Protecting Older Consumers 2021–2022

A Report of the Federal Trade Commission

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Contents

I. Introduction ...................................................................................................... 1

II. FTC Enforcement Activities Affecting Older Consumers ......................... 2
    A. Enforcement Actions ....................................................................................... 3
    B. Case Resolutions ............................................................................................ 6
    C. Other Enforcement Highlights ....................................................................... 9
        2. Consumer Monetary Relief ........................................................................ 11
        3. Criminal Liaison Unit ................................................................................. 15
        4. Referrals to the FBI’s Recovery Asset Team ............................................. 16
    D. FTC Strategies to Provide Additional Tools to Enhance FTC Enforcement Efforts ... 18
        1. Advance Notice of Proposed Rulemaking on Impersonation of
           Government and Business ........................................................................... 18
        2. Advance Notice of Proposed Rulemaking on Deceptive or
           Unfair Earnings Claims .............................................................................. 20
        3. Advance Notice of Proposed Rulemaking on the Telemarketing Sales Rule .... 21

III. Outreach and Education Activities ............................................................. 22
    A. Pass It On Education Campaign .................................................................... 22
    B. Outreach Relating to Older Adults ................................................................. 23
        1. AARP members .......................................................................................... 24
        2. Senior Medicare Patrol Volunteers ............................................................ 24
        3. Members of Congress ............................................................................... 24
        4. Consumer Financial Protection Bureau, SAGE, and others ...................... 24
        5. Older Adult Advocates and Allied Professionals ......................................... 24
    C. Pandemic Response ....................................................................................... 25

IV. Developing Effective Strategies to Protect Older Consumers ..................... 26
    A. Research and Data Analysis .......................................................................... 26
        1. Consumer Sentinel Reports from Older Adults ........................................ 27
2. Analysis of Social Security Administration Scam Reports .................................................43
3. Hearing Directly from Older Adults About FTC Impersonators ....................................45
B. Coordinated Efforts to Protect Older Consumers ..........................................................46

V. Conclusion .....................................................................................................................48

Appendix A - Federal Trade Commission FY 2022 .................................................................49
I. Introduction

The Federal Trade Commission (“FTC” or “Commission”) is the nation’s primary consumer protection agency and has a broad mandate to protect consumers from unfair and deceptive acts or practices in the marketplace. Protecting older consumers\(^1\) continues to be one of the FTC’s top priorities, which it pursues using a multi-pronged approach.\(^2\) First, it files law enforcement actions to stop unlawful practices and, when possible, return money to consumers.\(^3\) Given the ongoing global health crisis, the FTC continues to focus on schemes that capitalize on the fears and economic uncertainty of the pandemic to deceptively peddle products related to the prevention and treatment of COVID-19. This year the FTC also initiated several important rulemakings on topics impacting older adults to bolster its ability to return money to consumers in light of the impact of the Supreme Court’s ruling in *AMG Capital Management v. FTC*.\(^4\)

Second, the FTC continues to employ innovative education and outreach campaigns that reach older adults throughout the country. These important efforts help consumers protect themselves against emerging frauds and alert them to prevalent consumer protection issues. As the population of older adults grows, the FTC’s outreach mission to help consumers protect themselves and their communities becomes increasingly important.\(^5\)

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\(^1\) This report refers to persons 60 and older when using the terms “older adults” or “older consumers” to be consistent with the requirements in Section 2(1) of the Elder Abuse Prevention and Prosecution Act, which references Section 2011 of the Social Security Act (42 U.S.C. 1397j(5)) (defining “elder” as an individual age 60 or older).

\(^2\) This report focuses on the Bureau of Consumer Protection’s work to protect older adults. The FTC’s Bureau of Competition also serves older adults through its work in various sectors of the economy, such as health care, consumer products and services, technology, manufacturing, and energy. The primary drafters of this staff report are Michelle Chua, Division of Marketing Practices; Emma Fletcher, Division of Consumer Response and Operations; and Bridget Small, Division of Consumer and Business Education. Additional acknowledgement goes to Kati Daflan, Patti Poss, and Patricia Hsue, Division of Marketing Practices; Karen Mandel and Christine DeLorme, Division of Advertising Practices; Jennifer Leach and Marlena Patterson, Division of Consumer and Business Education; Shiva Koohi and Michel Grosz, Bureau of Economics; and Summer Law Clerk Tyler Ritchie. This report reflects the work of staff throughout the Federal Trade Commission’s Bureau of Consumer Protection and its Regional Offices, with much of the work stemming from the FTC’s Every Community Initiative. Lois C. Greisman is the FTC’s Elder Justice Coordinator.

\(^3\) The FTC has wide-ranging law enforcement responsibilities under the Federal Trade Commission Act, 15 U.S.C. § 41 et seq. and enforces a variety of other laws ranging from the Telemarketing and Consumer Fraud and Abuse Prevention Act to the Fair Credit Reporting Act. In total, the Commission has enforcement or administrative responsibilities under more than 70 laws. See [http://www.ftc.gov/ogc/stats.shtm](http://www.ftc.gov/ogc/stats.shtm).

\(^4\) *AMG Capital Mgmt., LLC v. FTC*, 593 U. S. ___; 141 S. Ct. 1341 (2021) (holding that Section 13(b) of the FTC Act does not authorize federal courts to require defendants to refund monies to consumers or give up unjust gains).
Finally, the FTC conducts research and collaborates with a diverse array of partners, which inform the strategies it employs to help ensure that its efforts achieve the maximum benefits for consumers, including older adults. For example, the FTC’s analysis of fraud and other reports filed by consumers nationwide helps the agency understand and respond to patterns and trends related to older adults, including the differences in how older adults in different demographic populations may experience fraud.

The FTC submits this fifth annual report to the Committees on the Judiciary of the United States Senate and the United States House of Representatives to fulfill the reporting requirements of Section 101(c)(2) of the Elder Abuse Prevention and Prosecution Act of 2017. The report details the FTC’s recent comprehensive efforts to protect older consumers. The report also includes, pursuant to the law’s requirements, a list in Appendix A of every administrative and federal district court action filed in the last year that has impacted older adults.

II. FTC Enforcement Activities Affecting Older Consumers

Aggressive law enforcement is a key component in the FTC’s efforts to protect older consumers. Nearly all FTC enforcement actions involve numerous consumers of all ages, and while the actual ages of people affected in a given case are not typically known, in the Commission’s view, older adults are among those affected in every consumer protection case filed this past fiscal year. Therefore, Appendix A to this report lists all new enforcement actions brought by the FTC between October 1, 2021, and September 30, 2022. The cases listed in Appendix A involve a wide range of matters, including allegations regarding money transfer services, business opportunity and money-making schemes, unsubstantiated product claims, false claims about COVID-19 treatment or prevention, and more.

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7 The law requires the FTC Chair to file a report listing the FTC’s enforcement actions “over the preceding fiscal year in each case in which not less than one victim was an elder or that involved a financial scheme or scam that was either targeted directly toward or largely affected elders.” Given the large number and broad range of consumers affected in FTC actions, this report includes, in Appendix A, a list of every administrative and federal district court action filed in the one-year period.

8 This list includes cases involving violations of children’s privacy laws. The perpetrators of such schemes may not typically target older adults, but the cases are listed because they involve large and diverse groups of consumers. The affected consumers may include an older parent or grandparent caring for children who go online and wish to protect their privacy.
This section highlights five enforcement actions filed within the last fiscal year where the Commission notes a significant impact on older adults. Also listed are additional agency actions that affected older consumers, including case resolutions, cease and desist demand letters, consumer refunds, and subsequent criminal action by other agencies relating to FTC matters. This section also describes the Commission’s issuance of three advance notices of proposed rulemakings (“ANPRs”), as part of its ongoing efforts and strategies to provide better tools to enhance its law enforcement efforts. It discusses how the three proposed rulemakings are relevant to certain critical areas that heavily impact older adults.

A. Enforcement Actions

The Commission filed the following new enforcement actions in the last fiscal year that likely had a significant impact on older adults:

In Walmart Inc., the FTC sued Walmart for alleged practices that allowed its money transfer services to be used for fraud.\(^9\) The complaint asserted, among other things, that older consumers were financially exploited by telemarketing scams that made use of money transfers from Walmart stores. The FTC complaint alleged,

In many cases, older consumers (ages 65 and older) have been financially exploited by sending money transfers in connection with common telemarketing scams, such as grandparent scams,\(^10\) Good Samaritan scams, lottery or prize scams, and romance scams, from Walmart locations. The average loss suffered by older consumers is usually greater than for younger consumers. In addition, perpetrators of the scams, or those acting on their behalf, including fraud rings and money mules, frequently collect the proceeds of the frauds from Walmart locations, and in some instances, those individuals have even been employees of Walmart.

