

Senior Financial Protection





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This Session will cover:

- € Demographic trends, increased fraud, and the senior population
- € What authorities are doing
- € NAIFA's policy and advocacy
- € What are your responsibilities?

Aging Population and Increased Fraud

€ Estimate: senior fraud cost \$2.6 to \$3 billion annually.



€ Senior Population to be 72 million by 2030.

Lottery Scam



Prize Scams



Mail Fraud



Non-existent Investment Products



**INVESTMENT
SCAMMERS**



Power of Attorney Abuse

€ Largest Source of Elder Financial Exploitation: 55% of Cases



What are the States Doing?

- € NASAA Model: Mandatory Reporting, Temporary Delay, Liability Immunity
- € Enacted: AL, AR, MD, NM, VT
- € Enacted (Voluntary Reporting): LA, MO, MT, TN
- € Pending: OR, CO, ND, MI, and TX



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PROMOTING APPROPRIATE SALES PRACTICES IN LIFE INSURANCE AND ANNUITIES (A) WORKING GROUP

Life Insurance and Annuities (A) Committee

2017 Charges

Review and revise, as necessary, the Model Regulation on the Use of Senior-Specific Certifications and Professional Designations in the Sale of Life Insurance and Annuities (#278), as well as the producer and insurer bulletin and the NAIC Consumer Alert, "Preventing Abusive Practices: The Misuse of Senior Designations and 'Free Lunch' Seminars."

Meeting Materials Exposure Drafts Related Documents

Calendar

Promoting Appropriate Sales Practices in Life Insurance and Annuities (A) Working Group Conference Call
May 11, 2017
1:00 PM ET/12:00 PM CT

- Agenda
- Draft survey
- Consumer alert revisions explained
- Consumer alert - revised
- Consumer alert - revised clean
- ACFS Comment

Promoting Appropriate Sales Practices in Life Insurance and Annuities (A) Working Group Conference Call
March 24, 2017
1:00 PM ET/12:00 PM CT

- Agenda
- 2-21-17 draft minutes
- Survey questions feedback

FINRA Senior Protection

€ FINRA RULE 15-37: Approved by SEC



Financial Industry Regulatory Authority

Senior \$afe Act (S.223)

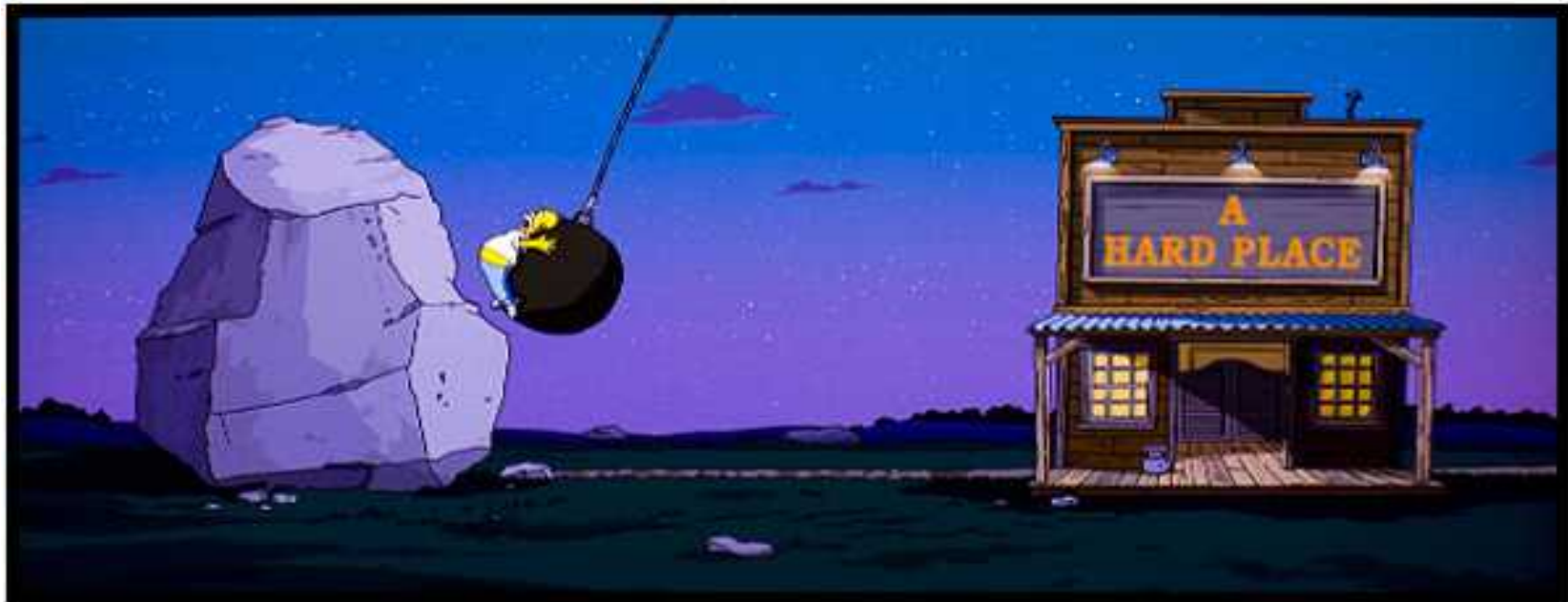


NAIFA Position

- € Voluntary, not mandatory reporting
- € Reporting should be done at the firm level
- € Liability Immunity Protection for Advisors and Firms

Liability Protection

Avoid a legal rock and a hard place.



Protect Your Clients



U.S. Treasury Guidance

Red Flags of

FRAUD



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Consumer Financial Protection Bureau

<http://www.consumerfinance.gov/older-americans/>



Consumer Financial
Protection Bureau

Your Responsibilities

- € Know the laws in your state
- € Follow the Dept. of Treasury and CFPB guidance
- € Attend anti-fraud training sessions

Questions?



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