



Taking Action: Assisting Older Victims of Financial Fraud

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Financial Industry Regulatory Authority



FINRA

- Not-for-profit regulator authorized by Congress
- Mission: investor protection and market integrity



FINRA Foundation

- Research and outreach
- Focus on building financial capability for all Americans



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National Center for Victims of Crime

Victim Assistance
Services for Tribes

Center for Victim &
Survivor Services

National Crime
Victim Bar
Association

Center for Research
& Innovation

Center for Victim
Service Professionals

National Training
Institute



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What to Expect



Scope of the Problem

Who is at Risk

How Fraud Happens

The Advocates Role

Prevention & Intervention

Available Resources



Prevalence and Impact

2.8M

Fraud complaints to FTC
in 2021¹

25%

lost money totaling¹

\$5.9B

1:18

cognitively intact older adults
est. scammed each year²

Unreported?

Americans receive **50 billion**
robocalls per year; est. almost
half are fraudulent.



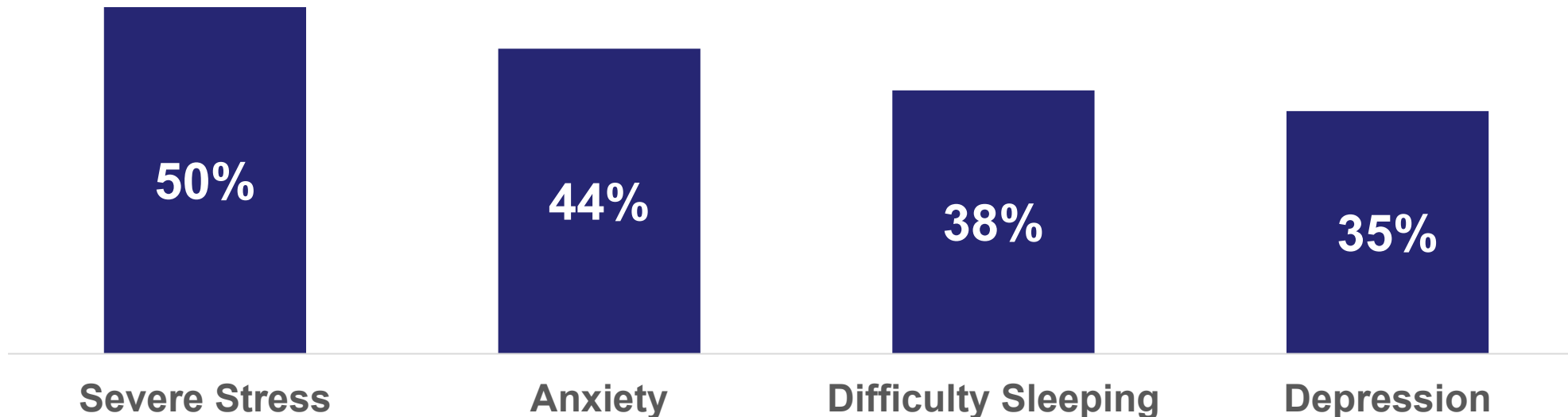
¹ Federal Trade Commission. Consumer Sentinel Network. Data Book 2021.

² Burnes, Henderson, Lachs, et al. Prevalence of Financial Fraud and Scams Among Older Adults in the United States: A Systematic Review and Meta-Analysis. American Journal of Public Health 2017.

Non-Financial Impact



Nearly 2/3 of victims reported experiencing at least one serious non-financial cost of fraud



A Call from Ruth



Who is at Risk?

Victim Profiles & High Target Populations



Victim Profiles by Scam



Lottery

Single
Older
Female
<Education
<Income



Mass Marketing

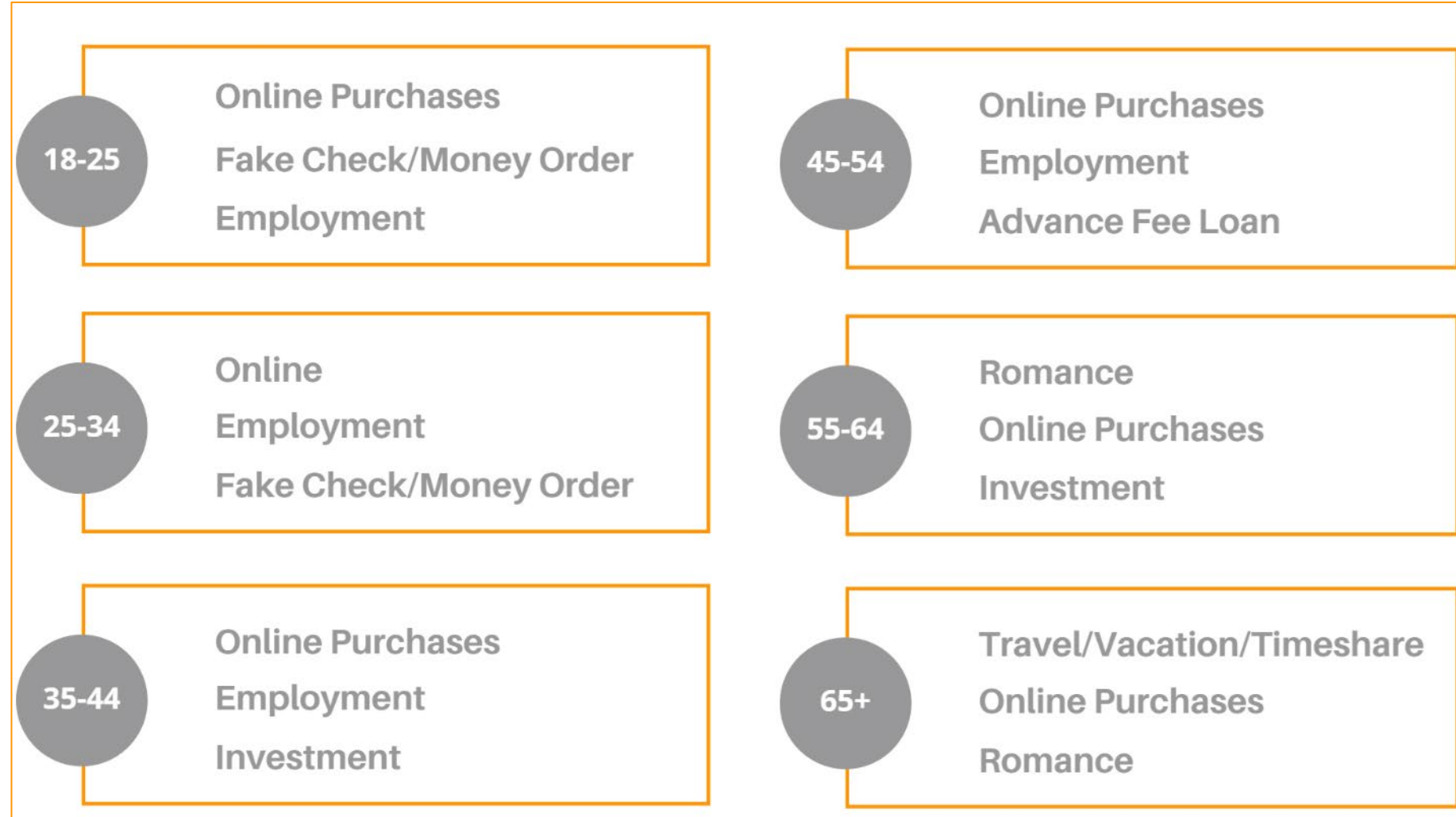
Any age
(Including young adults)



