

**STATEMENT OF
DON BLANDIN
PRESIDENT AND CEO
INVESTOR PROTECTION TRUST**

**GOOD DAY AND WELCOME. MY NAME IS DON BLANDIN. I AM THE PRESIDENT AND CEO OF THE
NONPROFIT INVESTOR PROTECTION TRUST.**

**WE ARE HERE TODAY TO LAUNCH THE ELDER INVESTMENT FRAUD AND FINANCIAL EXPLOITATION
PREVENTION PROGRAM FOR LAWYERS. OUR AIM IS TO ENCOURAGE LAWYERS TO JOIN IN A MAJOR
PUSH TO SPOT AND REPORT FINANCIAL FRAUD TARGETING OLDER AMERICANS.**

**IN A MOMENT ... I WILL BE DISCUSSING THE FINDINGS OF A NEW SURVEY OF LAWYERS ON THIS
TOPIC. THIS MAJOR INITIATIVE BETWEEN IPT, THE INVESTOR PROTECTION INSTITUTE AND THE
AMERICAN BAR ASSOCIATION FOLLOWS THE 2010 LAUNCH OF AN ONGOING AND SIMILAR PROGRAM
TARGETING MEDICAL PROFESSIONALS. THAT PROGRAM ALREADY HAS TRAINED MORE THAN 7,800
DOCTORS AND OTHER HEALTHCARE PROFESSIONALS IN 32 STATES AND THE DISTRICT OF COLUMBIA.**

**SO ... WHY ARE WE ENLISTING LAWYERS TO GET INVOLVED? THE SIMPLE ANSWER IS THAT ELDER
FRAUD IS A HUGE PROBLEM THAT REQUIRES A MASSIVE RESPONSE ON MULTIPLE FRONTS.**

**OUR OWN SURVEY WORK AT THE INVESTOR PROTECTION TRUST INDICATES THAT NEARLY 20
PERCENT OF OLDER AMERICANS SAY THEY HAVE BEEN FINANCIALLY EXPLOITED.**

IN 2009 THE METLIFE MATURE MARKET INSTITUTE ESTIMATED THAT OLDER VICTIMS' ANNUAL LOSSES TOTALED \$2.6 BILLION. A 2011 UPDATE FOUND AN INCREASE IN LOSSES TO \$2.9 BILLION.

THIS PROBLEM IS EXPECTED TO GET WORSE AS THE U.S. POPULATION AGES. SOME FORM OF COGNITIVE IMPAIRMENT AFFLICTS ONE-THIRD OF PEOPLE OVER AGE 71 IN THE UNITED STATES, ACCORDING TO A 2008 DUKE UNIVERSITY STUDY.

AS BOB ROUSH FROM BAYLOR COLLEGE OF MEDICINE WILL EXPLAIN IN MORE DETAIL ... COGNITIVE IMPAIRMENT MAKES PEOPLE MORE LIKELY TO MAKE FINANCIAL ERRORS AND LESS ABLE TO EVALUATE RISK. AS A RESULT, THEY BECOME LESS RISK-AVERSE AND EASIER TARGETS FOR EXPLOITATION BY FAMILY MEMBERS, CAREGIVERS, FRIENDS, ACQUAINTANCES, OR STRANGERS.

AND THAT'S WHY WE NEED TO GET MORE LAWYERS INVOLVED IN SPOTTING AND REPORTING SUCH CASES.

THE NEW ELDER INVESTMENT FRAUD AND FINANCIAL EXPLOITATION PREVENTION PROGRAM LEGAL WILL DEVELOP, TEST, AND IMPLEMENT A MODEL NATIONAL CONTINUING LEGAL EDUCATION (CLE) PROGRAM TO TEACH LAWYERS TO:

(1) RECOGNIZE CLIENTS' POSSIBLE VULNERABILITY TO ELDER FINANCIAL EXPLOITATION DUE TO MILD COGNITIVE IMPAIRMENT;

(2) IDENTIFY ELDER FINANCIAL EXPLOITATION IN THEIR CLIENTS; AND

(3) REPORT SUSPECTED INSTANCES OF ELDER FINANCIAL EXPLOITATION TO APPROPRIATE AUTHORITIES.

