THE IMPORTANCE OF REPORTING

A Growing Senior Population Vulnerability of Senior Investors

More than half of all senior financial exploitation is perpetrated by friends, family members, or caregivers. This exploitation can be wide-ranging, is often the most difficult to prevent, and is the most under-reported form of senior financial exploitation. A victim of such exploitation may even seek to cover-up such abuse out of feelings of guilt, shame or loyalty.

- Currently, Americans ages 50+ account for 77% of all financial assets in the United States and more than half of them utilize a financial advisor.
- In 2011, the 65+ age group numbered 41.4 million; accounting for 13.3% of the U.S. population.
- Accounting for By 2030, all Baby Boomers will have turned 65 and will account for 18% of the nation’s population.

A Metlife study found that seniors lose at least $2.9 billion each year to financial exploitation in media-reported cases

The National Adult Protective Services Association estimates that only 1 in 44 cases of financial abuse are ever reported to the authorities

It is estimated that 1 in 5 Americans aged 65 or older have been victimized by financial fraud

Projected Increase of 65+ Age Group (millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
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<tbody>
<tr>
<td>2000</td>
<td>35</td>
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<tr>
<td>2010</td>
<td>40</td>
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<tr>
<td>2020</td>
<td>55</td>
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<tr>
<td>2030</td>
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10,000 Americans will turn 65 EVERYDAY through 2030

1 in 5

1 in 44

$2.9B
THE IMPORTANCE OF REPORTING

What Can a Financial Advisor Do? Say Something…

• **Reduce Underreporting:** Financial advisors can serve as the first line of defense to help reduce the number of unreported cases.

• **Limited Disruption:** Financial advisors should emphasize reporting will not interrupt a client’s life. There are processes in place to ensure their protection, even when no exploitation or fraud is discovered.

• **Client Protection:** Financial advisors’ goal is to protect their clients. According to a recent AARP study:

  85%  
  ▪ The majority of mature investors prefer their financial institution’s employees to be highly trained to prevent financial exploitation.

  50%  
  ▪ Roughly half of seniors want the financial institution to simultaneously alert someone else (pre-identified by them) if more than a certain amount of money is withdrawn from the account.

  41%  
  ▪ Seniors investors would even be likely to pay for services that prevent exploitation.

  80%  
  ▪ 4 out 5 seniors prefer to establish accounts at financial institutions that protect them from exploitation.