Investments

Male
Near/in retirement
> Financial Literacy
> Income
> Education
Self-Reliant

3 Riskiest Scam Types by Age



Source: Better Business Bureau (BBB) Institute for Marketplace Trust, *2020 BBB Scam Tracker Annual Risk Report: Online Scams*
Rise during COVID-19 Pandemic

High Target Populations

Older Adults

Intimate Partner Violence

Previous Victims



How Fraud Happens

Risk Factors & Tactics



Perpetrators of Financial Fraud

Family Member



Strangers



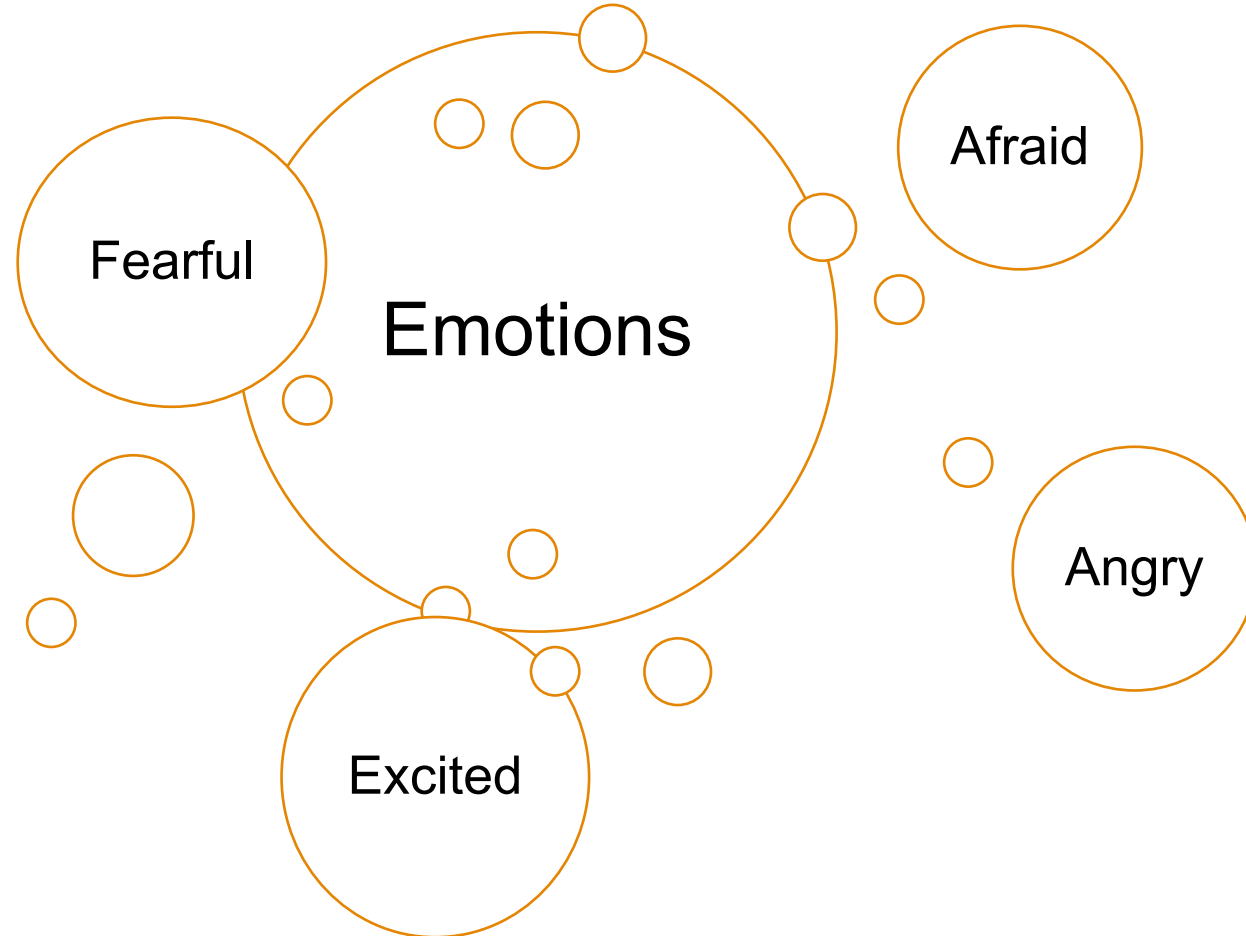
Leaders of Affinity Groups



Trusted Advisors



Elevating Emotions



Tactics



Phantom Riches

Risk Free
Gauranteed
High Returns



Social Consensus

Everyone I know
is investing in it!



Source Credibility

Degree's
Experience
Affiliations



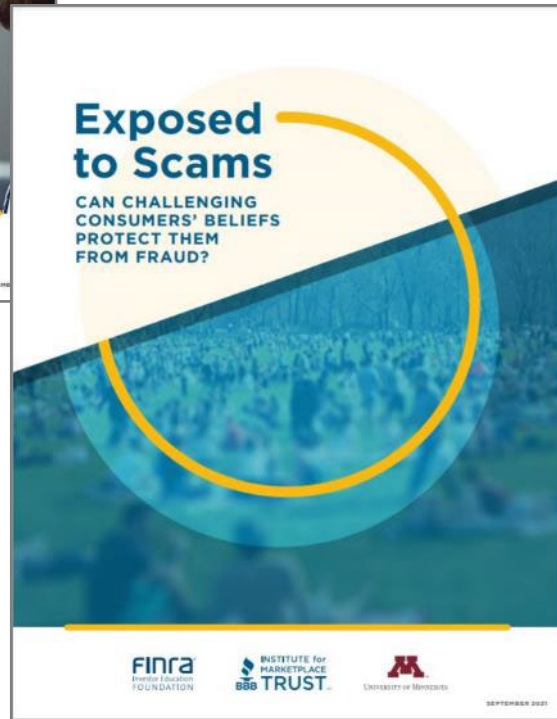
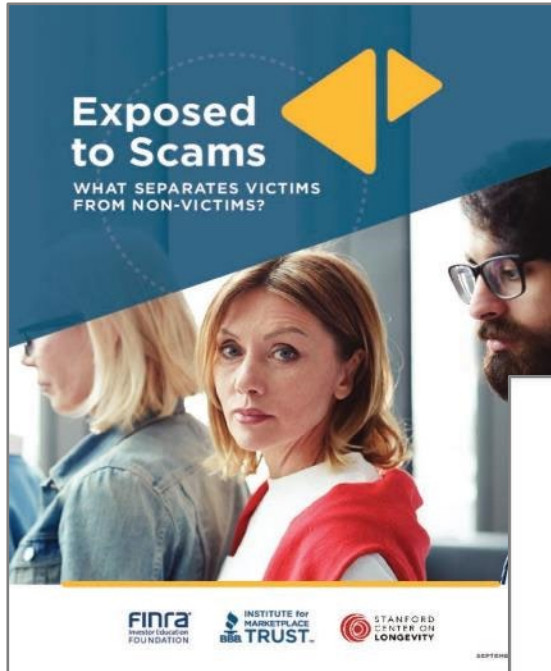
Reciprocity