The complaint further stated that among all of MoneyGram’s complaints of fraud that involved Walmart from 2013 to 2018, MoneyGram reported 19,035 complaints about person-in-need or grandparent scams, more than any other single category. The complaint also alleged that at one location in Teterboro, New Jersey, 72.6 percent of complaints about fraud-induced transfers involved the grandparent or emergency scam.

Money transfers have long been a common vehicle for fraud targeting older consumers. According to the FTC’s complaint, Walmart has been a particularly popular processor for fraudulent money transfers, in large part because of Walmart’s ineffective, poorly enforced anti-


\(^10\) In a “grandparent scam,” the caller pretends that a relative is in distress due to a legal or medical emergency and asks the victim to send money immediately.
fraud policy. The FTC alleged that many of the Walmart staff handling money transfers had insufficient training or no anti-fraud training at all; Walmart employees were told “If you suspect fraud, complete the transaction.” Walmart allegedly adopted this practice despite knowing that once the money transfers were paid out to suspected fraudsters, fraud victims usually could not get their money back. The FTC is seeking to obtain redress for consumers, as well as civil penalties.

In *Universal Guardian Acceptance, LLC* (“UGA”), the FTC brought an action against defendants that had allegedly serviced and funded payment plans for expensive and often ineffective investment “trainings.” The case arose out of previously settled litigation against Online Trading Academy (“OTA”), a company that allegedly targeted older consumers with an investment trading strategy based on false or unfounded earnings claims. According to the FTC, OTA had secured payment through the use of short-term, high-interest retail installment contracts. The FTC alleged that UGA facilitated OTA’s deceptive scheme by underwriting, funding, and servicing OTA’s retail installment contracts. The FTC further alleged that UGA ignored red flags that OTA was engaged in deception, including consumer complaints, a high cancellation rate, and the fact that the vast majority of purchasers were not paying off their debt within the six month no-interest grace period included in the contracts. The terms of the settlement required the UGA defendants to offer debt forgiveness to OTA purchasers whose debt was held by UGA. The settlement also requires the defendants to screen prospective clients that claim consumers can make money using their products or services, and to monitor such clients’ transactions and business practices.

In *Gravity Defyer*, the FTC filed suit against a footwear company, claiming that the company made deceptive pain relief claims about its products. The FTC alleged that the defendants targeted older adults suffering from arthritis, joint pain, and other medical conditions. The company claimed in its marketing to offer “clinically proven pain defying

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footwear,” but the FTC asserted that it lacked competent and reliable scientific evidence to support such a claim. According to the FTC complaint, the defendants claimed that the unique technology in the soles of their shoes would relieve knee, back, and foot pain, as well as pain in people suffering from plantar fasciitis, arthritis, joint pain, and heel spurs. The owner of Gravity Defyer was previously barred from deceptive advertising by a 2001 FTC order, and the FTC alleged that the Gravity Defyer advertisements were violations of that order.

**Excerpt of Advertisement from Gravity Defyer**

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**False claims about COVID-19 treatment and prevention products continue to pose a threat to the health and finances of older adults.** In two instances, the FTC has used its

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17 *FTC v. Gravity Defyer, supra* n.15, Complaint ¶ 25, Exhibit B.

18 Not only are older adults more likely to get sick from COVID, they are also more likely to face drastic health-related consequences as a result. See Center for Disease Control and Prevention Guidance (Updated Aug. 2, 2021), available at https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/older-adults.html.
authority under the COVID-19 Consumer Protection Act to seek civil penalties in actions against entities for deceptively pitching products that purported to treat or cure COVID-19.

In Xlear, Inc., the FTC asserted that the defendant falsely marketed its nasal sprays as effective ways to prevent and treat COVID-19. According to the FTC, Xlear promoted its sprays by falsely claiming they can provide four hours of protection against infection from the coronavirus and called them “a simple, safe, and cheap option that could be an effective solution to the pandemic,” among other claims. Another ad claimed that “Xlear nasal spray provides additional tested protection for up to four hours, helping keep you and others around you safe.” The FTC alleged that the defendants’ advertising grossly misrepresented the purported findings and relevance of several scientific studies. Even after a warning letter from the FTC in 2020 to stop its unlawful advertising, the defendants continued to make such statements on their website and social media pages, even modifying or removing the unlawful claims, only to reinstate them or add additional deceptive statements later, according to the complaint. The lawsuit was filed by the Department of Justice on the behalf of the FTC and asks for monetary penalties and an order barring the defendants from making false and unsupported claims.

In B4B Earth Tea LLC, the Department of Justice filed a complaint on behalf of the FTC and FDA alleging that the defendants had falsely claimed their product was clinically proven to treat, cure, and prevent COVID-19. According to the complaint, the defendants claimed that the defendants’ tea, which sells for $60 for a 16-ounce bottle, could cure COVID-19 in 24 to 48 hours. Ads claimed that the tea was completely effective at preventing hospitalization (“100% effective with 0 side effects”) and specifically claimed that it was better than vaccination (“Vaccines trial shows preventing hospitalization is 85%-96% while so far Earth Tea Extra Strength is 100%...”). According to the complaint, those health claims were unsubstantiated because the single small study cited by the defendants did not meet the standard of competent and reliable scientific evidence.

B. Case Resolutions

The Commission reached resolution in four pending cases involving older adults in the last fiscal year.


In *GDP Network LLC*, the FTC and the Office of the Attorney General of Florida reached a settlement with the operators of an alleged credit card interest rate reduction scam. The complaint, filed in July 2020, alleged that the defendants made telemarketing calls in which they promised to permanently and substantially reduce the consumer’s credit card interest rates. After posing as representatives or affiliates of consumers’ credit card companies, the defendants allegedly claimed they could save consumers thousands of dollars in credit card interest, thereby allowing them to pay off their debt much faster. All these claims were false or unsubstantiated, according to the complaint. At most, the defendants sometimes opened new credit card accounts at low introductory rates and transferred consumers’ existing debt to the new cards. Instead of producing the savings that customers expected, the defendants’ service allegedly often left people even deeper in debt after they paid upfront fees of between $995 and $4,995, as well as substantial fees to transfer their existing debt to new cards. As part of the court order, the defendants will be permanently banned from the debt relief industry. According to the complaint, the defendants often targeted financially distressed consumers and older adults.

In *RagingBull.com*, the FTC reached a settlement with an online stock trading site in a case filed in December 2020. According to the complaint, the company falsely advised consumers that by joining its program they could make a substantial income without a lot of time, money, or experience. The complaint further alleged that the company made it difficult for consumers to cancel their subscriptions. According to the FTC, consumers lost more than $197 million in subscription fees for defendants’ services. Those consumers included retirees, older adults, and immigrants. As part of the stipulated final order, the Raging Bull defendants were required to pay over $2.4 million, end the earnings deception, get affirmative approval from customers for subscription sign-ups, and provide them with a simple method to cancel recurring charges. The FTC is planning to use funds collected in this matter to provide redress to affected consumers.

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In Health Research Laboratories, LLC, the FTC settled an administrative complaint filed in 2020. The complaint alleged that the respondents marketed their supplements, the Ultimate Heart Formula, BG18, and Black Garlic Botanicals, as being able to prevent or treat cardiovascular disease, without appropriate substantiation. The FTC also alleged that respondents made unsubstantiated claims that their supplement Neupathic could cure, mitigate, or treat diabetic neuropathy. The settlement banned the companies and their owner from advertising or selling dietary supplements and from making claims their products treat, cure, or reduce the risk of disease. In 2017, the owner of the companies and Health Research Laboratories had settled a previous complaint by the FTC and the State of Maine for deceptive marketing of health products.

In Electronic Payment Systems (“EPS”), the FTC finalized an order against EPS for allegedly opening credit card processing merchant accounts for fictitious companies on behalf of Money Now Funding, a business opportunity scam that the FTC sued in 2013. In the Money Now Funding case, the FTC alleged that “many victims affected by this scam are seniors with limited income and savings.” In the FTC’s complaint against EPS, the FTC alleged that by ignoring warning signs that the merchants were fake, EPS assisted and facilitated Money Now Funding in laundering more than $4.6 million of consumers’ credit card payments through different bank accounts for fictitious companies on behalf of the scammers from 2012 to 2013. Under the terms of the settlement order, the respondents are prohibited from providing payment processing services to any merchant that is, or is likely to be, engaged in deceptive or misleading conduct, and any merchant that credit card industry monitoring programs have flagged as high-risk for certain reasons. The respondents are also required to conduct detailed screening of potential merchants who conduct outgoing telemarketing or are engaged in certain activities that could harm consumers.

