Advisor Services



Fraud & Security Awareness

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Advisor Services Fraud Prevention
2026

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Considerations for Senior Investors

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The Threat Landscape

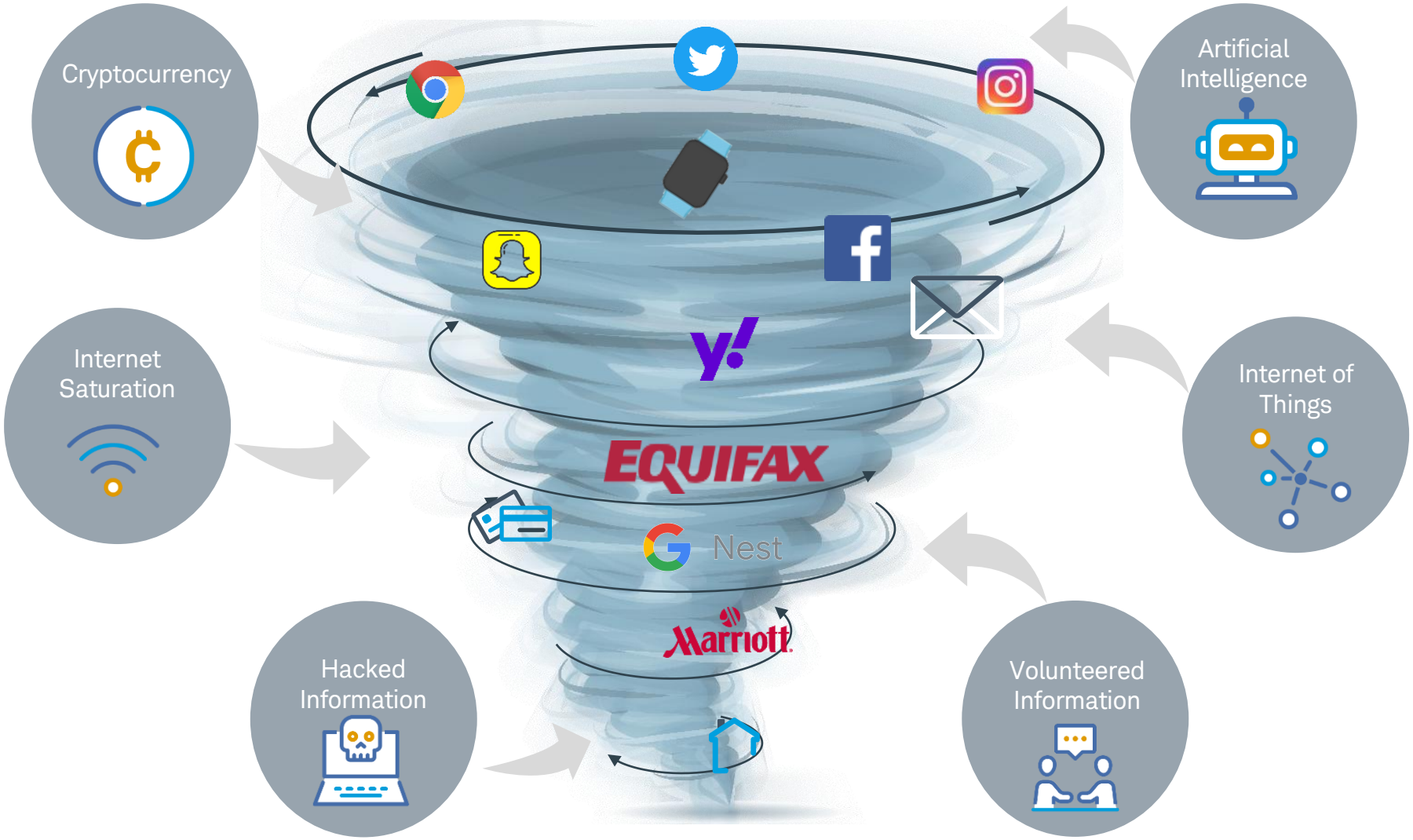
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Convergence of factors create the perfect storm…



The Perfect Fraud Storm

The Connection Point

Who? What? How? Why?

