

ALABAMA SECURITIES COMMISSION

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Telephone: (334) 242-2984 or 1-800-222-1253 Fax: (334) 242-0240

Email: asc@asc.alabama.gov Website: www.asc.alabama.gov

SECURITIES COMMISSION WARNS OF RISKS OF INVESTMENT FRAUD AMONG SENIOR ALABAMIANS DUE TO INCREASED ISOLATION DURING COVID-19

ALABAMA SECURITIES COMMISSION RECOGNIZES WORLD ELDER ABUSE AWARENESS DAY

Montgomery, Alabama (June 15, 2020) - In recognition of World Elder Abuse Awareness Day (WEAAD) on June 15, the Alabama Securities Commission (ASC) reminds financial professionals and the public throughout Alabama that heightened isolation and loneliness during the COVID-19 pandemic have created a perfect storm for senior financial exploitation.

“Social isolation has long been one of the leading factors contributing to the financial exploitation of older investors and the unprecedented quarantines to protect against the spread of the novel coronavirus have taken social isolation to a new dimension for many seniors, making them more vulnerable to financial exploitation,” Director Joseph Borg said.

While financial abuse can happen at any time, perpetrators often strike during times in a senior’s life when they may be more vulnerable, such as during a health crisis or after the death of a loved one. Scammers often gather personal details from obituaries and social media posts and use this information to target their victims. Some even will exploit trust within seniors’ social and support groups to become more involved in their lives.

What to Watch For

Senior financial exploitation can be difficult to identify or recognize. Below are five examples of warning signs to watch for among the seniors in your lives:

- A new and overly protective friend or caregiver or surrendering control of finances to a new friend or partner.
- Fear or sudden change in feelings about somebody.
- A lack of knowledge about financial status or reluctance to discuss financial matters.
- Sudden or unexplained changes in spending habits, a will, trust, or beneficiary designations.

- Unexplained checks made out to cash, unexplained loans, or unexplained disappearance of assets (cash, valuables, securities, etc.). Also watch for suspicious signatures on the senior's checks or other documents.

How You Can Help

- **Contact.** While in-person visits may not be possible yet, be sure to keep in touch with older family members, friends, and neighbors. Call or leave a note on their front door. If they have the technology, send them a text or email, or Facetime or Skype. Contact is key to letting your loved ones know you are thinking of them.
- **Inform.** Let your older family members know that fraudsters and scammers have found ways to exploit the pandemic. Make them aware of the red flags of fraud, which remain consistent regardless of the fraud or scam. Click [here](#) to see "Red Flags for Investment Fraud".
- **Act.** Director Borg asks anyone with suspicions of possible senior financial exploitation to contact the agency at 1-800-222-1253. For valuable information to help make safe and informed investment decisions go to: www.asc.alabama.gov.

The ASC has created a special web area called [CON WATCH](#) to highlight and warn citizens about COVID-19 related investment scams. Also, ASC launched a new email address (COVIDCONS@asc.alabama.gov) to report suspicious or fraudulent COVID-19 investment offers.

Financial and investment professionals also are encouraged to contact the ASC to request a SeniorSafe presentation on how to spot and report suspected senior financial exploitation.

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For further information contact Dan Lord, Education and Public Affairs Manager, 334-353-4858.

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