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C. Other Enforcement Highlights

Other FTC enforcement highlights during the past fiscal year include the issuance of cease and desist demand letters, providing consumer redress to consumers in cases previously brought by the FTC, and criminal action by other agencies that relate to prior FTC matters.

1. Covid-19 Demand Letters

Throughout the pandemic, the FTC has seen many potentially false and unsubstantiated claims about the treatment or prevention of COVID-19 that exploit consumers’ fear of the disease and its effects. As mentioned above, COVID-19 has had, and continues to have, a particularly devastating impact on the health and finances of older Americans. In some circumstances, to swiftly address troubling claims related to COVID-19, the FTC has sent cease and desist demand letters to companies and individuals. These letters warn recipients that their conduct is likely unlawful, and that they can face serious legal consequences, such as a federal lawsuit and civil penalties, if they do not immediately cease and desist from engaging in such conduct.33

Since October 2021, the FTC has sent thirty one cease and desist demand letters to a range of companies and individuals about potentially false or deceptive advertising or marketing related to the coronavirus pandemic. Sixteen of these letters were sent jointly with the FDA.

Almost all of the thirty one cease and desist demand letters went to companies allegedly violating the law by making deceptive or scientifically unsupported claims about their products’ ability to prevent, treat or cure the coronavirus. The unsubstantiated claims included patient testimonials and references to clinical trials or studies touting the products’ effectiveness against COVID-19, as described below. Although COVID-19 affects people of all ages, some of the letters highlighted examples of representations in the companies’ marketing that specifically related to older adults. For example:

- In November 2021, the FTC sent a cease and desist demand letter to Austin Compounding Pharmacy based on its promotion of ivermectin and various supplements to prevent or treat COVID-19.34 The company made a Facebook post stating “Noone [sic] needs to die[..] Ivermectin does work.” Another Facebook post described a study of hospitalized “older patients” with COVID-19 that found that “patients aged 50 and


33 Information about the letters sent by the FTC can be found at https://www.ftc.gov/news-events/features/coronavirus/enforcement/warning-letters.

above” who received vitamin supplements upon admission were less likely to require oxygen or be admitted to the intensive care unit.

- Also in November 2021, the FTC sent a cease and desist demand letter to Sunshine Health Foods & Wellness Center challenging its social media claims about the efficacy of vitamins and supplements in preventing or curing COVID-19.\(^{35}\) For example, one Facebook post stated that “School is about to be back in session … immune support is even more important this year with COVID-19,” and included the text of a previous post claiming their supplements would keep grandparents healthy.

- In December 2021, the FTC sent a cease and desist demand letter to RhinoSystems Inc. for its marketing of a nasal irrigation system to prevent and treat COVID-19.\(^{36}\) The company sent an email to consumers claiming that a clinical trial had found “individuals age 55+” who were treated with nasal irrigation were 8.4 times less likely to be hospitalized or die.

- Also in December 2021, the FTC sent a cease and desist demand letter to TerraMune Health, LLC, citing its claims about its ViralHalt Supplement, including calling it “A Natural Covid-19 Vaccine Alternative.”\(^{37}\) Among other things, the company’s website provided a testimonial of two customers, identified as aged 76 and 78, reporting that they contracted COVID-19 and that their use of the company’s supplement “helped our bodies minimize our symptoms!”

- In February 2022, the FTC sent a cease and desist demand letter to Ohana Hyperbarics.\(^{38}\) According to the FTC, the company’s website said that “Research around the US and Internationally is showing excellent results for those suffering with COVID-19 being treated with hyperbaric therapy.” One Instagram post shared an article reporting that a study found that hyperbaric treatment produced relief of COVID-19 symptoms in a group of “predominantly men age 30 to 79.”


2. Consumer Monetary Relief

In the last fiscal year, FTC enforcement actions have resulted in relief of more than $462 million to consumers of all ages. Although the FTC’s ability to seek monetary relief for harmed consumers is now substantially limited following the Supreme Court’s decision in *AMG Capital Mgmt.*, the FTC continues to deliver refunds to consumers when possible. These payments provide people some recompense for the losses that occurred due to illegal conduct.

In October 2021, the FTC began sending payments totaling $1.1 million to consumers who had paid for a business opportunity scheme called *8 Figure Dream Lifestyle*. According to the FTC, the company used a combination of illegal robocalls, live telephone calls, text messaging, internet ads, emails, social media, and live events to market and sell consumers fraudulent money-making opportunities. The FTC alleged that the defendants made false or unsubstantiated claims in their marketing about how much consumers could earn using their programs. According to the FTC complaint, the defendants “directly targeted older consumers who may need extra money for living expenses or retirement.” During one webinar, defendants targeted retirees with the tagline “Make sure those golden years are actually ‘Golden’!”

Later in October 2021, the FTC began sending checks totaling nearly $300,000 to people who paid *Elite IT Partners Inc.* for unnecessary computer repair services. According to the FTC, the company’s telemarketers claimed consumers’ computers and personal information were in imminent danger, and convinced many consumers to pay large sums for immediate cleaning of their computers, antivirus software, and ongoing technical support services. The complaint asserted that “the vast majority of consumers Elite contacts are elderly and/or unfamiliar with the workings of computers or the internet. Defendants use intimidation and scare tactics to take advantage of these consumers’ limited knowledge about such technology.”

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39 The FTC provides updated statistics about where refunds were sent, the dollar amounts refunded, and the number of people who benefited from FTC refund programs at [www.ftc.gov/refunds](http://www.ftc.gov/refunds).

40 *AMG Capital Mgmt.*, 141 S. Ct. at 1341. See also discussion in Section II(D) below.


42 *FTC v. 8 Figure Dream Lifestyle LLC*, No. 8:19-cv-01165-AG-KES (C.D. Cal., filed June 12, 2019), available at [https://www.ftc.gov/legal-library/browse/cases-proceedings/182-3117-8-figure-dream-lifestyle-llc](https://www.ftc.gov/legal-library/browse/cases-proceedings/182-3117-8-figure-dream-lifestyle-llc).


Also in October 2021, the FTC sent checks worth more than $1.1 million to consumers who purchased the supplements Neurocet, Regenify, and Resetigen-D from five related companies including Mile High Madison Group, Inc.\(^{45}\) The FTC alleged that the companies who marketed those supplements deceptively promoted their products using false or unsubstantiated claims that the supplements could stop pain and treat age-related ailments. For example, the complaint asserted that the defendants made false or unsubstantiated claims that their supplements could “repair or reverse age-related damage in human cells” and “repair or reverse all age-related health conditions,” including improving memory and brain function, and eliminate or significantly reduce arthritis and bone, joint, and muscle pain.\(^{46}\)

In November 2021, consumers who purchased certain publications from Agora Financial LLC received full refunds totaling more than $2 million as the result of a stipulated final order.\(^{47}\) According to the FTC, the defendants convinced consumers to buy pamphlets, newsletters, and other publications through false promises and deceptive marketing. The refunds provided full compensation for consumers who bought certain publications. The FTC alleged that the defendants falsely marketed one publication as providing a clinically proven protocol that can permanently cure type 2 diabetes and falsely promised that another book would show consumers how to claim hundreds of thousands of dollars from the government. According to the FTC, the defendants primarily targeted their publications at older consumers nationwide. The defendants’ marketing included testimonials purporting to be from an 88-year-old retiree and a 73-year-old retiree who had each made thousands of dollars.\(^{48}\)

In December 2021, the FTC sent checks totaling more than $1.8 million to people who were charged by Lifewatch Inc. for products that were advertised as free.\(^{49}\) The FTC joined with the Florida Attorney General’s Office to assert that the defendants had made at least one billion robocalls to pitch medical alert systems available to senior citizens “at no cost whatsoever.”


messages allegedly claimed that the system was endorsed or recommended by reputable organizations like the American Heart Association. According to the FTC, consumers eventually learned that they were responsible for monthly fees and that it was difficult to cancel without paying a penalty. The complaint alleged that “Many of the consumers who receive these unsolicited calls are elderly, live alone, and have limited or fixed incomes. They often are in poor health, suffer from memory loss or dementia, and rely on family members, friends, or health professionals to manage their finances and to make financial or health related decisions for them.”