The bad actor

The target/victim



Social media/online messaging

Phone/text messaging

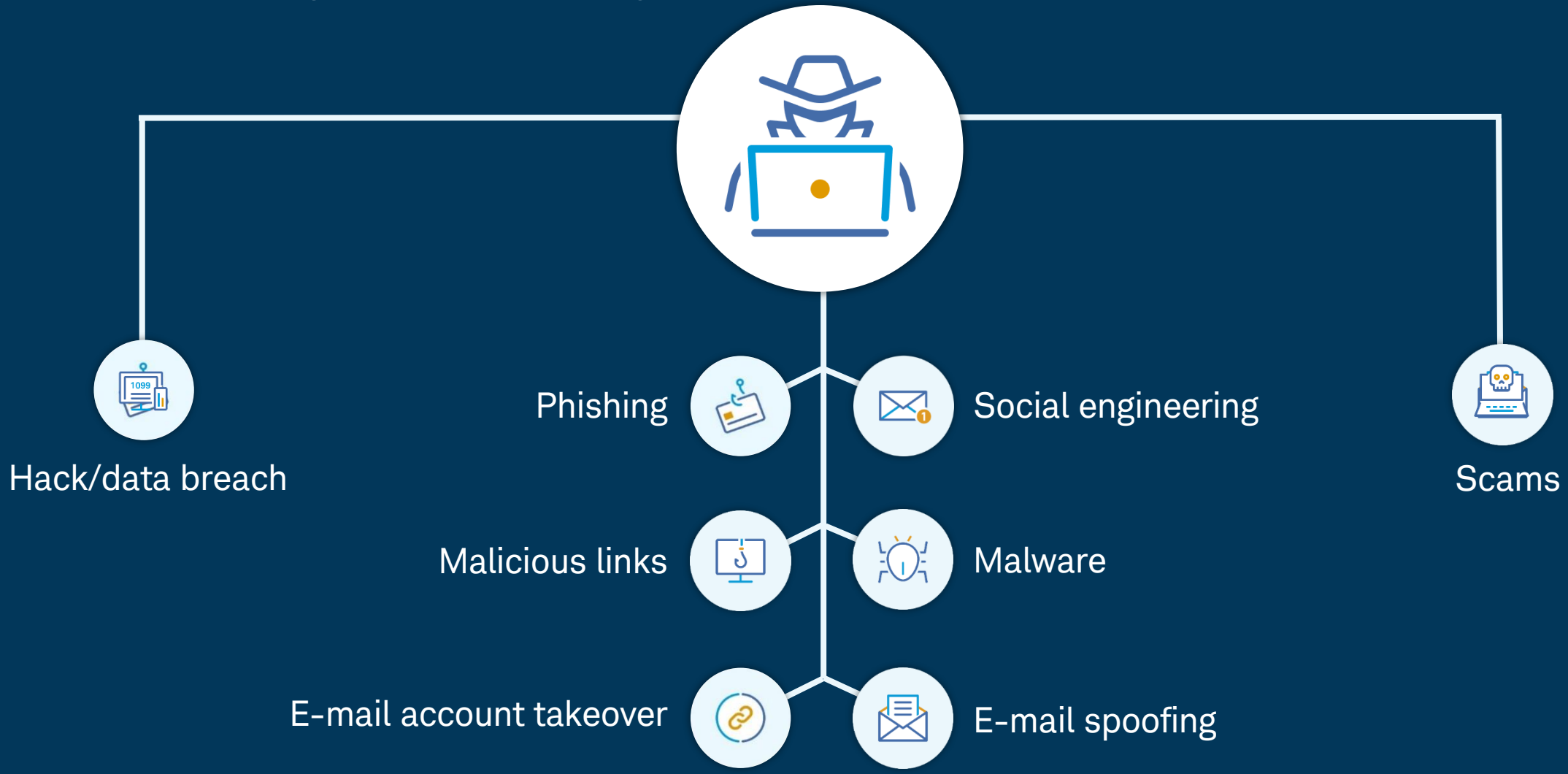
Email/mail

Website/pop-up

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Common cybersecurity and fraud threats



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How habits make us vulnerable



Password reuse



Phishing attacks



Weak passwords





MFA Bombing

Stolen, weak, and reused passwords are the leading cause of compromises.