Free Lunch
Deals
Big Break



Scarcity

Going Fast
Limited Number
Only Today

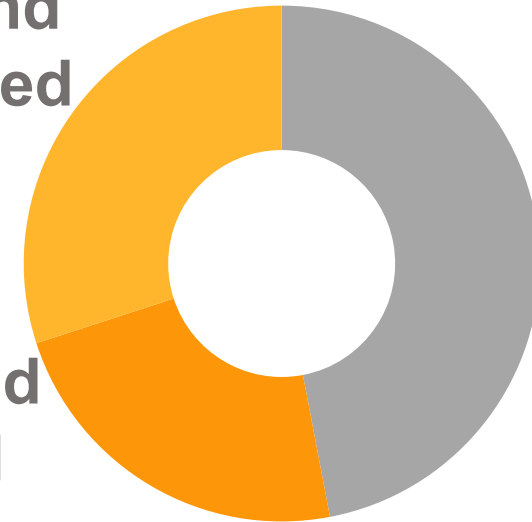


Victims vs. Non Victims

Engaged and
not victimized
30%

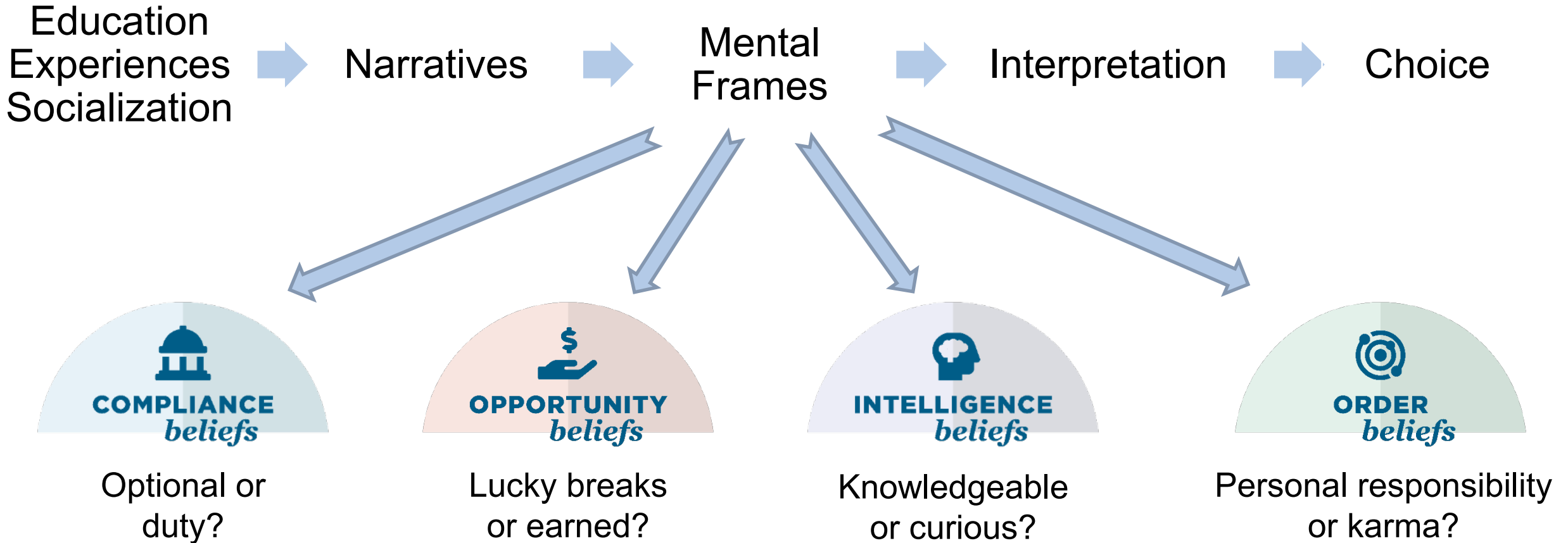
Did not
engage
47%

Engaged and
victimized
23%



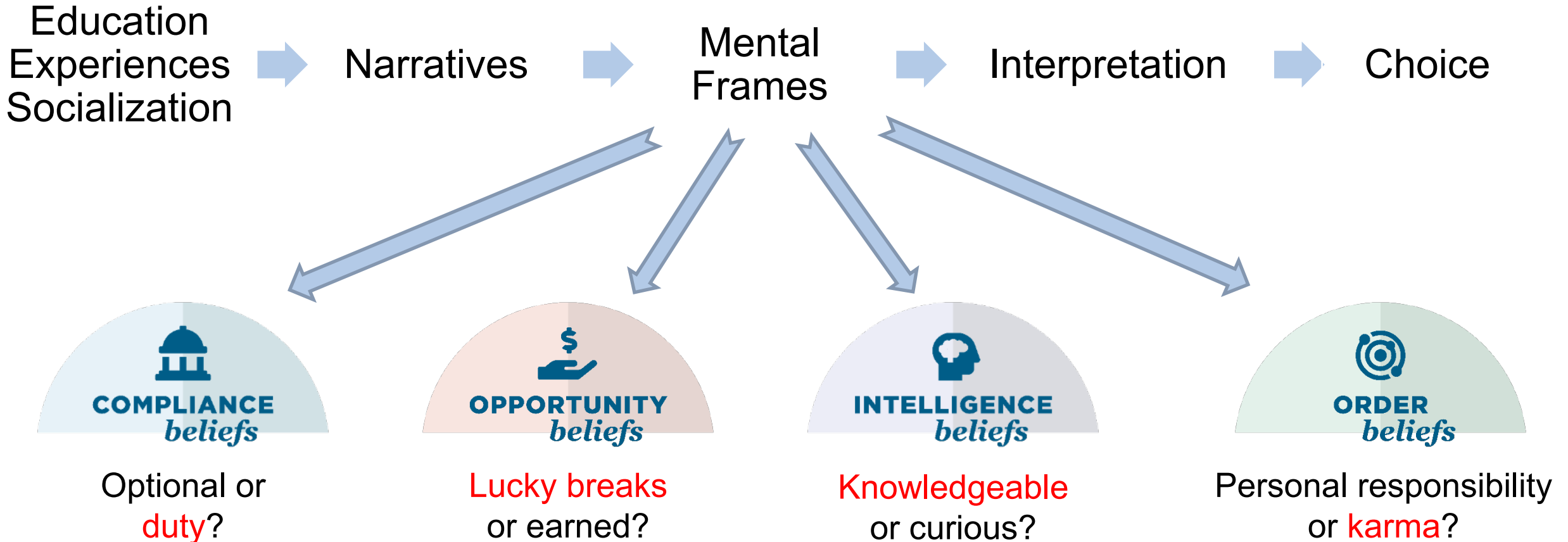
Download the reports @ FINRAFoundation.org