Also in December 2021, the FTC sent a second round of checks totaling more than $6.5 million to people who lost money to an alleged debt relief scam orchestrated by Helping America Group. The FTC first sent payments to affected consumers in July 2020. In total, the agency has mailed more than $20 million to consumers in this matter. According to a complaint by the FTC and the State of Florida, the defendants tricked consumers into paying hundreds of thousands of dollars per month under the false pretense that defendants would pay, settle, or obtain dismissals of customers’ debts and improve their credit. The complaint alleged that the affected consumers carried significant debt and included the elderly and disabled.

In February 2022, the FTC began sending checks to consumers who had purchased indoor TV antennas or signal amplifiers from Welco, Inc. The refunds total more than $580,000. The FTC alleged that the defendants had made deceptive performance claims and used deceptive consumer endorsements and web pages that looked like objective news reports to market their products. According to the complaint, the defendants claimed that their antennas would enable some consumers to receive one hundred or more premium channels in HD and that users of the antennas and related amplifiers would receive cable or subscription channels like HBO and AMC. One of their advertisements was titled “New York: Seniors Are Taking Advantage of New 2018 Rule That Allows Americans To Get FREE TV In HD, Causing Millions To Cancel Cable.”


In April 2022, the FTC returned more than $23 million in redress to consumers who were allegedly defrauded by a business coaching scheme based out of Malaysia called My Online Business Education, or MOBE Ltd. The defendants made allegedly false claims that MOBE would enable its members to start their own online businesses and earn substantial income quickly and easily using a “proven” 21-step system. The FTC asserted that the defendants’ international operation targeted U.S. consumers—including service members, veterans, and older adults—through online ads, social media, direct mailers, and live events held throughout the country. According to the complaint, the defendants created and promoted a system called the “Ultimate Retirement Breakthrough,” a re-branded version of the 21-step system aimed at older adults and retirees. A banner advertisement touted it as “The Surefire Way To Create A Six-Figure Retirement Income In Less Than 12 Months.”

Later in April 2022, the FTC sent checks totaling $423,000 to consumers who had purchased the purported anti-aging pill ReJuvenation from Quantum Wellness Botanical Institute, LLC and filed a valid claim with the FTC. The FTC first sent refunds to consumers in June 2020. In total, the agency has mailed more than $556,000 to consumers in this matter. According to the FTC, the defendants marketed the pill as a cure-all for a range of age-related ailments, including cell damage, heart attack damage, brain damage, and deafness. For example, one challenged advertisement for ReJuvenation stated: “Flood your body with youth hormones … NATURALLY! Increase your HGH up to 682% … Stunning age reversal study: Stem cells boost life span three-fold … Repair every aging cell in your body—damaged tissues and organs, too! Visibly fade wrinkles overnight.” Another challenged advertisement stated ReJuvenation would: “Rejuvenate every tissue, organ and gland of the body to levels you enjoyed when you were young … Improve your skin’s elasticity and tone, thereby reducing wrinkles, furrows and lines … Dramatically boost memory and mental clarity … Slow down or even halt aspects of the normal aging process.”


In July 2022, the FTC began sending refunds to consumers who were allegedly defrauded by the Next-Gen sweepstakes scam. The FTC is sending almost $25 million to affected consumers in dozens of countries, including more than $18 million to U.S. consumers. According to the complaint filed jointly by the FTC and the State of Missouri, the defendants sent tens of millions of deceptive personalized mailers to consumers around the world since 2013. The defendants’ mailers allegedly falsely told recipients they had won or were likely to win a substantial cash prize, as much as $2 million, in exchange for a fee ranging from $9.00 to $139.99. The FTC alleged that many consumers paid the defendants several times before realizing they had been scammed. According to the complaint, many of the victims were elderly consumers.

3. Criminal Liaison Unit

The FTC’s Criminal Liaison Unit works with federal and state criminal prosecutors to better address consumer fraud. Notably, in November 2021, the Commission issued a policy statement to enhance its efforts to combat the criminal misconduct it uncovers in its consumer protection and antitrust investigations. Through this work, prosecutors have brought criminal cases built on facts the FTC exposed in bringing its civil law enforcement actions.

For example, in March 2022, former FTC defendant Travis Peterson was sentenced to nearly three and a half years (41 months) in prison for a fraudulent charity scheme that targeted older adults. Peterson’s operation made millions of robocalls asking for donations and falsely claiming those donations were tax-deductible and would benefit veterans’ charities. The FTC’s

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62 Information about the FTC’s Criminal Liaison Unit is available at https://www.ftc.gov/enforcement/criminal-liaison-unit.


action against Peterson was part of Operation Donate with Honor, a state-and-federal sweep combating fraudulent charities that claimed to help veterans and servicemembers.\(^{66}\)

In 2022, Maricopa County Attorney’s Office in Arizona obtained guilty pleas against David Johnson and Brandon Randis, and sentenced Johnson to five years in prison, for their roles in a telemarketing scheme that targeted older adults, among others.\(^{67}\) The FTC previously sued the ringleaders of this operation, which tricked consumers into purchasing ecommerce websites through false promises of substantial income and a money-back guarantee.\(^{68}\) The FTC obtained more than $7 million in redress for consumers through the civil case.\(^{69}\) Maricopa County has obtained a total of 13 pleas in this criminal case to date, and the case is ongoing against the remaining defendants, including the former-FTC-defendant ringleaders.

Following extradition from Costa Rica, Jamaican nationals Derrick Levy and Maurice Levy pled guilty in January and June of 2022, respectively, for running a telemarketing scam targeting older adults in the United States.\(^{70}\) The scammers contacted their elderly victims by telephone and falsely claimed the individuals had won sweepstakes prizes, sometimes even impersonating FTC officials, to induce the victims to send “fees” in order to claim their prizes.\(^{71}\) The FTC provided assistance to DOJ in this case.

### 4. Referrals to the FBI’s Recovery Asset Team

Since 2019, the FTC has referred reports involving high dollar losses to the Federal Bureau of Investigations (“FBI”) Internet Crime Complaint Center (IC3) Recovery Asset Team. This team’s goal is to “streamline communication with financial institutions and assist FBI field offices with the freezing of funds for victims who made transfers to domestic accounts under

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The FTC refers reports received through its website and call center that meet certain criteria (typically larger dollar losses) to the FBI IC3 Recovery Asset Team when the consumer agrees to the referral. In the past year, the FTC has referred over 700 reports through its Consumer Sentinel Network to the FBI IC3’s Recovery Asset Team for review and potential action.

In 2021, the FBI IC3 Recovery Asset Team responded to 1,726 incidents and froze an impressive $328.32 million of the $443.48 million reported losses, making recovery possible for many victims. Here are some recent success stories shared by the FBI IC3 Recovery Asset Team:

- In June 2022, an elder victim reported to the FTC that the victim had been contacted by an individual claiming to be from customer support at the victim’s bank. The subject then instructed the victim to complete a wire transfer to a fraudulent domestic account in order to “save their money.” Since the victim reported the incident quickly, the FBI IC3 Recovery Asset Team was able to contact the recipient bank and freeze the full wired amount of almost $100,000 for possible recovery.

- In May 2022, an elder victim reported to the FTC that the victim had been contacted by an individual claiming to be from McAfee Anti-Virus, claiming that their protection plan was due to update. The victim called the number contained in the spoofed email and gave the victim’s bank account access to the subject, where the subject then initiated a wire transfer for almost $50,000. Again, since the victim reported the incident quickly, the FBI IC3 Recovery Asset Team was able to contact the recipient bank and freeze the full wired amount for possible recovery.

- Also in May 2022, an elder victim reported to the FTC that the victim had been contacted by an individual claiming to be from Amazon Support. The subject claimed that the victim had a fraudulent purchase on their account and threatened they would be arrested if they did not complete a wire transfer in order to “protect their money.” The victim completed a wire to a fraudulent domestic account of almost $100,000. The FBI IC3 Recovery Asset Team was able to contact the recipient bank and freeze a majority of the funds for possible recovery.

The FTC is proud to partner with the FBI IC3’s Recovery Asset Team to help consumers, particularly those experiencing large dollar losses, recover funds when possible.