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Safeguarding Your Identity



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Protect your digital property

1	Email Accounts
2	Phone Number
3	Social Media
4	Online Security



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What's in Your Email?



Your entire conversation history!

Personal messages	Email contacts	Travel plans	Online merchants	Employer paystubs
Work documents	Account information	Photos/ videos	Personal information	Calendar/ events
Location	Social media updates	Real estate purchases	Stored passwords	Tax forms
Call records	Writing style	Family members	Signed documents	Copies of ID

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Protect your data & identity with passwords and multifactor authentication



99% less likely to be hacked

Secure your Devices & Online Security

Secure Devices

- Auto updates
- Anti-Virus
- Firewall
- VPN (public Wi-Fi)
- Strong passcodes/biometrics

Safe Online Security

- Secure home Wi-Fi
- Don’t click on unknown links
- Don’t overshare online
- Be cautions on public Wi-Fi

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Securing Credit

Credit Monitoring



Credit Lock/ Freeze



ChexSystems Freeze



Contact information for the Credit Bureaus

Equifax	Experian	TransUnion
800-525-6285	888-397-3742	800-680-7289
www.equifax.com	www.experian.com	www.transunion.com

ChexSystems
https://www.chexsystems.com/security-freeze/place-freeze

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Safeguarding Your Assets

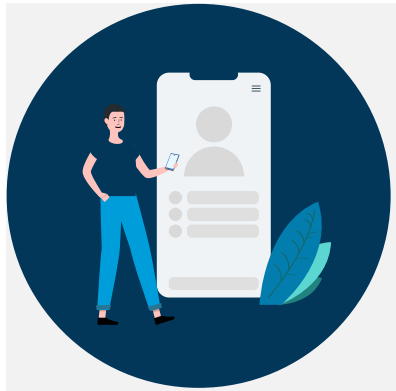
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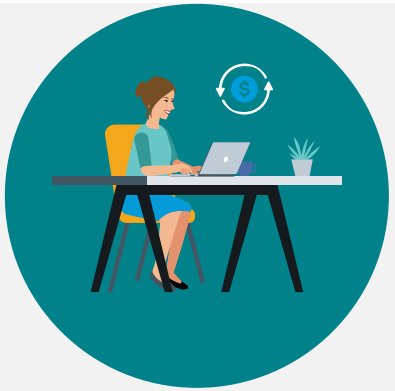
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Stay Secure at Schwab



On the phone

1. Add a verbal password
2. Enroll in OTP (one-time passcode)
3. Use the new Mobile Approve feature



Online

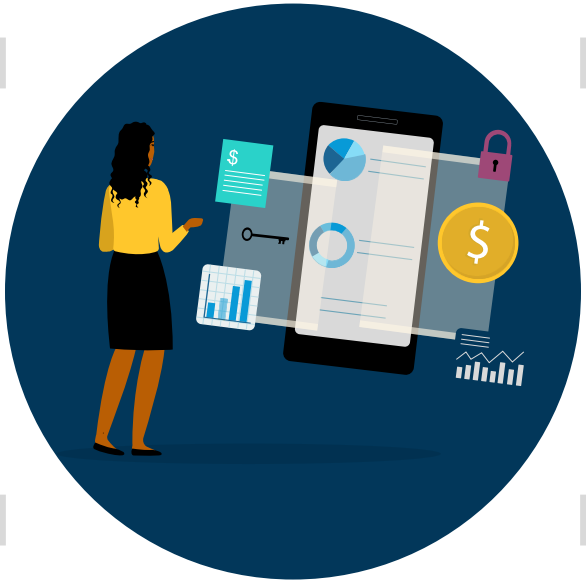
1. Use a strong and unique password
2. Enroll in two-step verification
3. Download the Schwab Mobile app and use biometrics

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Use the Schwab Mobile App

Secure statement delivery

Secure communications channel



Limited view access

eAuthorization

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Selecting the Appropriate Financial Product

	Brokerage Account	Bank Account	Credit Card
Max Loss	Life Savings	Cash for monthly expenses	Limited







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Check Fraud

Check washing: Erasing ink from legitimate checks to alter payee and amount details.