How Mental Frames Guide Our Choices



Source: *Exposed to Scams: Can Challenging Consumers' Beliefs Protect Them from Fraud?*
FINRA Foundation, BBB Institute for Marketplace Trust, University of Minnesota
(September 2021)

How Mental Frames Guide Our Choices



Source: *Exposed to Scams: Can Challenging Consumers' Beliefs Protect Them from Fraud?*
FINRA Foundation, BBB Institute for Marketplace Trust, University of Minnesota
(September 2021)

Persuasion

Victims were much more likely to agree with these statements

- **They seemed official** (Source Credibility)
- **I was under time pressure** (Scarcity)
- **I thought the person was nice** (Reciprocity)
- **I worried about missing out on an opportunity** (Scarcity)



Among respondents who engaged:

- Those who **did not have anyone available** to discuss it with were more likely to lose money.
- Those who **chose not** to discuss the solicitation with anyone while it was happening were more likely to lose money.

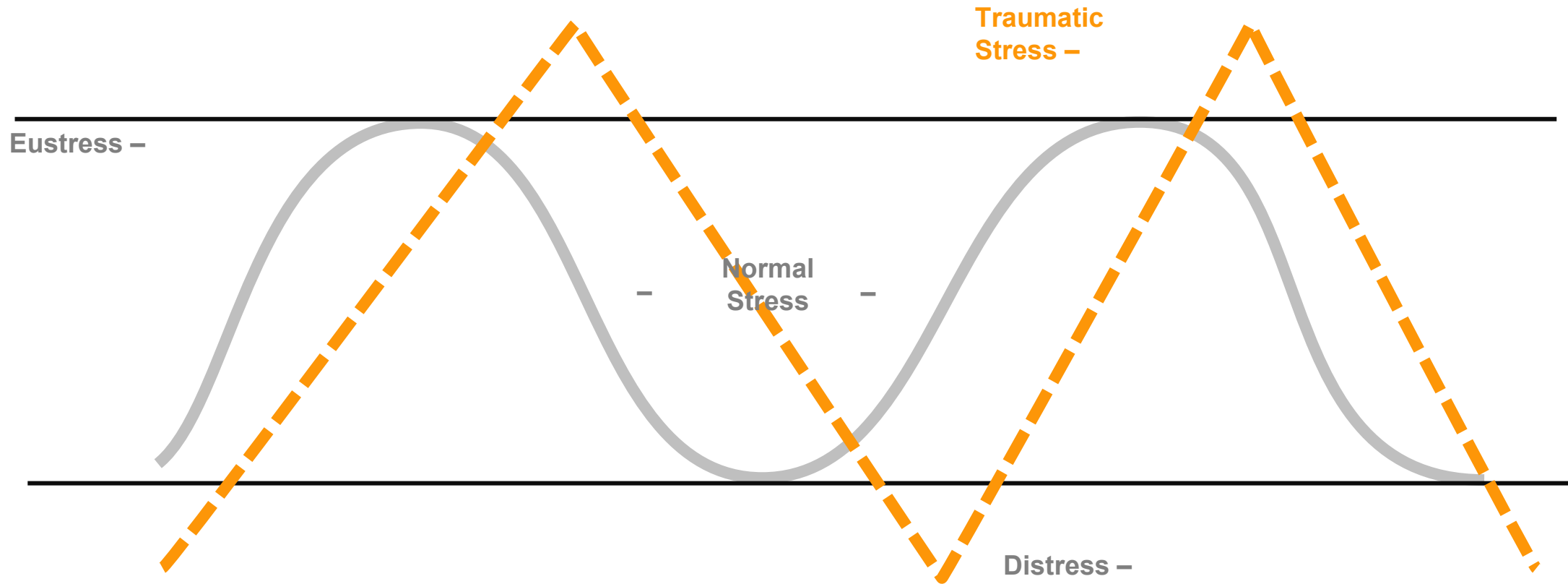
“I talked to my kids and they said they were pretty sure it was a scam.”