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73 Id. at 11.
D. FTC Strategies to Provide Additional Tools to Enhance FTC Enforcement Efforts

In the past fiscal year, the FTC focused on developing additional tools to enhance its law enforcement efforts. These efforts were made in part as a result of a 2021 United States Supreme Court ruling in *AMG Capital Mgmt.*, which held, among other things, that the FTC did not have authority to seek equitable monetary relief in cases brought under Section 13(b) of the FTC Act. Prior to this ruling, the FTC had used its Section 13(b) authority to provide billions of dollars in monetary restitution to consumers affected by unfair or deceptive acts or practices, including older adults. Following the *AMG* decision, the Commission is constrained in its ability to obtain redress for consumers and has sought to increase the tools at its disposal to do so. While additional tools to enhance the FTC’s enforcement efforts would affect all consumers, the particular initiatives described below apply to deceptive or unfair practices that often disproportionately impact older adults, among other population segments.

1. Advance Notice of Proposed Rulemaking on Impersonation of Government and Business

In December 2021, the FTC issued an Advance Notice of Proposed Rulemaking to address deceptive or unfair acts or practices relating to impersonation fraud (“Impersonation ANPR”). The proposed rulemaking is aimed at combatting government and business impersonation fraud, a pernicious problem that has grown worse during the pandemic.

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75 15 U.S.C. § 53(b). From FY 2017 to 2021, the Commission returned $11.4 billion to consumers across all FTC cases, including those brought solely under the FTC’s Section 13(b) authority.

76 In addition to the Commission’s rulemaking efforts, the FTC has also revitalized its authority to put bad actors on notice that their conduct violates the FTC Act by sending them a Notice of Penalty Offenses. These notices outline a number of practices that the Commission has previously found to be unfair or deceptive and highlight that engaging in this conduct could lead to civil penalties. See, e.g., Press Release, FTC, *FTC Targets False Claims by For-Profit Colleges* (Oct. 6, 2021), available at https://www.ftc.gov/news-events/news/press-releases/2021/10/ftc-targets-false-claims-profit-colleges.


78 Press Release, FTC, *FTC Launches Rulemaking to Combat Sharp Spike in Impersonation Fraud*. “The COVID-19 pandemic has spurred a sharp spike in impersonation fraud, as scammers capitalize on confusion and concerns around shifts in the economy stemming from the pandemic. Incorporating new data from the Social Security Administration, reported costs have increased an alarming 85 percent year-over year, with $2 billion in total losses between October 2020 and September 2021. Notably, since the pandemic began, COVID-specific scam reports have included 12,491 complaints of government impersonation and 8,794 complaints of business impersonation.”
Government and business impersonators can take many forms, posing as government officials or representatives from well-known businesses or charities, for example. The perpetrators of impersonation fraud commonly seek monetary payment or information that they can use to commit identity theft.

Government impersonators often pretend to represent institutions such as the Social Security Administration, Medicare/Health and Human Services, IRS, or law enforcement, and may threaten their targets with a discontinuation of government benefits, enforcement of tax liability, and even arrest or prosecution. Business impersonators may claim there is suspicious activity on a customer’s account or offer a refund or prize if the victim will provide some personal information. According to the FTC, the most common type of government impersonation fraud involved the Social Security Administration, with more than 308,000 complaints between 2017 and 2021, more than twice the number of the next type.79 As discussed in Section IV, analysis of the FTC reports shows older adults reported tremendous losses to impersonation scams, topping $151 million for business impersonation scams and $122 million for government impersonation scams in 2021.

With the Impersonation ANPR, the FTC seeks to determine if a Trade Regulation Rule targeting deceptive or unfair impersonation practices is warranted. The ANPR noted that while the FTC in the past has brought many cases relating to impersonation under different authorities, it is currently limited in its remedial authority,80 and solicited comment on whether the FTC should propose a rule that could more comprehensively outlaw government and business impersonation.81 The ANPR also sought comment on the prevalence of impersonation schemes, the costs and benefits of a rule to address them, and alternative or additional actions, such as publication of educational materials and hosting of public workshops. On September 15, 2022,

79 Trade Regulation Rule on Impersonation of Government and Businesses, 86 Fed. Reg. 72901, 72902. “From January 1, 2017 through September 30, 2021, consumers reported 1,362,996 instances of government impersonation and associated total losses of roughly $922,739,109. The most common such schemes involved Social Security Administration (SSA) impersonators, with more than 308,000 complaints alleging SSA impersonation, followed by the IRS (124,000) and Health and Human Services/Medicare programs (125,000).”

80 See, e.g., Trade Regulation Rule on Impersonation of Government and Businesses, 86 Fed. Reg. 72901, 72902 (“Although the Commission has brought many cases involving impersonator scams under Section 5 of the FTC ACT, 15 U.S.C. 45, its current remedial authority is limited. The U.S. Supreme Court recently held that equitable monetary relief, including consumer redress, is not available under Section 13(b) of the FTC Act.”).

81 Trade Regulation Rule on Impersonation of Government and Businesses, 86 Fed. Reg. 72901, 72903. “Both the Mortgage Assistance Relief Services (MARS) Rule and the Telemarketing Sales Rule (TSR) already proscribe impersonation involving false government and business (including nonprofit) affiliation and endorsement claims …. An impersonator rule that builds on the existing sector- and method-specific rules could more comprehensively outlaw government and business impersonation. By focusing on practices that are the subject of its law enforcement experience and the subject of consumer fraud reports, the Commission anticipates streamlining this proposed rulemaking for the benefit of consumers.”
the Commission approved a Notice of Proposed Rulemaking addressing impersonation of government and businesses.82

2. Advance Notice of Proposed Rulemaking on Deceptive or Unfair Earnings Claims

In March 2022, the FTC issued an Advance Notice of Proposed Rulemaking to address deceptive or unfair earnings claims (“Earnings Claims ANPR”).83 This ANPR is aimed at misleading earnings claims, which both deprive consumers of the ability to make informed decisions and unfairly advantage bad actors in the marketplace at the expense of honest businesses.84

As prior FTC cases demonstrate, sales pitches containing deceptive earnings claims can appeal to retirees and older adults living on fixed incomes who are looking to supplement their income.85 The FTC has taken aggressive law enforcement action related to earnings claims made by targets engaged in coaching or mentoring schemes, multi-level marketing companies, work-from-home, e-commerce, or other business opportunity scams, chain referral schemes, gig companies and employers, job scams, and businesses purporting to offer educational opportunities. However, despite the FTC’s aggressive enforcement program, deceptive earning claims continue to proliferate in the marketplace.86

The FTC anticipates that a rule prohibiting the use of misleading earnings claims would enhance deterrence and help the FTC move quickly to stop illegal conduct. Such a rule may also further clarify for businesses what constitutes a deceptive earnings claim. In addition, a rule would enable the FTC to seek monetary relief for consumers harmed by deceptive earnings


85 Deceptive or Unfair Earnings Claims, 87 Fed. Reg. 13951, 13952–53 n.23–33 (citing FTC v. OTA Franchise Corp., FTC v. Ragingbull.com, FTC v. Mobe Ltd., FTC v. 8 Figure Dream Lifestyle LLC, among others).

86 Deceptive or Unfair Earnings Claims, 87 Fed. Reg. 13951, 13952.
claims, as well as civil penalties against those who make the deceptive claims. The FTC has previously promulgated rules regulating the use of earnings claims in certain instances, including: The Franchise Rule, the Business Opportunity Rule, and the Telemarketing Sales Rule. However, the scope of coverage of these rules is limited.87

The FTC’s Earnings Claims ANPR requests input on whether and how it can most effectively use its authority to address the use of false, unsubstantiated, or otherwise misleading earnings claims. If promulgated, a rule in this area would allow the FTC to recover redress for defrauded consumers and seek significant penalties against those who make these claims. The FTC will determine whether to issue a notice of proposed rulemaking after it reviews the public comments it receives in response to the ANPR.

### 3. Advance Notice of Proposed Rulemaking on the Telemarketing Sales Rule

In June 2022, the FTC issued an Advance Notice of Proposed Rulemaking seeking public comment on a number of possible amendments to the Telemarketing Sales Rule (“TSR”) (“TSR ANPR”).88 One of the major issues the TSR ANPR highlights is the rise of computer technical support scams (or “tech support services”) and the disproportionate impact on older adults.89 In many instances, these scams commence with an inbound call from a consumer to a telemarketer who proceeds to deceive the consumer into purchasing unnecessary computer technology services to fix phantom problems. Such calls, however, are typically exempt from the TSR’s protections.90

The TSR ANPR describes the Commission’s law enforcement experience addressing such scams and explains how they have been a rising trend that particularly impacts

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87 Deceptive or Unfair Earnings Claims, 87 Fed. Reg. 13951, 13952. “Numerous different types of enterprises that do not clearly fall under the scope of these existing rules continue to use misleading earnings claims to deceive consumers in violation of section 5.”


older adults.\textsuperscript{91} It highlights the Commission’s analysis of consumer complaints about tech support scams showing they increased dramatically over the last few years, ranging from approximately 40,000 complaints in 2017 to approximately 100,000 complaints in 2020. Indeed, tech support scams disproportionately harm older consumers; in 2021, consumers age 60 and over were nearly five times more likely to report a financial loss to tech support scams compared to younger consumers.\textsuperscript{92} From 2015 to 2018, older adults filed more reports on tech support scams than on any other category.\textsuperscript{93}

The TSR ANPR thus seeks comment on whether the Commission should amend the TSR to cover all deceptive telemarketing of tech support services. The FTC will determine whether to proceed with a notice of proposed rulemaking once it reviews the public comments submitted in response to the ANPR.

