



OICU-IOSCO

Senior Investor Vulnerability

**Jed Hodgson
Hannah Regan
Gerri Walsh**



<Author>
<Job title>
IOSCO

Quiz

What was the global average life expectancy for someone born in 2001?

Quiz

66.6

Quiz

What is the global average life expectancy for someone born in 2015?

Quiz

71.4

Quiz

Which country has the highest life expectancy in the world?

Quiz

Japan (83.7)

Quiz

How many people are aged 80 and over in the world today?

Quiz

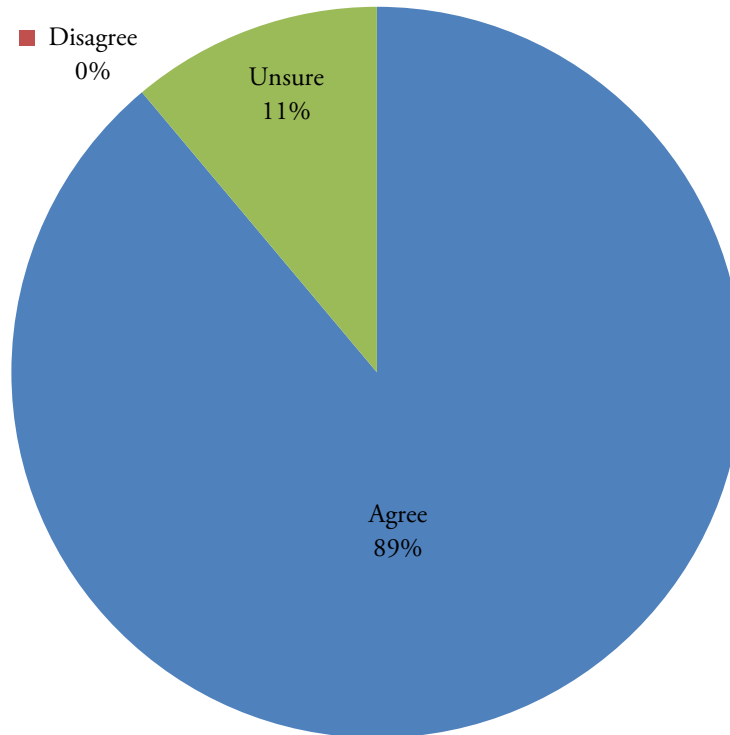
125 million

Basis of the report

- Twenty-eight C8 members
- Seven members/groups responded to the C3/AMCC survey
- One group responding to the AMCC survey distributed the questionnaire among its membership, garnering more than 2,600 individual responses that 6 informed the organization's consolidated response.

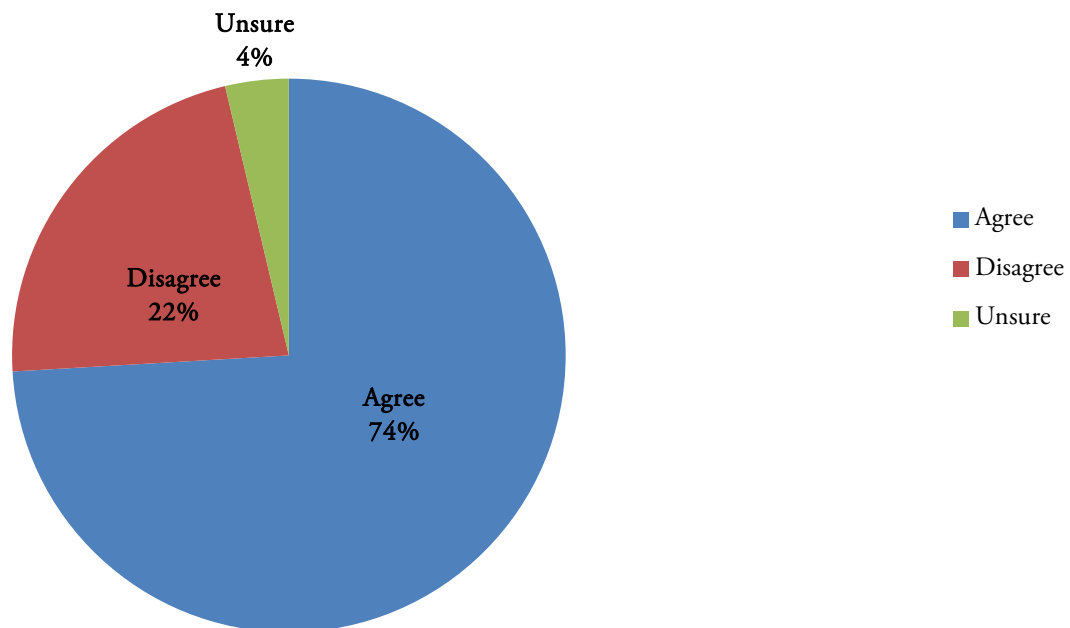
Key findings

Figure 1: Are seniors at a greater risk?