WILL LAWYERS WANT TO GET INVOLVED? WILL THEY SEE THIS AS SOMETHING THEY NEED TO ADDRESS?

THE GOOD NEWS HERE IS THAT WE HAVE NEW SURVEY FINDINGS SHOWING THAT LAWYERS ARE, IN FACT, READY TO LEND A HAND.

WE FOUND THAT NINE OUT OF 10 PRACTICING ATTORNEYS SURVEYED ARE WILLING TO TAKE PART IN THIS NEW CAMPAIGN TO AID OLDER AMERICANS WHO HAVE BEEN THE VICTIMS OF INVESTMENT FRAUD AND FINANCIAL EXPLOITATION. YOU CAN FIND THE RESULTS OF THE FINDINGS OF THE SURVEY OF 674 PRACTICING ATTORNEYS ONLINE AT INVESTORPROTECTION.ORG.

HERE ARE OTHER KEY SURVEY FINDINGS:

- MORE THAN NINE OUT OF 10 ATTORNEYS (91.4 PERCENT) SAY THAT ELDER INVESTMENT FRAUD AND FINANCIAL EXPLOITATION IS A “VERY SERIOUS” OR “SOMEWHAT SERIOUS” PROBLEM.**
- MORE THAN ONE OUT OF THREE ATTORNEYS (34.4 PERCENT) SAY THEY ARE AWARE THAT THEY “ARE OR MAY BE DEALING WITH THE VICTIMS OF ELDER INVESTMENT FRAUD AND FINANCIAL EXPLOITATION.”**

- **ROUGHLY NINE OUT OF 10 ATTORNEYS (88.6 PERCENT) WOULD BE WILLING TO PARTICIPATE IN A CONTINUING LEGAL EDUCATION (CLE) PROGRAM “ABOUT DETECTING, PREVENTING, AND REDRESSING ELDER INVESTMENT FRAUD AND FINANCIAL EXPLOITATION.”**
- **MORE THAN NINE OUT OF 10 ATTORNEYS (92.4 PERCENT) SAID THEY WERE “VERY WILLING” OR “SOMEWHAT WILLING” TO GET INVOLVED WHEN ASKED: “ASSUMING IT WAS ETHICALLY PERMISSIBLE TO DO SO, HOW WILLING WOULD YOU BE TO CONTACT A LAW ENFORCEMENT AGENCY OR SECURITIES REGULATOR FOR HELP WHEN WORKING WITH AN OLDER CLIENT WITH DIMINISHED CAPACITY WHO IS OR MAY BE THE VICTIM OF INVESTMENT FRAUD AND FINANCIAL EXPLOITATION?”**

HERE AT IPT, WE LOOK FORWARD TO WORKING WITH THE AMERICAN BAR ASSOCIATION TO MAKE THIS PROGRAM A MAJOR SUCCESS.

IN CLOSING I WOULD LIKE TO SAY THIS ...

WE KNOW THAT A SHOCKINGLY LARGE NUMBER OF OLDER AMERICANS ARE ALREADY VICTIMS OF FINANCIAL SWINDLES AND MILLIONS MORE ARE IN DANGER OF BEING EXPLOITED IN SUCH A FASHION. FRONT-LINE LEGAL PROFESSIONALS WHO DEAL EVERYDAY WITH OLDER AMERICANS ARE IDEALLY POSITIONED TO SPOT THE IMPAIRED MENTAL CAPACITY THAT CAN LEAVE SENIORS VULNERABLE TO FINANCIAL ABUSE.

OUR NEW PROGRAM SEEKS TO INFORM LAWYERS ABOUT THE WARNING SIGNS OF ELDER INVESTMENT FRAUD AND FINANCIAL EXPLOITATION. OUR GOAL IS TO IMPROVE THE

**COMMUNICATION AMONG LEGAL PROFESSIONALS, OLDER AMERICANS, ADULT CHILDREN AND STATE
SECURITIES REGULATORS IN ORDER TO HEAD OFF FINANCIAL SWINDLES BEFORE THE DAMAGE IS
DONE.**

THANK YOU FOR YOUR ATTENTION.

I LOOK FORWARD TO TAKING YOUR QUESTIONS DURING THE Q&A PERIOD.