\section*{III. Outreach and Education Activities}

\subsection*{A. Pass It On Education Campaign}

\textit{Pass It On} is the FTC’s ongoing fraud prevention education campaign for older adults. Campaign materials show respect for the readers’ life experience and accumulated knowledge, and supply them with resources to read and “pass on” to family and friends to start conversations about fraud. The factsheets, bookmarks, videos, presentations, and other materials refresh and add to readers’ knowledge by briefly explaining how certain scams work and what a reader can do in response. Since the Pass It On campaign began in 2014, the number of topics it covers in print and online has expanded, based on community partners’ requests and changes in fraud trends. In 2022, the entire catalog of print and online material was reviewed and updated and now addresses these 13 common frauds.

- Business Impersonator Scams
- Charity Fraud
- Government Impersonator Scams
- Grandkid and Family Scams
- Health Insurance Scams
- Home Repair Scams
- Identity Theft
- Investment Scams
- Job and Money-Making Scams
- Romance Scams

\textsuperscript{91} Telemarketing Sales Rule, 87 Fed. Reg. 33662, 33669.

\textsuperscript{92} See Section IV(A)(1)(c).

\textsuperscript{93} Telemarketing Sales Rule, 87 Fed. Reg. 33662, 33670.
• Tech Support Scams
• Unwanted Calls and Text Messages
• “You’ve Won” Scams

The FTC has distributed 17.2 million Pass It On items since the campaign began, including more than 1.6 million items in fiscal year 2022. The free English and Spanish print material is requested by groups including banks, libraries, police departments, adult protective service offices, state attorneys general, military support groups, and educational and community groups nationwide. Campaign materials are available at www.ftc.gov/PassItOn, www.ftc.gov/Pasalo, (Spanish), and can be ordered at www.ftc.gov/bulkorder.

The FTC emails Consumer Alerts about many of the topics covered by Pass It On and other topics of interest to older adults, including business and government impersonators; COVID-19 vaccine scams; romance, investment, and prize or lottery scams; and scammers’ demands for payment by gift card and cryptocurrency. The FTC emails the Alerts in English and Spanish to more than 413,000 subscribers, who include individuals, community groups, advocates, national and local news media outlets, and other stakeholders. The FTC also posts these Alerts and materials on its consumer website, www.consumer.ftc.gov, so the public can read, link to, and share the prevention messages.94

B. Outreach Relating to Older Adults

The FTC collaborates with many organizations across the country to share its consumer education messages and inform the public about its work. In this reporting period, FTC staff in Washington, DC and eight regional offices have presented, exhibited, or participated in more than 210 outreach events with the public, other law enforcement agencies, and stakeholders focused on protecting members of a wide range of communities from scams. More than 70, or one-third of all outreach events, served older adults and the people who work with them, or engaged partner organizations in discussions about issues that affect older adults. The FTC’s outreach and education work also focused on issues related to consumers’ financial resilience and recovery from effects of the COVID-19 pandemic; more information about that work is set forth in Section C. Pandemic Response.

FTC staff participated in events for older adults together with local, state, and federal organizations, including the Better Business Bureau (BBB), public libraries, consumer organizations, legal services providers, as well as state attorneys general and consumer affairs offices, and federal agencies including the Federal Emergency Management Agency, the FBI, the Internal Revenue Service, the Social Security Administration Office of Inspector General, and the US Postal Inspection Service. The FTC also joined in multiple activities with groups including:

94 Information about subscribing to Consumer Alerts is available at www.ftc.gov/ConsumerAlerts.
1. AARP members

Staff educated older adults through more than 30 events with AARP members, including nationwide and statewide Facebook Live conversations, webinars, and tele-town halls about topics including impersonators, identity theft, and romance, telephone, and cyberscams. During a nationwide tele-town hall in December 2021, FTC shared information about holiday scams with 15,600 older adults. During a similar event the next month, staff talked about top scams with 32,000 older adults.

2. Senior Medicare Patrol Volunteers

The FTC made seven presentations to older adult Senior Medicare Patrol (SMP) volunteers in six states to share updated advice about fraud, identity theft, and impersonator scams among other topics. The FTC also met virtually with SMP volunteers, along with staff in State Health Insurance Programs (SHIP) and Medicare Improvement for Patients and Providers Act (MIPPA)-funded programs, to explain the Commission’s efforts to address fraud and consumer issues affecting communities of color and older adults. To recognize Older Americans Month, staff from the FTC and Senior Medicare Patrol Resource Center presented a virtual interactive discussion about various scams that affect older adults and responded to participants’ questions. Current SMP volunteers and members of the public attended the discussion.

3. Members of Congress

The FTC joined members of Congress and shared FTC resources at a Senior Scam Workshop for New Jersey residents, an online safety tele-townhall for Californians, and an in-person identity theft and fraud prevention workshop for more than 200 older Wisconsin residents.

4. Consumer Financial Protection Bureau, SAGE, and others

The FTC and the Consumer Financial Protection Bureau’s Office for Older Americans co-hosted the LGBTQ+ Elder Fraud Prevention and Response Network Summit in collaboration with SAGE, the advocacy and services organization for LGBTQ+ elders; the National Center on Elder Abuse; and the Keck School of Medicine of the University of Southern California. The summit was the first federal-led convening on consumer protection issues affecting LGBTQ+ elders. Together with CFPB staff, FTC staff facilitated conversations about addressing consumer protection issues. More than 70 representatives from advocacy, government, and industry groups participated.

5. Older Adult Advocates and Allied Professionals

Commission staff shared educational material about scams, fraud, identity theft and other issues that affect older adults at several conferences with advocates and professionals. These included events organized by the American Association of Service Coordinators, whose members assist older adults, people with disabilities, and families who live in affordable housing communities; ADvancing States, which represents state and territorial agencies on aging, disability and long term services; the National Legal Aid & Defender Association, a national
organization devoted to advocating equal justice for all Americans; National Extension Association of Family & Consumer Sciences, which educates and recognizes Cooperative Extension professionals who impact the quality of life for individuals, families and communities; USAging, a membership organization for Area Agency on Aging personnel; and UnidosUS, a Latino civil rights and advocacy organization.

In 2021, the FTC launched the Community Advocate Center\(^{95}\) to support legal services organizations’ fraud reporting and strengthen the FTC’s connections with historically underserved communities. In October 2021, the FTC released and promoted The Community Advocate Center in a ReportFraud.ftc.gov\(^{96}\) video to introduce the Center and explain the benefits of becoming a Report Fraud Community Advocate. In this reporting period, FTC staff had 24 meetings with legal service providers to introduce the Community Advocate Center and give an overview of FTC education resources the providers could use to assist their clients. Six of the legal service providers operate programs dedicated to serving older adults. Staff also deepened their connections with front line professionals, older adults, and lower income residents of Alaska, Arizona, Oklahoma, and Tennessee through virtual state Consumer Protection Conversations. Each conversation, co-hosted by FTC staff and local BBB, legal aid, and state attorney general representatives, gave viewers information about identity theft, consumer protection, and current local fraud.

The FTC’s outreach partnerships with groups and communities throughout the country provide opportunities to share the agency’s important prevention messages and foster more direct communication lines so the FTC learns in real-time about ongoing scams and other consumer protection problems affecting the public. This, in turn, can generate ideas for policy and education initiatives, as well as new case leads.