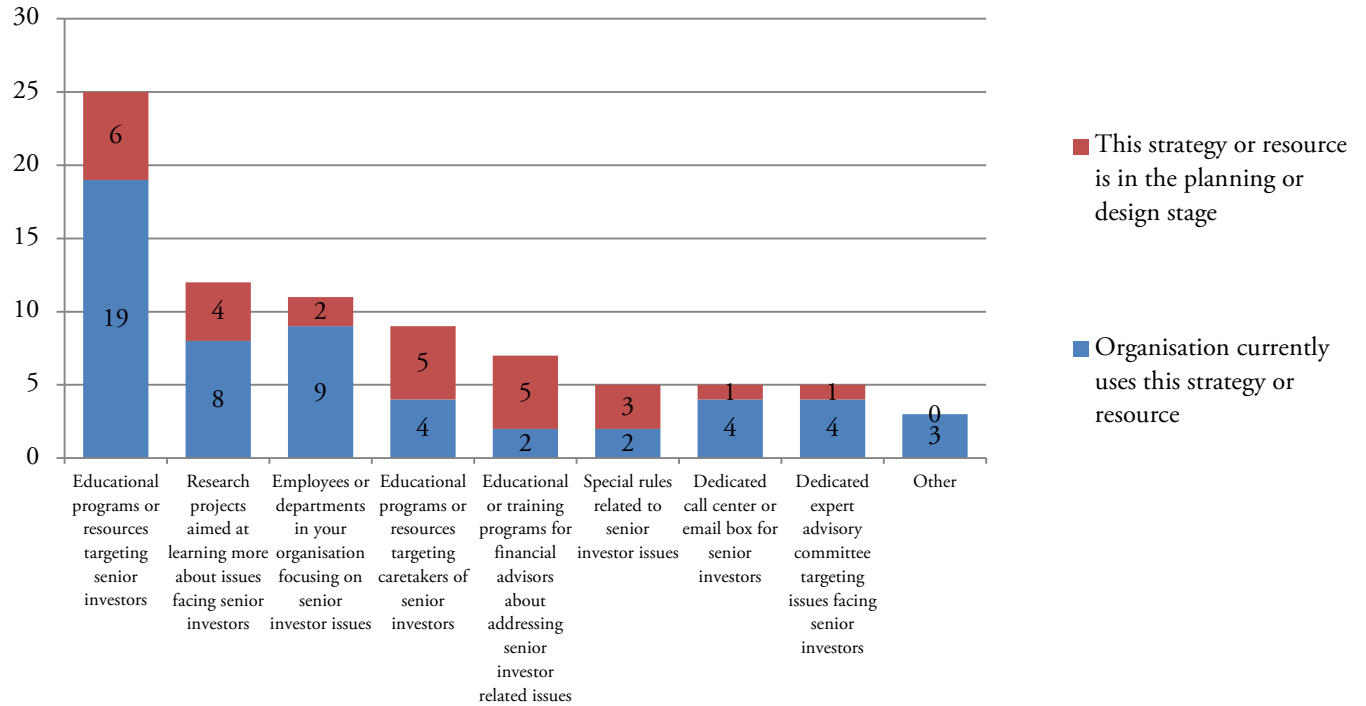
Key findings

"My organisation has programs and policies in place to protect senior investors"



Key findings

Which specific strategies or resources to protect senior investors does your organisation use, or plan to use?



Key findings

- From the companion survey sent to C3 and AMCC:
 - senior investors typically face the same risks as most other investors
 - most issues pertaining to seniors could also be shared by investors from other demographics
 - online communication and digital disclosure

Discussion

- Collaboration
- Helplines & tools
- Education
- Industry initiatives

Discussion

- Collaboration

Collaboration with external experts and other regulatory or advice bodies.

Example:

The Ontario Securities Commission (OSC) created its Seniors Expert Advisory Committee (SEAC) to serve as a forum to discuss and address the needs of older investors.

Discussion

- Helplines & Tools

Helplines and tools can be created specifically for elder consumers, helping them with various aspects that they may find particularly difficult to understand, or have difficult to obtain access to.

Example:

FINRA Securities Helpline for Seniors®—a toll-free number where senior investors can get assistance from FINRA on concerns with brokerage accounts and investments.

Discussion

- Education

Tools or initiatives designed at educating consumers in certain areas that they may be most vulnerable, such as scams.

Examples:

FCA ScamSmart - a public education campaign targeted particularly at senior investors.

ASIC- MoneySmart website

Discussion

- Industry Initiatives

Initiatives encouraged by industry or membership organisations targeted at senior investors.

Example:

FPSB responses

35 percent require understandable disclosures by advisors claiming expertise specific to seniors

34 percent encourage policies that establish requirements for advisors specializing in giving advice to seniors

Task

- Split up into small groups
- 20 mins to discuss
- Each group to feedback

Task

In groups, discuss:

- What would be the challenges for introducing these in your jurisdiction?
- How could IOSCO help, or what would be helpful to your organisation to help introduce these?
- Have we missed any best practice?

Best practice for regulators

- Deliver educational programs and resources targeting senior investors;
- Foster the development of senior-focused expertise within existing regulatory, educational or advisory programs;
- Conduct research projects aimed at better understating the risks and issues facing senior investors and to better understand the incidence and mechanics of investment fraud impacting seniors in their jurisdictions; and
- Develop guidelines for, and provide training to, personnel reviewing transactions conducted with senior investors.

Best practice for Financial Services providers

- Support for senior investors experiencing a life event during the product lifecycle; and
- Training and support for employees of financial services firms.

Questions?