Social Isolation

The Advocate's Role In Supporting Victims



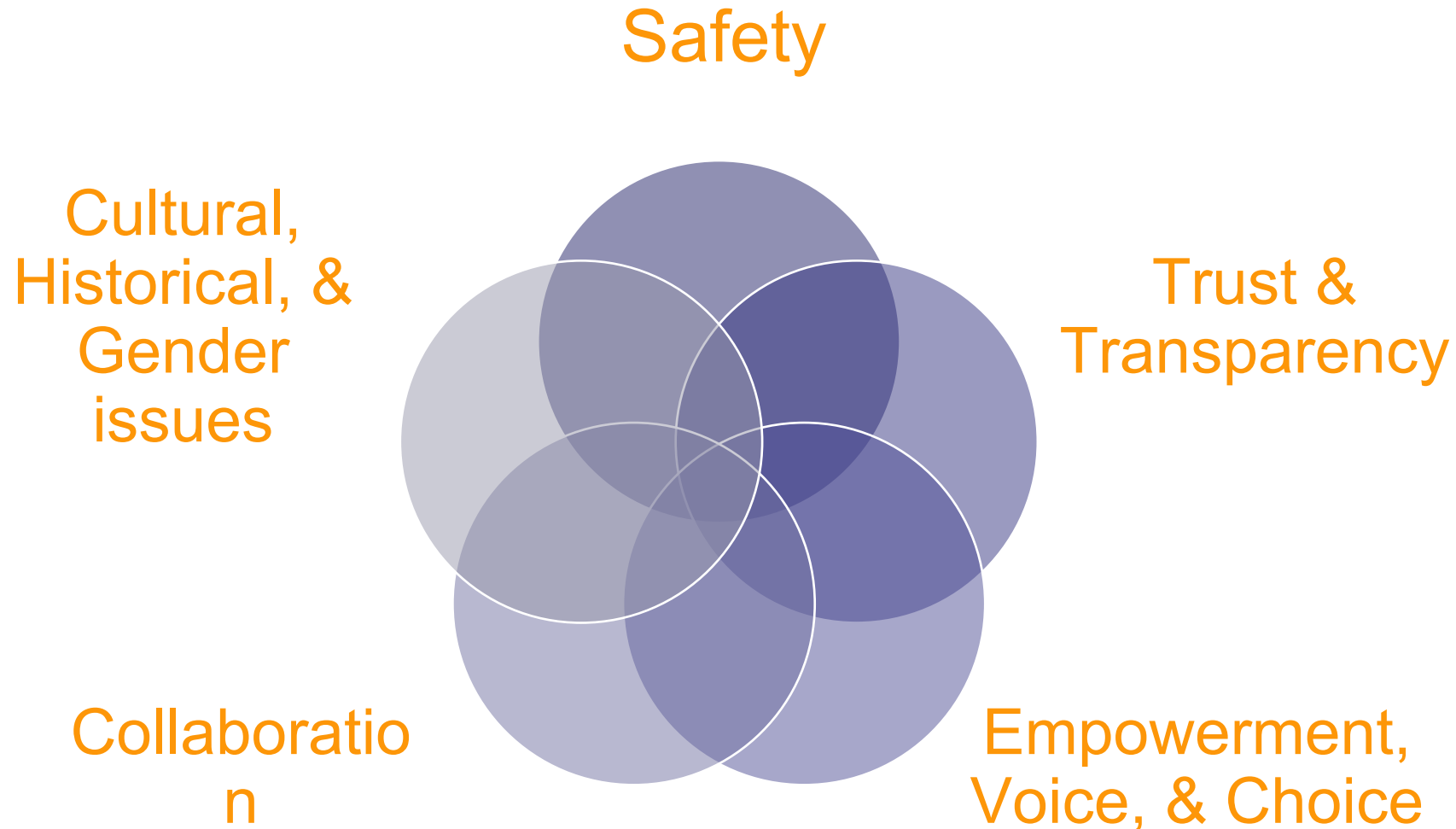
Is Fraud Victimization Traumatic?



Everyone has their own fluctuating equilibrium of balancing stress in their daily life - trauma throws off an individual's equilibrium



Trauma-Informed Approach



Trauma-Informed Approach: 4 Key Elements

Realize the impact of Trauma

Recognize the signs and Symptoms of Trauma

Respond by integrating knowledge about trauma into policies, procedures, and practices

Resist re-traumatization



Setting Realistic Expectations

- Recovery requires work.
- Reporting matters.
- There may be silence.
- Financial recovery is difficult to achieve.
- Reframing recovery.

Advocates are an important piece to preventing future victimization



Collaboration & Coordination

Join or connect with existing **MDT** or **FAST** teams

- AG Consumer Protection
- State Crime Victim Coalition
- Adult Protective Services
- Area Agency on Aging
- Better Business Bureau
- FTC, CFPB, other federal agencies
- Civil Attorneys
- LEO, Prosecutors, Triad etc.



Violent & Property Crimes: How We React

*Oh, that
poor family*

*I'll bake them
a lasagna*

Financial Crimes: How We React

Omg so many red flags she didn't listen to

No sympathy here, she allowed herself to be scammed.

Like - Reply - 1w



What a big dummy! Who in their right mind gives someone they never met \$273K? I wouldn't even have given him \$10.

Like - Reply - 1w



She must've not watched television



No accounting for stupid.

So many desperate for love and attention and so many hoping to meet that kind of person. They are professionals and can smell people like this in their first conversation. If you have a relative living this currently you should get power of attorney, if at all possible, so you can protect them from theft.

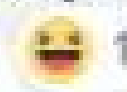
Like - Reply - 1w



I cant believe women are do desperate for affection that are willing to do anything

Like - Reply - 1w

equality in stupidity?



How Victims Talk About Themselves

*I can't believe
I fell for this!*

*How could I be
so stupid??*

Say This...Not That

Instead of this:

I can't believe you got duped.

How could you fall for that?



Implies blame;
Inspires shame

Say this:

It's not your fault.

Scammers are good at what they do;
you are a victim of a crime.



Shows empathy;
Empowers victim



Be the Change

- Use words that acknowledge the crime and the sophistication of the criminal
- Respond to victims with empathy and concern
- Report the crime

#notthevictimsfault



Prevention & Intervention



Knowledge is Power

BBB Scam Tracker Research: What reduced the likelihood of engaging?



Action Steps for Advocates



Safety Planning



Resource Referral



Mental Health



Reporting

Universal Steps

- Discontinue all engagement with perpetrator(s)
- Create a Case File
- Know Your Rights
- Report the Suspected Fraud Widely



Support Survivor to Develop an Action Plan

TAKING ACTION:

Mass Marketing and Other Fraud Victim Recovery Checklist

Fake checks, foreign lotteries, and sweepstakes schemes are just a few examples of mass marketing fraud. These schemes are characterized by the use of **false promises** of cash prizes, services, goods, or good works in exchange for fees, donations, or purchases. Scams may be committed through the mail, telephone, email, television, or any other form of mass or individual communication. If you are a victim of this type of financial crime, you may be coping with the aftermath of a compromised identity, damaged credit, financial loss, concern for your physical safety, and a **painful range of emotions** including anger, fear, and frustration.

Full financial recovery may be difficult to achieve; however, it is critical that you report the crime as quickly as possible. Reporting any financial fraud, no matter how small, helps law enforcement, regulators, and government agencies put a stop to the fraud, prevent the victimization of more consumers, and pursue the criminals committing the fraud.

Very often, perpetrators will dispose of your money immediately after taking it. You may never get your money back. That said, your recovery is about more than lost money. It's about protecting your future financial health and assets and finding ways for you to recover emotionally from the crime.

We recommend taking the steps below to reclaim power from the fraudsters and help you move forward.

STEP 1 – Create a Mass-Marketing or Other Fraud File

Start by collecting all relevant documentation concerning the fraud in one file that is kept in a secure location. The file should include:

- a contact sheet of the perpetrator's name, mail and email addresses, telephone numbers, and website address, as well as any of the fraudster's purported regulatory registration numbers;
- a timeline of events, which may span many years;
- the police report, if any;

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TAKING ACTION: MASS MARKETING AND OTHER FRAUD VICTIM RECOVERY LIST | 1

TAKING ACTION:

Investment Fraud Victim Recovery Checklist

Financial fraud is real and can be devastating. If you are a victim, you may be coping with the aftermath of a compromised identity, damaged credit, and financial loss, as well as a painful range of emotions including anger, fear, and frustration.