**C. Pandemic Response**

As the effects of the pandemic have continued, the agency is increasing its outreach on issues related to financial resiliency. This includes advice and resources to learn — and teach others — how to tackle financial issues resulting from or worsened by the pandemic. Shortly after the coronavirus pandemic began, the FTC developed a multi-media campaign and dedicated website to alert people to scams associated with the COVID-19 pandemic ([www.ftc.gov/coronavirus](http://www.ftc.gov/coronavirus) and [www.ftc.gov/coronavirus/scams](http://www.ftc.gov/coronavirus/scams)). This webpage, available in English and Spanish, serves as a one-stop directory of the FTC’s coronavirus education resources for consumers and businesses. The site’s consumer page contains advice on how to stay safe in the face of the health and pandemic-related financial crisis and links to Consumer Alerts. Local media and community partners that subscribe to these Alerts, including libraries, educators, banks, and local law enforcement, share and forward the information to their members, which

\(^{95}\) The Community Advocate Center is available at [https://reportfraud.ftc.gov/community](https://reportfraud.ftc.gov/community).

\(^{96}\) The video can be viewed, shared, or downloaded at [https://www.youtube.com/watch?v=xLgq3EcG6hA](https://www.youtube.com/watch?v=xLgq3EcG6hA).
exponentially expands the FTC’s audience and impact. As of July 31, the FTC’s coronavirus-related material has had 9.6 million views.

Since February 2020, the FTC has issued more than 180 Consumer Alerts about topics related to the pandemic including COVID-19 test kits, vaccines, stimulus payments, health and treatment claims, and government impersonators. In fact, one post on free COVID-19 tests was one of the most popular posts of the year, driving 66 percent of readers to the official links to order tests.

In the last fiscal year, FTC staff worked with varied partners and channels to deliver information to older adults, especially to those in historically underserved communities targeted by COVID-19 scams and issues. Staff appeared on national television to warn about fake at-home COVID-19 tests and talked with more than 500 AARP members in California about the financial impact of the pandemic on the Latino community, including the emergence of job and mortgage scams. In Georgia, FTC staff joined AARP and the BBB to explain how listeners could avoid scams when looking for work-from-home positions. Staff sent FTC educational material to outreach partners in civic groups and local, state, and federal government in a six-state region to distribute to their members and constituents, and educated 100 legal service providers about how to help clients recover from scams that follow the pandemic. In December 2021, the FTC sent folders with Pass It On and Pásalo material to 40,000 library, law enforcement, veterans’, and older adult support group presenters and trainers to share with the older adults they contact, to help them better manage the financial impact of the pandemic and avoid scams.

IV. Developing Effective Strategies to Protect Older Consumers

A. Research and Data Analysis

The FTC collects and analyzes consumer report information through its Consumer Sentinel Network (“Sentinel”). Sentinel is a secure online database that provides federal, state, and local law enforcement agencies with access to reports from consumers about fraud and other consumer problems. Law enforcement agencies and other organizations contribute consumer reports, and the FTC collects reports directly from the public through its call center and online reporting system, ReportFraud.ftc.gov. The Sentinel database is searchable by criteria such as the type of fraud or problem and the name, address, and telephone number of the reported entity. The FTC has worked to increase the number of data contributors providing reports to Sentinel, and was pleased to welcome the Social Security Administration Office of the Inspector General and the Australian Competition and Consumer Commission last year, adding hundreds of thousands of reports. Using Sentinel, the FTC and its law enforcement partners can analyze

97 Data contributors are listed at https://www.ftc.gov/enforcement/consumer-sentinel-network/data-contributors.
reports filed by older adults to look for patterns and trends, identify problematic business practices and enforcement targets, and develop cases against targets under investigation.

1. Consumer Sentinel Reports from Older Adults

During calendar year 2021, Sentinel took in more than 5.9 million reports from consumers, both directly and through its data contributors, about problems they experienced in the market. Of that number, nearly 2.9 million reports were about fraud, more than 1.4 million were about identity theft, and nearly 1.6 million were about other consumer problems. Consumers reported losing $6.1 billion to fraud in 2021. About 46% of fraud reports filed in 2021 included consumer age information. Consumers who said they were 60 and older (older adults) filed 467,340 fraud reports with reported losses of more than $1 billion. Because the vast majority of frauds are not reported, these numbers include only a fraction of older adults harmed by fraud.

Key findings from the 2021 Sentinel data:

- Older adults (ages 60 and over) were still less likely than younger adults (ages 18-59) to report losing money to fraud.

- Older adults continued to report higher individual median dollar losses than younger adults. The disparity remained particularly large among people 80 and over compared to younger adults.

- Older adults continued to be much more likely than younger adults to report losing money on tech support scams, prize, sweepstakes and lottery scams, and family and friend impersonation.

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98 See generally FTC, FTC Consumer Sentinel Network (Last Updated July 29, 2021), available at https://public.tableau.com/profile/federal.trade.commission. Figures are based on reports directly to the FTC and reports provided by all Sentinel data contributors. These figures do not include reports about unwanted calls. Sentinel data is self-reported and not a survey. As such, individuals decide whether to file a report and decide what information, if any, to provide. As noted below, not all consumers who file a report provide their age, payment method, amount of dollar loss, and other data. As referenced in the text above, “other consumer problems” include various categories of reports not classified as fraud, such as auto-related reports and reports about cable and satellite TV.

99 Data provided by the Internet Crimes Complaint Center (IC3) are excluded here and throughout this report, except where otherwise noted, due to differences in the age ranges collected from consumers and differences in report categorization.

• Online shopping fraud remained the most commonly reported category of fraud in which people of all ages indicated they lost money; however, older adults were much less likely to report losing money to online shopping fraud than younger adults.

• Romance scams, business impersonation scams, and investment scams caused the highest aggregate reported losses for older adults as a whole, but prize, sweepstakes and lottery scams remained the costliest for people 80 and over.

• Aggregated reported losses and the number of reports indicating money was lost by older adults were highest for online frauds, but reported median individual losses were highest for frauds that started with a phone call.

• Gift cards and reload cards were the most frequently reported fraud payment methods by older adults, followed by credit cards. Aggregate losses reported by older adults were highest on bank transfers or payments.

• New analysis points to differences in how older adults in different demographic populations may experience fraud.

These findings, explored more fully below, help inform the FTC’s efforts to protect consumers through consumer education, law enforcement, and policy work.

a. Most Older Adults Who Filed Fraud Reports Avoided Losing Any Money

As in previous years, the overwhelming majority of Sentinel fraud reports filed in 2021 by people 60 or over did not indicate any monetary loss. Figure 1, which controls for population size,\(^{101}\) shows that older adults were 68% more likely to file these no-loss reports about fraud they had spotted or encountered—but avoided losing money on—than people ages 18-59.\(^{102}\) Moreover, consistent with previous years, older adults were 26% less likely to report losing money to fraud than people ages 18-59. This suggests that older adults may be more likely to avoid losing money when exposed to fraud, more inclined to report fraud when no loss has occurred, or a combination of these or other factors. The FTC’s most recent fraud survey, published in October 2019, also found that what it called the “rate of victimization” for the

\(^{101}\) The comparison of older adults and younger consumers is normalized against the population size of each age group. The analysis is based on U.S. Census Bureau data for population by age. See U.S. Census Bureau, Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States (June 2020), available at https://www.census.gov/data/tables/time-series/demo/popest/2010s-national-detail.html.

\(^{102}\) The largest share of 2021 no-loss reports by older adults were about phone scams, and these were most often calls from scammers impersonating businesses and government agencies.
various categories of frauds included in the survey was generally lower for those 65 and older than for younger consumers.\textsuperscript{103}

\begin{figure}[h]
\centering
\includegraphics[width=\textwidth]{figure1}
\caption{2021 Fraud Loss and No-Loss Reports Per Million Population by Age}
\end{figure}

\textbf{b. Older Adults Reported Higher Median Individual Dollar Losses than Younger Consumers}

In 2021, as in previous years, younger consumers were more likely to report losing money to fraud than older adults, but older adults who did report losing money reported higher median individual losses (see Figure 2). People 80 and over reported median individual losses of $1,500, far higher than any other age group. The reported median individual dollar loss increased for all age groups in 2021 as compared to 2020, but the increases were most striking for younger adults. These increases can be explained, in part, by a surge in reports of money lost to romance scams and investment scams, both of which have much higher reported median individual dollar losses than most other frauds.\textsuperscript{104}


\textsuperscript{104} In 2021, the reported median individual dollar loss by adults 60 and over for reports categorized as romance scams and investment related fraud was $5,100 and $6,800 respectively, compared to $685 for all fraud reports by this age group. Here and throughout this report, investment scams refer to fraud reports classified as investment seminars and advice, stocks and commodity futures trading, art, gems and rare coin investments, and miscellaneous investments.
Some Sentinel reports are filed on behalf of consumers by adult children, spouses, caretakers, or others. As in prior years, 2021 Sentinel data show that adults ages 80 and over were more likely than other age groups to have a Sentinel report filed on their behalf. About 17% of reports for people 80 and over indicated they were submitted by a person on behalf of the consumer, a far higher rate than any other age group.\(^{105}\) Reports submitted by third parties had higher median individual reported losses as compared to those that were self-reported for all age groups, but this disparity was particularly striking for older adults.\(^{106}\)

\(^{105}\) The percentage of reports submitted by another person on behalf of a consumer in 2021 were as follows: 17.1% (80 and over), 5.0% (70-79), 2.9% (60-69), 2.4% (50-59), 2.0% (40-49), 1.8% (30-39), 2.2% (20-29), and 3.8% (18-19). These figures exclude reports collected by Sentinel data contributors because of differences in identifying reports submitted by third parties.