Check Cooking: Creating counterfeit checks using stolen account information and digital tools.

Forged Endorsements: Signing stolen checks with false identities to facilitate deposit.

Online ACH payments: Account information found on a check can easily be used to make online payments.



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Schwab Security Guarantee

The Schwab security guarantee requires timely reporting of unauthorized activity to Schwab



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Scams

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Scam Evolution

From misspelled emails to AI sophistication



Nigerian prince scam

First generation

Origin

- Sensational narratives
- Obvious red flags



Grandparent scam

Second generation

Professionalization

- Organized crime
- Sophisticated and customized
- Designed to cause the client to disburse funds from their own accounts



Bank impersonation scam

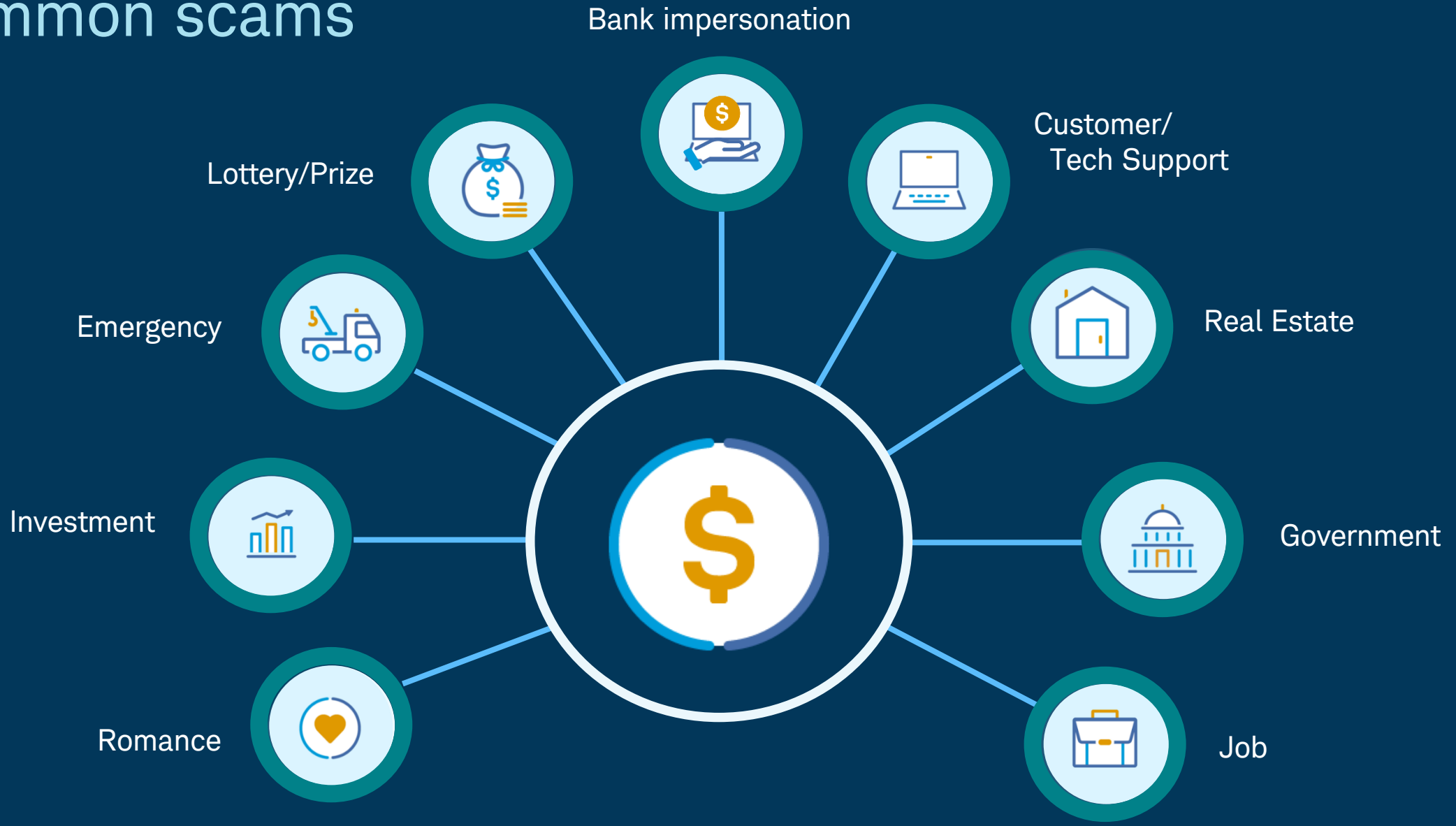
Third generation

Digitization

- Uses AI to minimize grammatical and other errors
- Difficult to differentiate from legitimate transactions
- Client may not be explicitly aware that they are authorizing illicit activity

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Common scams



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Bank Impersonation Scams



Spoofed Websites

Employee Impersonation

Investment Advice

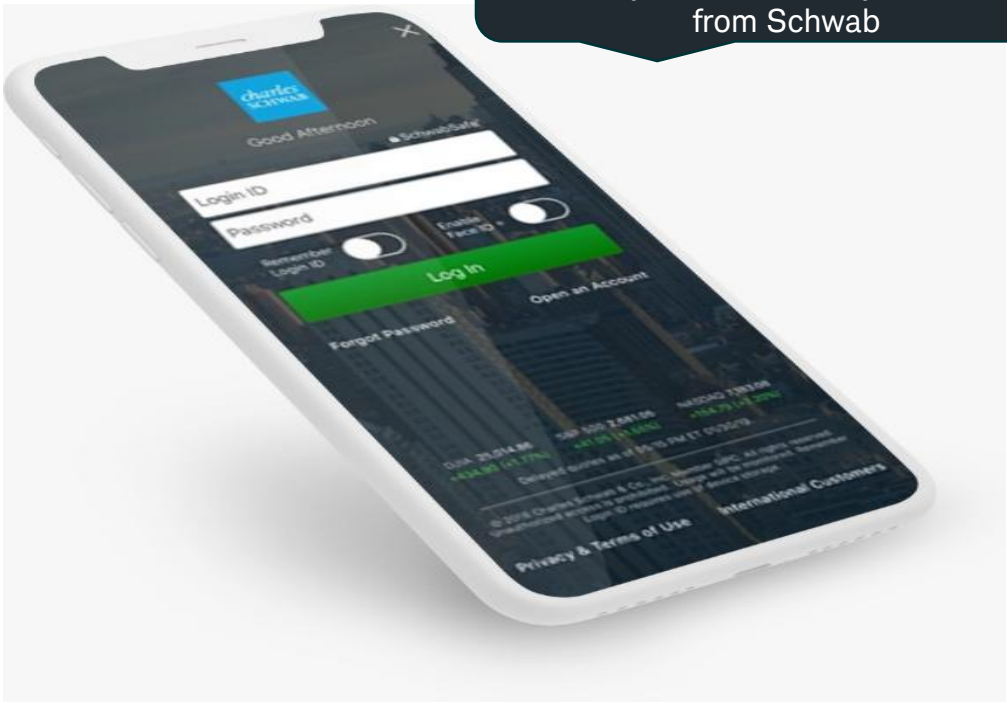
Text Alerts

Phishing Emails

WARNING: These codes should not be shared with anyone, even if they say they are from Schwab!

