (Respondents could choose more than one answer.) [162.144.124.243/~longev10/wp-content/uploads/2017/02/SCL-Fraud-Report-Feb-2017_Draft2.pdf](https://www.stanford.edu/content/dam/aarp/research/surveys_statistics/econ/2017/investment-fraud-vulnerability.doi.10.26419%252Fr.es.00150.001.pdf)

³ Ibid.

⁴ Ibid.

⁵ Federal Trade Commission, FTC Consumer Sentinel Network Data Book 2017: Reported Frauds and Losses by Age, Percentage Reporting a Fraud Loss and Median Loss by Age, 2017. [ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/frauds-loss-es-age-%age](https://www.ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/frauds-loss-es-age-%age)

⁶ True Link Financial, The True Link Report on Elder Financial Abuse 2015, 2015. [truefinancial.com/research](https://www.truefinancial.com/research)

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ AARP, AARP Investment Fraud Vulnerability Study, 2017. [aarp.org/content/dam/aarp/research/surveys_statistics/econ/2017/investment-fraud-vulnerability.doi.10.26419%252Fr.es.00150.001.pdf](https://www.aarp.org/content/dam/aarp/research/surveys_statistics/econ/2017/investment-fraud-vulnerability.doi.10.26419%252Fr.es.00150.001.pdf)

¹¹ Federal Trade Commission, FTC Consumer Sentinel Network Data Book 2017: Reported Frauds and Losses by Age, Percentage Reporting a Fraud Loss and Median Loss by Age, 2017. [ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/frauds-loss-es-age-%age](https://www.ftc.gov/policy/reports/policy-reports/commission-staff-reports/consumer-sentinel-network-data-book-2017/frauds-loss-es-age-%age)

¹² True Link Financial, The True Link Report on Elder Financial Abuse 2015, 2015. [truefinancial.com/research](https://www.truefinancial.com/research)