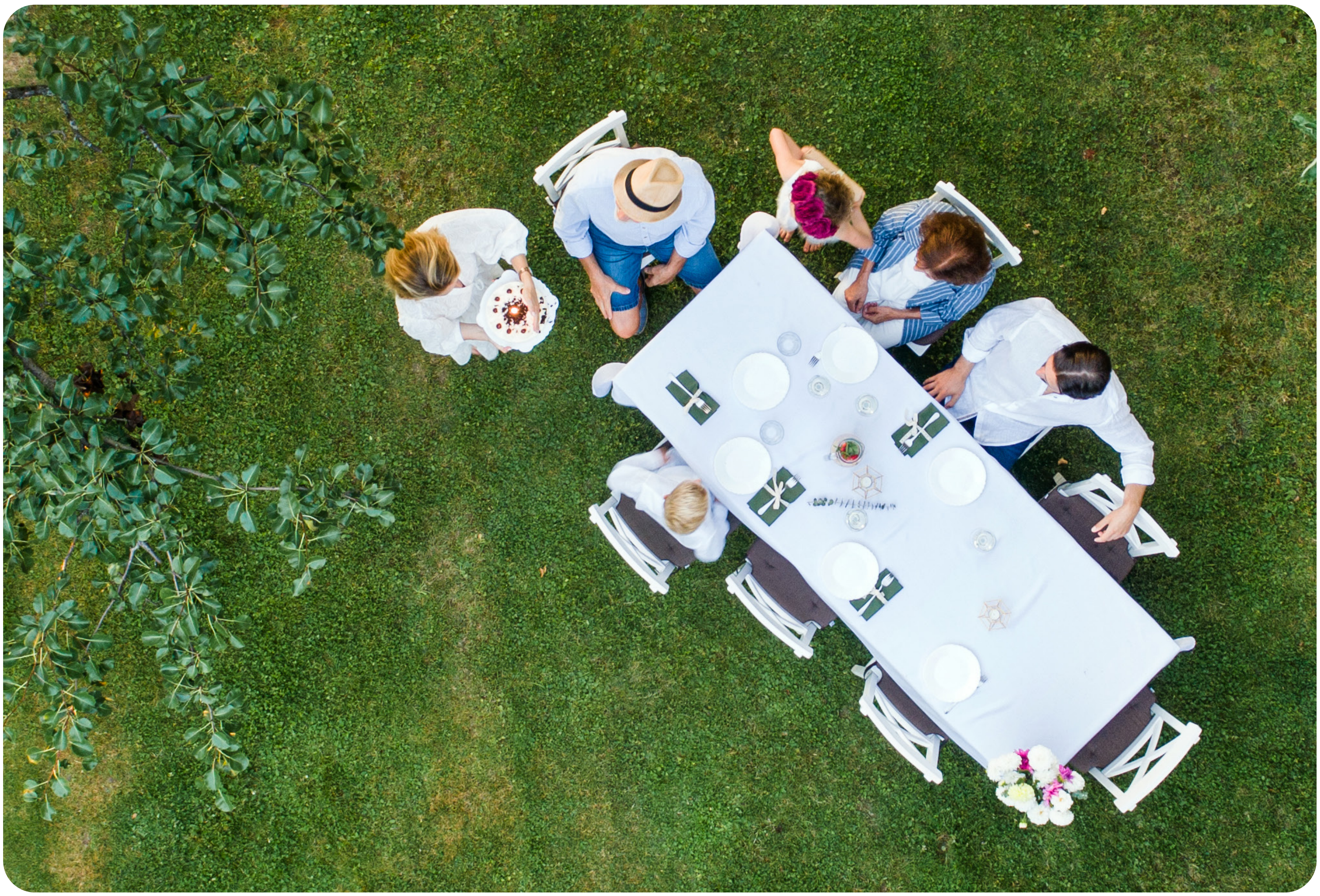
# A guide to assisting Corebridge clients with protecting their retirement assets

Sponsored by Corebridge Elder & Vulnerable Client Care Unit



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# What is elder financial exploitation?

## Important

Sadly, though these scams are prevalent, EVCC's experience has shown that family members and those known to the client are more likely to exploit them. This makes understanding and recognizing the red flags even more important.

## Elder financial exploitation is generally defined by many regulators as the following:

- The wrongful taking, withholding, appropriation or use of money, assets or property of an adult age 65 or older or of an adult aged 18 or over with a physical or mental disability or otherwise a ward of a state (Eligible Adult).

- Any act or omission by a person, including a power of attorney (POA), conservator or other fiduciary relationship with the client to obtain control, through deception or undue influence over or to deprive an Eligible Adult of possession or use of his or her money, assets or property.

