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"Scam!"

By Craig Pulliam, CFP® and Michael Comstock, CFP®

Can you imagine the retribution you'd want to inflict on someone who cheated one of your parents out of thousands of dollars they could ill afford? Perhaps you *are* one of those who've been scammed by some lowlife whose sole purpose was to trick you and separate you from your money. And as the population ages, activities designed to illegally wrestle assets from seniors have increased by about 10% per year since 2010, according to the FBI. The aim of this Commentary is to urge caution and to implore seniors and family members to make financial security a priority. There are predators out there.

Some of the most heinous non-violent crimes are those that prey on the elderly who are infirm, impaired, or were just brought up to be more polite and trusting of humankind than later generations. A 2009 study by MetLife's Mature Market Institute estimated that seniors lose approximately \$2.6 billion yearly to financial abuse . . . a figure that may be less than half the actual number due to underreporting. You see, seniors often don't report such abuse because they are ashamed, blame themselves, are in denial, or are worried that loved ones may question their judgment and independence.

Scams that target senior citizens run the gamut from the Bernie Madoff mega-Ponzi schemes to the person knocking on your door collecting for a bogus charity. Fortunately, there are wonderful resources to help seniors avoid scams, and they are much more thorough than we can be here. Check out The National Council on Aging (NCOA), the FBI, the Consumer Financial Protection Bureau (CFPB), and the Women's Institute for a Secure Retirement (WISER) . . . just to name a few good places to go. Yet, with all the help available, people you know are being approached by scammers as we write this today. Some of these unsavory characters will be successful.

And you know what hurts the most? What is most bothersome? That more than 50% of these crimes are perpetrated by family members, caregivers, and friends (NCOA) . . . people who know you, who should care for you, and who supposedly love you. Greed can be a terribly powerful motivator, and people close to you can sometimes come up with amazing rationalizations for their behavior.

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Consider the significant abuse in the use of “Power of Attorney” documents, often involving family members. This is where you name –in a legal document- someone to manage your financial affairs. Maybe your memory isn’t what it was, maybe your eyesight is failing, or maybe you just don’t feel you can understand things as well as you used to. So, you name someone to handle your financial decisions, sort of a “substitute decision-maker”. They may now have access to all your checking and investment accounts. While they are *supposed* to act in your best interests, we have seen cases -first hand- of abuse (no current clients, we assure you). Be careful who you name; look over your statements for withdrawals you didn’t expect. Responsible children of elderly parents should be sure you know who is named and what they’re doing. Remember, too, Powers of Attorney can be revoked and changed.

And while we encourage some of the families we work with to look toward qualified home care help when needed, caregivers can also be a source of financial threat. Given the number of people in this profession, the amount of financial abuse may be perpetrated by a relatively small percentage, but the results can be devastating when they successfully cheat the person they care for. Families who hire an in-home caregiver should lock up valuables, open and shred their own mail, never give the caregiver a credit or debit card, require receipts for all purchases, and never lend money to a caregiver. Any suspected suspicious activity should be reported to the agency/business for whom they work.

As we all know, telemarketing campaigns target seniors. Common are scams claiming a lottery has been won and, “first, please send us a check to cover the processing fees and taxes”. As soon as the “lottery check” check hits your account, they stop payment . . . meanwhile, *your* check has already been cashed. People will call and tell you that you, “must act now” or a special offer will expire, and they’ll ask for your credit card number (never give your credit card number unless you initiated the call). Seniors get calls from fake charitable organizations asking for your contribution . . . your check is sent or a credit card number is given, and no money ever gets to a charity. Don’t take these calls, or –at the very least- tell them to send you printed information you can review first. You may try logging onto www.donotcall.gov to register that you do not want calls from telemarketers.

Anytime people are in the home to perform a service for an elderly person, that person is vulnerable in at least two ways: theft of valuable items is a consideration (keep these locked away, and your wallet/purse out of sight), and the “upselling” of unnecessary services or products/appliances is often pitched. Are you confident when the electrician who’s replacing a ceiling fan tells you that you need to

replace your entire electrical panel? You've been through this, you know what we're talking about. Just get another opinion from someone you trust, and don't make snap decisions; take your time to think things over. Few people are crooks, but we've got to be careful.

Even in our financial services industry you see questionable practices right out in the daylight. We bet every one of you reading this who's over 55 has received an invitation in the last 30 days to a nice free dinner offering to tell you about the common mistakes seniors make with their IRAs, managing risk, or similar topics. In almost every case, the sponsors of these freebies are trying to sell you something, usually annuities or life insurance products (CFPB Participant/Resource Guide). They're not all bad, but just be careful and remember that if the offer or product sounds too good to be true, then you're probably not getting the full picture. If you think you're getting the old sales pitch, just give us a call and we can seek the facts and truths.

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There are so many more ways that we are violated whether it's through the internet, mail, by phone, or even door-to-door. Staying vigilant and protecting ourselves and our loved ones is challenging and time consuming. But, if you've ever been victimized by this or seen it happen to your mom or dad, you know it can be devastating financially and emotionally.

Our best advice is to take your time when considering things and never be browbeaten into making a hasty decision, keep things locked up, change passwords occasionally, buy a crosscut shredder for sensitive mail (~\$75 or less), ask for information in writing and review it with someone you trust, bank on-line and use automatic deposit features, and don't hesitate to report a situation which seems unsavory. Call on us, and we can try to point you in the right direction. And, for those of you with aging parents, please keep an eye out for them, and ask who's been calling them, go over their mail with them, help them with a second set of eyes on major expenditures (a new roof, a car, a renovation).

Most of the time, we think life is pretty pleasant and wonderful. But it takes just one crook and one misstep to cause serious harm. Sadly, some of you reading this already know that.

Craig Pulliam and Michael Comstock are CERTIFIED FINANCIAL PLANNER™ professionals practicing at 112 Westwood Place, Suite 310, Brentwood, TN. They own Premier Asset Management and are registered representatives and investment adviser representatives with/and offer securities and advisory services through Commonwealth Financial Network: A Registered Investment Adviser, Member FINRA, SIPC. Fixed Insurance products and services offered by Premier Asset Management are separate and unrelated to Commonwealth.

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