Full financial recovery may be difficult to achieve; however, it is critical that you report the crime as quickly as possible. Reporting any financial fraud, no matter how small, helps law enforcement, regulators, and government agencies put a stop to the fraud, prevent the victimization of more consumers, and pursue the criminals committing the fraud.

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We recommend taking the steps below to reclaim power from the fraudsters and help you move forward.

STEP 1 – Create an Investment Fraud File

Start by collecting all relevant documentation concerning the fraud in one file that is kept in a secure location. The file should include:

- a contact sheet of the perpetrator's name, mail and email addresses, telephone numbers, and website address, as well as any of the fraudster's purported regulatory registration numbers;
- a timeline of events, which may span many years;
- the police report, if any;
- your most recent credit report from all three credit reporting companies (see text box on following page);
- any evidence of the fraud or deception;
- logs of any phone conversations, with dates, names and phone numbers of any representatives with whom you spoke, and notes on what information they gave you; and

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TAKING ACTION: INVESTMENT FRAUD VICTIM RECOVERY LIST | 1

TAKING ACTION:

Identity Theft Victim Recovery Checklist

The scope of identity theft often goes beyond an unauthorized credit card charge. Whether it is tax-related, child identity theft, or medical identity theft, **identity theft is a crime, and it can be devastating**. When your personal information has been stolen, you may be coping with the aftermath of a compromised identity, damaged credit, and financial loss, as well as a painful range of emotions including anger, fear, and frustration.

It is critical that you take immediate steps to stop and repair the damage caused by identity theft. Reporting the crime, no matter how small, helps law enforcement, regulators, and government agencies put a stop to the fraud, prevent the victimization of more consumers, and pursue the criminals.

Very often, perpetrators will dispose of your money immediately after taking it. You may never get your money back. That said, your recovery is about more than lost money. It's about taking steps to minimize the harm, protect your future financial health and assets, and recover emotionally from the crime.

We recommend taking the steps below to reclaim power from the fraudsters and help you move forward.

CREDIT CARD IDENTITY THEFT

The typical case of identity theft involves stolen credit cards or unauthorized charges on your credit card. If your credit card number was stolen or used fraudulently, you should:

- Contact the relevant banks or credit card companies to notify them of the theft and dispute fraudulent charges; and
- Carefully read account statements regularly to look for fraudulent charges.

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TAKING ACTION: IDENTITY THEFT VICTIM RECOVERY LIST | 1

TAKING ACTION:

Mortgage and Lending Fraud Victim Recovery Checklist

Being scammed out of your home can be financially and emotionally devastating. If you are a victim, you may be coping with the aftermath of damaged credit and financial loss, as well as a painful range of emotions including anger, fear, and frustration.

It may be difficult to achieve full financial recovery or to avoid foreclosure; however, it is critical that you report the crime as quickly as possible. Reporting any financial fraud helps law enforcement, regulators, and government agencies put a stop to the fraud, prevent the victimization of more consumers, and pursue the criminals committing the fraud.

Very often, perpetrators will dispose of your money immediately after taking it. You may never get your money back. That said, your recovery is about more than lost money. It's about protecting your future financial health and assets and finding ways for you to recover emotionally from the crime.

We recommend taking the steps below to reclaim power from the fraudsters and help you move forward.

STEP 1 – Create a Lending Fraud File

Start by collecting all relevant documentation concerning the fraud in one file that is kept in a secure location.

The file should include:

- a contact sheet of the perpetrator's name, mail and email addresses, telephone numbers, and website address, as well as any of the fraudster's purported regulatory registration numbers;
- a timeline of events, which may span many years;
- the police report, if any;
- your most recent credit report from all three credit reporting companies (see Step 7);
- any evidence of the fraud or deception;

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TAKING ACTION: MORTGAGE AND LENDING FRAUD VICTIM RECOVERY LIST | 1

Checklists Available at victimsofcrime.org/victim-recovery-checklist



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Peer Support for Romance Scam Victims

FREE program of the Cybercrime Support Network:

- 1-hour weekly sessions for 10 weeks
- A licensed counselor to facilitate the groups
- Guidance to support mental well-being
- Education on cybercrime and online safety
- Closed, monitored group communications



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in collaboration with:

 **giveanhour**™
Giving help and hope

To learn more about the Peer Support Program, visit:
FightCybercrime.org/Peer-Support

Peer Support Program



“I found that I was not alone, it gave me insight into how the scammers work. I learned what to look for and what to avoid on social media sites and became more aware of how to protect myself and my resources.”

