North American Securities Administrators Association (NASAA)

AUGUST 2017 PULSE SURVEY:
Seniors & Financial Exploitation
Methodology

• Survey timeframe
  • July 24 – August 4

• Audience
  • Survey was conducted internally among NASAA’s membership of 67 state, provincial, and territorial securities administrators in the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Canada, and Mexico.

• Respondents
  • 36 regulators from NASAA member organizations.

• Focus
  • Per National Senior Citizen Day, NASAA administered the inaugural Quarterly Pulse Survey to members to showcase the urgency of preventing senior financial exploitation.
Awareness is Increasing

Would you say there is greater awareness of the investment fraud or exploitation risks seniors face now than there was a year ago?

- Yes: 97%
- No: 3%
Fraud is Not Decreasing

In the past year, has your agency seen an increase or decrease in cases or complaints involving senior financial fraud or exploitation?

Rate of Financial Exploitation

- Increase: 29%
- Decrease: 3%
- About the same: 69%
Steps Taken to Diminish Fraud

Because you indicated your agency has seen an increase in cases or complaints involving senior financial fraud or exploitation, what steps are you taking?

- Investor education & senior outreach
- NASAA Model Act to Protect Vulnerable Adults From Financial Exploitation
- Enforcement
- Other
- All of the above
Adoption of NASAA Model Act to Protect Vulnerable Adults From Financial Exploitation

Has your jurisdiction adopted legislation/regulation based on NASAA’s Model Act to Protect Vulnerable Adults from Financial Exploitation or does your jurisdiction have similar laws/regulations?

**Implementation**

- No: 52%
- Yes: 48%
Has your agency received reports of suspected senior financial fraud or exploitation since your legislation was enacted?

**Senior Fraud Following Enacted Legislation**
Using Disbursement Holds to Stop Exploitation

Pursuant to these laws, have firms been able to prevent senior financial fraud or exploitation by stopping distribution of funds?

Success of Stopping Distribution of Funds

- Yes: 77%
- No: 23%
Most Cases Undetected Until Too Late

In your opinion, do you feel most cases of senior financial fraud or exploitation:

- Go undetected until too late
- Are discovered before they cause serious problems
Industry Must Step Up

In your opinion, are broker-dealers and investment advisers doing enough to prevent senior fraud?

- No: 75%
- Yes: 25%

Investment Advisor Efforts
Seniors Most Likely to Fall Victim

Which generation do you feel is most vulnerable to financial fraud?

- **Silent Generation**: 82%
- **Baby Boomers**: 18%
- **Generation X**: 0%
- **Millennials**: 0%