



TRUST

INVESTMENT PERSPECTIVES

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'Tis the Season for Elder Financial Abuse

It always seems to be the season for financial abuse and scamming of the elderly. Since we are in the midst of tax season, I am reminded of one of the more common scams: fictitious phone calls from the IRS. The caller, impersonating an IRS agent, states that you or a family member owes taxes. The impostor claims that the problem can be quickly remedied via credit card payment to avoid possible jail time.

I have received this phone call myself! If you answer the phone and hear this scam, simply hang up. I can assure you that the IRS doesn't call taxpayers without first sending a letter. And the IRS won't threaten you with jail time or ask for your credit card number.

Finally, don't respond to unsolicited emails that appear to come from the IRS; the IRS does not initiate contact with taxpayers by email, text message or social media.

HACKING

With everyone increasingly reliant on technology, including the elderly, our confidential information has never been at greater risk than it is today. Hackers use sophisticated techniques to gain access to bank accounts and other personal data.

Unfortunately, no system is fool-proof; but you can reduce the risk of compromising information on your computer or phone with these simple precautions:

- Don't open emails from senders you do not know and trust.
- Don't click on anything within an email - no matter how funny or interesting it appears - unless you absolutely know it is from a legitimate source.
- Don't believe any stranger who calls to say you have a computer problem and you need to let them remote into your computer to investigate.

Can someone still break into your computer by other means? Certainly, but there's no need to give them the keys to your virtual front door.

According to a recent study by the Bureau of Justice Statistics, financial exploitation is the third most common type of elder abuse. Amazingly, the Justice Department believes that only 1 in 44 cases of financial abuse are reported.

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Some of the reasons for not contacting authorities are embarrassment, a close relationship with the abuser, a desire to protect the abuser if it is a child or grandchild, or not being aware of the exploitation.

EASY STEPS TO PROTECT YOURSELF

Beyond hanging up your phone and ignoring suspect emails, what can the elderly do to protect themselves? Based upon our many years of experience watching over our clients, here are steps the elderly and their families should consider:

- Ensure your financial affairs are in order with periodic reviews with your financial advisor and accountant. Review both your assets as well as your income and expenditures.
- Make sure your estate plans are in order by reviewing with your legal advisor. A good estate plan can come into play long before someone passes. People who can no longer care for themselves or make decisions for themselves are better protected with a complete estate plan.
- Consider bringing family members into these reviews in order to put more eyes on the situation. This helps counter the isolation that scammers depend upon to be successful with the elderly.
- Go to the Federal Trade Commission’s website (www.consumer.ftc.gov) to get on Do Not Call, Do Not Email, and Do Not Mail lists. While this step won’t stop the would-be thieves, it will help shine a light on them as legitimate solicitors should adhere to your wishes.
- Periodically check your credit reports to make sure you have not fallen victim to identity theft. Furthermore, talk to your bank and credit card companies about the tools they have to help prevent identity theft and to protect your financial assets. Financial institutions can increasingly spot suspect transactions.
- Lastly, maintain and use only the bank/investment/credit card accounts you truly need. Closing unneeded accounts eliminates possible incursion points as well as simplifies your financial life.

Fraudsters and their scams will likely always be in abundance, but you can help keep them at bay with a few time-tested actions. 🔒