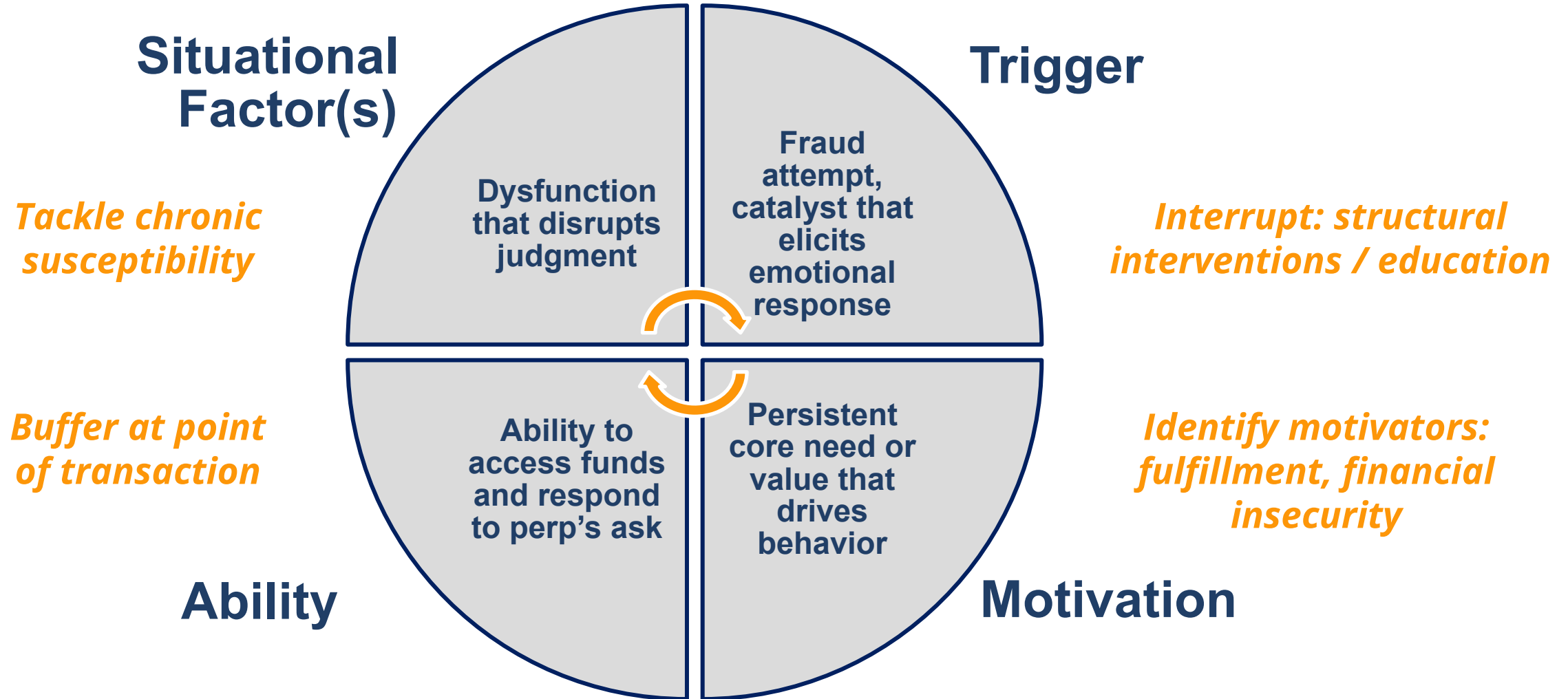
Peer Support Program Graduate

“I would highly recommend this program. It will enable you to move forward with your life. You will find that you can get through this and be happy again. You will learn how to protect yourself on the internet.”

Peer Support Program Graduate



Disrupting the Cycle of Fraud



Disrupt Ability: FINRA Rules

FINRA®



Trusted Contact

Requires firms to attempt to collect **alternate contacts** for investors



Pause on Transactions*

Allows firms to place **temporary hold** on transactions when fraud is suspected

**updated March 2022*



Financial Industry Regulatory Authority

FINRA Securities Helpline for Seniors™



A toll-free number that senior investors can call to get assistance from the Financial Industry Regulatory Authority (FINRA) or raise concerns about issues with brokerage accounts and investments.

**Call 844-57-HELPS
(844-574-3577)
Monday – Friday
9 a.m. – 5 p.m. Eastern Time**

Are you a senior investor with questions about your brokerage account statement or an investment in a brokerage account? Are you concerned that your account may have been mishandled by a broker? To help you with these and other investment-related questions, FINRA provides the Securities Helpline for Seniors.



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Resources

Taking Action, NCVC, FINRA, and Others

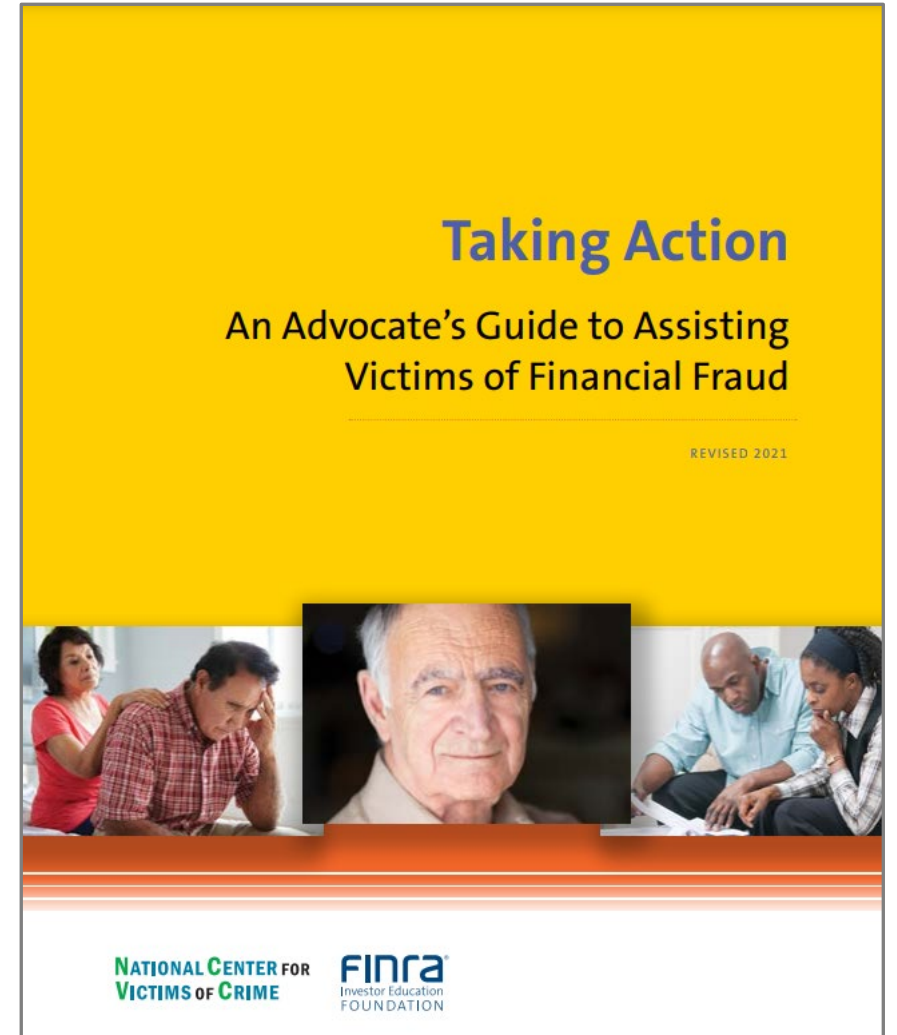


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Taking Action Guide

- Supporting individuals who experienced fraud
- Understanding fraud types
- Prevention tips
- Resources by fraud type