- A conversion of the Eligible Adult's money, assets or property to deprive him or her of use, benefit and possession of said property.

Some states define an eligible adult as young as age 60. A handful of states include "fraud" in its definition of elder financial exploitation.

## Types of scams

Older Americans are vulnerable to third-party scams for various reasons. They are often targeted because of their potential for accumulated wealth. They can also be targeted because they often live alone, are not technologically savvy and can be very trusting. The types of scams Corebridge has seen targeted to our more senior clients include the following:

- Romance Scams: Scammers connect with and befriend elderly persons (women mainly), then request money to come visit.

- Lottery Scam: Scammer convinces elderly person they won a lottery, but need to pay an upfront sum to pay taxes before money can be received.

- Technology Assistance Scam: Victim convinced computer requires work, pays an upfront sum to have them fix it.

- Credit Card Scam: Victim is told they are in debt and can pay it off over the phone by providing pre-paid debit, or other gift card, numbers and pin.

# How we can help

Financial exploitation costs older Americans $28.3 billion annually, with nearly three-quarters (approximately $20 billion) stolen by people the victim knows.* EVCC sees cases in which our client is afraid to report financial exploitation out of fear and out of the unwillingness to file a report against a family member or trusted friend.

We, at Corebridge, are in a unique position to recognize the red flags of financial abuse and make efforts to thwart the loss of assets by our clients. The most important action we can take to protect our clients is to be aware of and report red flags immediately. The current red flags to be aware of include the following:

- Uncharacteristic withdrawal(s) especially after new boyfriend/girlfriend, child, grandchild or other individual suddenly comes into client's life.
- Withdrawals with a purpose of paying upfront sum needed to receive winnings from sweepstakes and/or contests.
- Unusual or multiple requests for account changes (e.g., change of password followed by change of bank account number and change of address) or includes suspicious or odd beneficiary changes to a new or unknown person in the client's life.
- Increase in transactions after a new power of attorney or conservator/guardian is added to the account.
- A caller claiming to be the client, or agent of the client, cannot be authenticated.
- A caller claiming to be the client, but voice is not consistent with client's age or gender.
- A large transaction or series of transactions requested that appear to be inconsistent with the client's needs and financial goals, particularly those that incur fees or penalties.
- The client is confused about, or does not recall, requesting transactions made on account.
- A signature on request(s) that is inconsistent with client's signature on other account documents.
- A third party or power of attorney controls the conversation and the client defers questions to the third party or refuses to speak when third party is in the room or on the line with them.
- A third party will not allow you to speak or meet with the client.

* **Source: "Older Americans Robbed of $20 billion a Year by People They Know," Bloomberg.com, 2023.**

# What makes someone vulnerable?

- Physical limitations or inability to complete ADLs (Activities of Daily Living). For example: feeding, dressing, ambulating, bathing, etc.
- Dementia, Alzheimers, Parkinson's disease and ailments that affect one's memory.
- Recent loss of a spouse, partner or close relative can lead to an increased risk of vulnerability and reliance on others to manage daily functions, including managing one's finances.
- Lack of computer savvy and use of technology.
- Many elderly clients still use pen/paper to conduct financial transactions.
- Physical illness/incapacitation such as: blindness/ vision loss, paralysis as a result of a stroke or other injury, brain injury, etc.
- Living alone: many clients outlive their spouses or other family members which put them at great risk of being exploited by a trusted person; or loneliness which makes them more likely to talk to and befriend strangers.
- Early and late onset mental illnesses. For example: schizophrenia, bipolar disorder, dissociative identity disorder.

# Talking to clients

The handling of matters involving vulnerable clients can require a very delicate touch. When a situation gives rise to a concern, individuals working with the Eligible Adult client should keep the following in mind:

- The client may be more comfortable with a family member or other trusted contact on the call. Don't rush the conversation.
- If a client grants authority for a trusted person to join the call, allow them the time to do so.
- Avoid labels: Avoid using terms such as "elderly" or "vulnerable" with a client.
- Contact EVCC if you are in need of assistance or are concerned the client lacks the ability to understand his or her account. It is important that financial advisors make an attempt to obtain the name of a contact the client trusts to attend meetings with the client or to whom the agent can reach out to for information regarding the client.
- Don't wait to request information on a Power of Attorney or trusted contact. These conversations should occur early and continuously throughout the relationship with the client. If a transaction appears unusual, ask the client how they intend to use funds.
- Don't be afraid to ask if there are recent changes in client's life (new girlfriend/boyfriend or relative staying with them). Never stop asking questions and discharge the client. Seek assistance from EVCC if you have concerns. Make sure to record calls whenever possible.
- Many red flags and/or indicators of cognitive decline may arise during a phone call. The EVCC Portal on Corebridge Contact has valuable resources for employees.