



Seniors Targeted by Scammers

Victor's nightmare began with a phone call from someone claiming to be from the Canada Revenue Agency, informing him he owed thousands in unpaid taxes. If he didn't pay immediately, he would be arrested. Victor was too embarrassed to ask his daughter for help. Had he messed up that badly? The scammer picked up on his panic, demanding his social insurance number and immediate payment. Fortunately for Victor, he was so overwhelmed he hung up on the caller and stopped answering calls unless he recognized the number. When he finally told his daughter what happened, she assured him that it had been a scam because the CRA never demands immediate payment or make threatening phone calls.

Not every senior is as lucky as Victor. Although Canadians of every demographic are victims of financial fraud, seniors are the preferred target of local, national, and international scammers. According to financial crimes expert Vanessa LaFolla, these scammers are becoming increasingly sophisticated, making it harder for vulnerable seniors to distinguish fact from fiction. She refers to these scammers as "natural psychologists who really understand what vulnerabilities people have."¹

In addition to the tax scam that Victor almost fell for, other fraudulent activities frequently targeting seniors include the following:

Online scams

Scammers may use pop-up browsers to warn of a virus or other elaborate scams, prompting victims to give them access to financial information on their computers. Scammers will also "phish" (email) or "smish" (text), using false links to access credit card numbers, passwords, and sensitive information.

Romance scams

Seniors whose lifestyles or relationship status keep them socially isolated can be especially vulnerable to scams, particularly those shrouded in online anonymity. To extort funds, they groom seniors for days, months or years, timing their financial "ask" when individuals are most receptive to their scheme.

Emergency scams

Scammers may call, email or even knock on seniors' doors, imploring them to help a loved one in distress. They prey on their sympathy, convincing them to hand over thousands of dollars to rescue a relative in physical, mental or legal distress. The scammers lend credibility to this by combing a senior's social media posts, then lying to prey upon their worry about friends or family.

Protecting yourself and loved ones from scams

The best antidote to lies is fact. Whether you're a senior or a family member of someone vulnerable to financial exploitation, one of your best defenses is a relationship with a trusted financial advisor. They can look for signs that clients are at risk, flag suspicious transactions and alert family members. If someone you love is aging, may be in cognitive decline or is vulnerable to financial scammers, having a financial advisor in your corner could mean the difference between financial well-being and ruin.

**Fictional characters for illustrative purposes only.*

¹: CBC News: Fraud Fighters - <https://bit.ly/3POOcPa>



Rakesh Garg, CFP

Mayrak Financial Solutions - Worldsource Financial Management Inc.

Ph: 905.501.0438 - www.mayrak.com - rakesh@mayrak.com