Guide can be downloaded at
victimsofcrime.org/taking-action



VictimConnect Resource Center

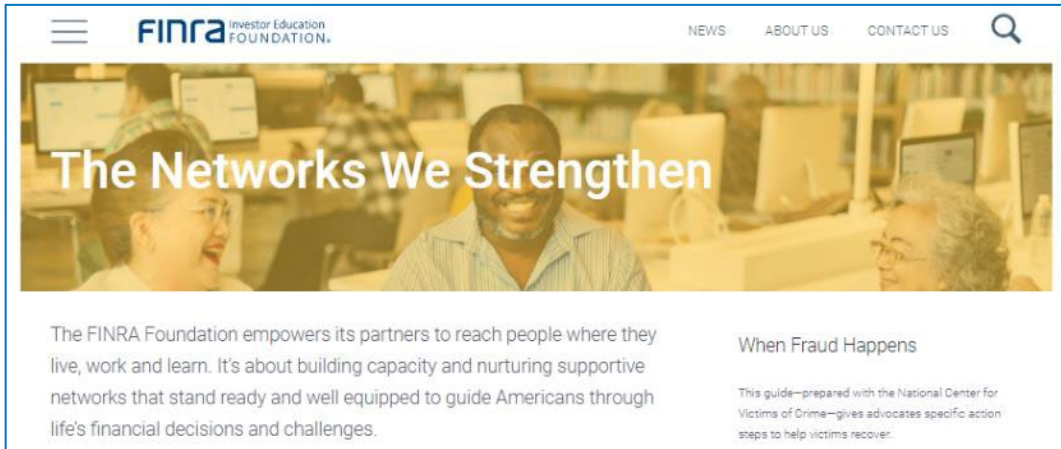
VictimConnect Resource Center (VCRC): a weekday helpline for all victims of crimes in the U.S. and its territories. Open from M-F from 8:30 am - 7:30 pm

Accessing Services

- Call or Text: **1-855-4Victim**
- Chat: **VictimConnect.org/chat**
- Website: **VictimConnect.org**



FINRA Foundation & FINRA Resources



The screenshot shows the top navigation bar with the FINRA Investor Education Foundation logo, and links for NEWS, ABOUT US, and CONTACT US. The main content area features a large image of three people in a meeting with the headline "The Networks We Strengthen". Below the image, text describes how the foundation empowers partners to reach people where they live, work, and learn.

FINRA Investor Education FOUNDATION

NEWS ABOUT US CONTACT US

The Networks We Strengthen

The FINRA Foundation empowers its partners to reach people where they live, work and learn. It's about building capacity and nurturing supportive networks that stand ready and well equipped to guide Americans through life's financial decisions and challenges.



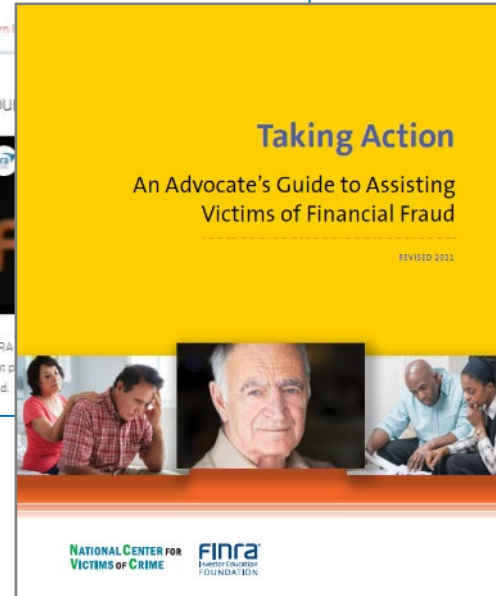
This section features a photograph of a man in a vest and tie speaking. The headline is "Empowering Fraud Fighters". The text below explains that the foundation and its partners have trained thousands to detect, prevent, and respond to financial fraud.

Empowering Fraud Fighters

From law enforcement to consumer advocates and skillful volunteers, the FINRA Foundation and its partners have trained thousands to detect, prevent and respond to financial fraud. The training is turn-key and grounded in research. It puts the right tools in the hands of those in a position to protect consumers and take appropriate action when fraud does occur. The FINRA Foundation's financial fraud fighting network is national and growing ever larger.

When Fraud Happens

This guide—prepared with the National Center for Victims of Crime—gives advocates specific action steps to help victims recover.



The cover of the "Taking Action" guide is yellow with the title "Taking Action" and subtitle "An Advocate's Guide to Assisting Victims of Financial Fraud". It is revised in 2022. The cover features a collage of images showing people in various settings, including a man in a suit, a woman, and a group of people. Logos for the National Center for Victims of Crime and the FINRA Investor Education Foundation are at the bottom.

Taking Action

An Advocate's Guide to Assisting Victims of Financial Fraud

REVISED 2022

NATIONAL CENTER FOR VICTIMS OF CRIME

FINRA Investor Education FOUNDATION



A blue box containing the text "A free tool to research the background and experience of investment professionals and firms." and the "BrokerCheck by FINRA" logo.

A free tool to research the background and experience of investment professionals and firms.

BrokerCheck[®]
by FINRA

FINRA[®]
Investor Education
FOUNDATION



The advertisement features a photograph of a man in an orange shirt looking at a document. Below the photo, the text reads "FINRA Securities Helpline for Seniors™" and describes a toll-free number for assistance.

FINRA Securities Helpline for Seniors™

A toll-free number that senior investors can call to get assistance from the Financial Industry Regulatory Authority (FINRA) or raise concerns about issues with brokerage accounts and investments.

Help (844) 57-HELPS
(844-574-3577)

www.finrafoundation.org/fraudfighter

www.finra.org

FINRA BrokerCheck

📞 BrokerCheck Help Line (800) 289-9999 | 🏠 FINRA Home



 INDIVIDUAL

 FIRM

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John Q Broker

at

Firm Name or CRD# (optional)

in

City, State or Zip (optional)

SEARCH

Show Filters ▾

We found **119** results



1 of 10 pages




 List View [Sort By Relevance](#) ▾

John Q. Broker
CRD# 123456789

Firm Name, Address & CRD

 Broker *Regulated by FINRA*

 Investment Adviser

 Disclosures 


 Years of Experience 49

MORE DETAILS >

Jane Q. Broker
CRD#: QQQQQQ

Currently Not Registered

 Previously Registered Broker

 Previously Registered Investment Adviser


 No Disclosures 

 Years of Experience 34


MORE DETAILS >

Joseph Q. Broker
CRD#: JQ1234

 **BARRED**

 Previously Registered Broker

 Disclosures 

 Years of Experience 14


MORE DETAILS >

John F. X. Broker
CRD# XXXXXXXX

Firm Name, Address & CRD

 Broker *Regulated by FINRA*

 No Disclosures 

 Years of Experience 41

MORE DETAILS >



Other Resources



- **FTC Report Fraud Portal:**
www.reportfraud.ftc.gov
- **Cybercrime Support Network:**
FightCybercrime.org
- **CFPB resources on Debt Collection:**
<https://www.consumerfinance.gov/consumer-tools/debt-collection/>
- **National Elder Fraud Hotline:**
833–FRAUD–11 or 833–372–8311
- **NCVC's TTA Portal:**
www.ncvctta.org

THANK YOU
for Attending!

Rachel Gibson, rgibson@victimsofcrime.org
Christine Kieffer, christine.Kieffer@finra.org



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