Schwab XXXX is your security code for your wire transfer. Do not share this code with anyone, even if they claim to be from Schwab

Schwab XXXX is your security code for online login. Do not share this code with anyone, even if they claim to be from Schwab



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The Impact of Scam Victimization



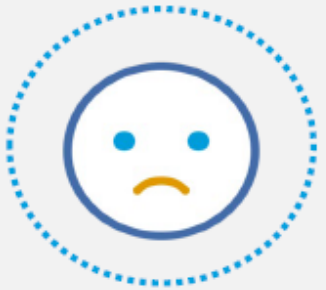
Financial loss



Identity theft



Loss of information



Emotional

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Considerations for Senior Investors

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The Perpetrators and Impact of Victimization



People They Don't Know
Scams



People They Know
Exploitation



Financial loss



Identity theft



Emotional



Revictimization



Criminal

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Why Senior and Vulnerable Adults are Targeted

Lack of awareness about exploitation and scams.

Unfamiliarity or discomfort with technology.



Social isolation or loneliness.

Reliance on others for physical/financial well-being.

Age-related decline in cognitive or physical abilities.

Low chance of being reported or prosecuted.

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Exploitation by Known Parties



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How To Be Prepared



Organize important financial documents



Provide Trusted Contact



Curate a Durable Financial Power of Attorney



Keep things up to date including trusted contacts



Say something and report if something goes or seems wrong

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Client Checklist

Document

- Signed & Notarized DPOA
- Signed advanced health care directive
- Funeral plans
- Update beneficiaries
- Update will/trust
- Schedule family meeting to explain wishes

Create Lists

- Financial Accounts
- Insurance Policies
- Any benefits that may survive you
- Bills and obligations
- Physicians and medications

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Trusted Contacts

Adding an emergency contact to your account

Who

Someone you trust explicitly.

What

A Trusted Contact does not have authority to request account information, make account changes or otherwise engage in activity in your account(s).

When

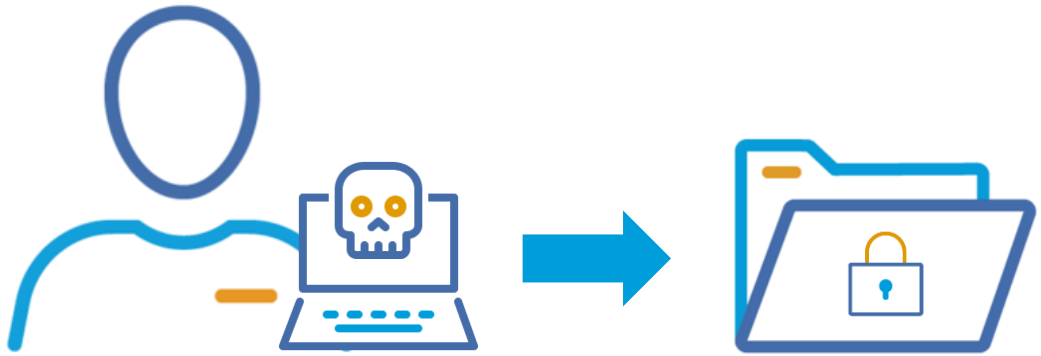
If Schwab were unable to contact you.

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What to do after fraud or identity theft

Immediate action steps



Report the matter to your financial institutions and local police. → File a complaint with the FBI's Internet Crime Compliant Center (IC3) at **IC3.gov**. → Run virus and malware scans on devices. → Change login credentials for all financial and email accounts. → Contact the three credit bureaus to add a fraud alert, check your credit, and set up credit monitoring or freeze your credit.

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Let’s Review

1	Be wary of unexpected contact: Don't click on links in suspicious emails or text messages. Be especially careful if you're contacted through social media.
2	Don’t share Personal information: Don't share your social security number, checking account information, or other sensitive personal information.
3	Don’t pay with gift cards or wire transfers: These methods are difficult to trace, and you might not get your money back.
4	Verify Companies: You can check with the Better Business Bureau to verify a company's legitimacy
5	Protect Your privacy: Limit your public Wi-Fi use and lock down your accounts.
6	Take Your time: Don't be pressured to make a quick decision.
7	Report scam and fraudulent activity: You can report scams to the Federal Trade Commission (FTC) at ReportFraud.ftc.gov or by calling 877-382-4357. Report Fraud activity in Schwab accounts to Schwab or your advisor ASAP.

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Questions?



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Visit **schwabsafe.com** for information and tools

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