\(^{106}\) The 2021 reported median individual dollar losses by age for this subset of reports were as follows: $4,000 (80 and over), $3,000 (70-79), $1,500 (60-69), $1,000 (50-59), $1,000 (40-49), $982 (30-39), $877 (20-29), and $600 (18-19). These figures exclude reports collected by Sentinel data contributors because of differences in identifying reports submitted by third parties.
c. Some Types of Fraud Affected Older Adults Differently from Younger Adults

To identify the top scams that had a financial effect on older adults, Figure 3 displays the top fraud categories ranked by the number of reports by older adults indicating that money was lost (loss reports). The dark teal bars show loss reports submitted by older adults (age 60 and over), and the light green lines show loss reports filed by younger people (ages 18-59) for each category of fraud. As shown in Figure 3, controlling for population size, older adults were more likely than younger people to report financial losses to certain types of frauds. Three categories of fraud continued to stand out in 2021. Older adults were: 1) nearly five times, or 398%, more likely than younger people to report losing money on a tech support scam; 2) more than twice as likely to report a loss on a prize, sweepstakes or lottery scam; and 3) 45% more likely to report a loss on a family or friend impersonation scam.

![FIGURE 3: 2021 LOSS REPORTS BY AGE AND FRAUD TYPE](image)

Fraud types are ranked by the number of loss reports filed by consumers 60 and over. Figures are normalized using U.S. Census Bureau data for population by age. See U.S. Census Bureau, Annual Estimates of the Resident Population for Selected Age Groups by Sex for the United States (June 2020). Reports categorized as unspecified and reports provided by IC3 are excluded.
Reports of losses to online shopping fraud increased sharply starting in the second quarter of 2020, and the numbers remained far higher than pre-pandemic levels in 2021 even as reports of COVID-19 related online shopping fraud declined. Although older adults continued to be less likely than younger people to report losing money to online shopping fraud, the number of loss reports submitted by older adults on this fraud type continued to far exceed any other category of fraud reported by older adults. Ads on social media were frequently identified as the starting point for these frauds, particularly when the items purchased were simply not received.

Analysis of total dollars reported lost by older adults by fraud type, shown in Figure 4, highlights the tremendous financial harm caused by romance scams, business impersonation scams, and investment scams in 2021. The highest aggregate dollar losses reported in 2021 by older adults were again in the romance scam category. Reported losses to romance scams have increased significantly in recent years, and this trend accelerated with the start of the COVID-19 pandemic. For older adults, reported romance scam losses increased from $139 million in 2020 to $213 million in 2021. Among older adults, hardest hit were the 60-69 and 70-79 age groups, which reported $198 million of the 2021 reported losses. Reported losses by older adults on business impersonation scams topped $151 million in 2021, more than double the 2020 number. This increase was due, in part, to a surge in reports of losses to scammers posing as Amazon. The most striking increase was on investment scams, with reported losses by older adults more than tripling in 2021. This increase was driven in large part by a surge in reports of losses to cryptocurrency investment scams. Reported losses by older adults to scam


108 Adults 60 and over reported 1,567 COVID-19 related online shopping frauds in 2021 compared to 3,190 such reports in 2020.

109 About one in four older adults who reported losing money on undelivered online shopping purchases in 2021 identified social media as the contact method.


investment opportunities where the payment method is in cryptocurrency increased more than ninefold in 2021.\textsuperscript{114}

For adults 80 and over the highest aggregate reported losses were again on prize, sweepstakes and lottery scams, with $47 million reported taken in 2021. This figure represents an astonishing 31\% of all reported fraud losses by people 80 and over in 2021. The median individual reported loss on these scams for the 80 and over age group was $6,000 in 2021, far higher than for other age groups.\textsuperscript{115}

\textbf{FIGURE 4: 2021 TOP FRAUD TYPES BY TOTAL DOLLARS LOST (AGES 60 AND OVER)}

Aggregate reported losses by older adults increased in 2021 on all top frauds.

- Romance Scams: $213 million (54\%)
- Business Imposters: $151 million (134\%)
- Investment Scams: $147 million (213\%)
- Government Imposters: $122 million (109\%)
- Prizes, Sweepstakes & Lotteries: $108 million (56\%)
- Tech Support Scams: $73 million (95\%)
- Online Shopping: $57 million (73\%)
- Family & Friend Imposters: $24 million (16\%)
- Fake Check Scams: $22 million (127\%)
- Timeshare Resales: $14 million (4\%)

\textit{REPORTED DOLLAR LOSS (% CHANGE FROM 2020)}

Percent change from 2020 is shown in parentheses. Reports categorized as unspecified and reports provided by IC3 are excluded.

\textsuperscript{114} Older adults reported $41.5 million lost on fraud categorized as investment related with cryptocurrency as the payment method in 2021 compared to $4.5 million in 2020.

\textsuperscript{115} In 2021, the median individual reported loss on prize, sweepstakes and lottery scams was $1,450 for adults 60-79 and $400 for ages 18-59.
d. Older Adults Most Frequently Reported Losses to Online Fraud, But Reported the Highest Median Individual Loss Amounts to Fraud that Started with a Phone Call

In 2020, loss reports about online frauds by older adults surpassed phone fraud loss reports for the first time. This trend accelerated in 2021, with online fraud loss reports by older adults increasing by more than 60% to nearly double the phone fraud number (see Figure 5). Aggregate reported losses to online fraud by older adults increased 90%, surpassing phone fraud for the first time in 2021. However, 2021 reported median individual losses remained far higher for phone fraud at $1,500 compared to $300 for online fraud.

![Figure 5: Online and Phone Fraud Loss Reports by Year (Ages 60 and Over)](image)

**Aggregate reported losses are shown in parentheses. Online frauds are frauds in which the consumer reported first learning about the fraud on a website or app, on social media, or via an online ad or pop-up. Phone frauds are frauds in which the consumer reported first learning about the fraud via a phone call, and do not include text messages.**

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116 Online frauds are defined here as those in which the consumer reported first learning about the fraud on a website or app, on social media, or via an online ad or pop-up. Phone frauds are those in which the consumer reported first learning about the fraud via a phone call. Text frauds belong to a category separate from phone frauds.
People 80 and over were again an exception in that this age group continued to report losses to phone fraud at higher rates than online fraud,¹¹７ and their aggregate reported losses to phone fraud were more than twice that of online fraud.¹¹８ About 46% of aggregate reported losses by this age group were on phone fraud compared to 24% of aggregate reported losses by people ages 60-79. Moreover, the median individual reported loss to phone fraud was $3,000 for people 80 and over compared to $1,340 for people ages 69-79.

Figure 6 shows the yearly trend in loss reports for each of the contact methods collected in Sentinel.¹¹⁹ Reports indicating a loss to fraud that reached older adults via social media once

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¹¹⁷ In 2021, 38% of reports indicating a dollar loss by adults 80 and over were about phone fraud and 27% were about online fraud. By comparison, 20% of reports indicating a dollar loss by adults 60-79 were about phone fraud and 43% were about online fraud.

¹¹⁸ The aggregate reported loss on phone fraud by adults 80 and over in 2021 was $70 million, compared to $26 million on online fraud.

¹¹⁹ Figure 6 excludes the online ad or pop-up contact method because this was not an available option prior to October 22, 2020.
again more than doubled.\textsuperscript{120} A 40\% increase in reports of losses to text scams was also notable, although the numbers relative to other contact methods remained low. The data suggest that attempted phone fraud continued to be a concern for older adults. More than a third of fraud reports by adults 60 and over in 2021 were about phone contacts with no reported dollar loss, compared to just 17\% of reports by younger adults.\textsuperscript{121}

Figure 7 shows 2021 aggregate reported losses and median individual reported losses for each of the contact methods collected in Sentinel. The social media contact method again stands out, with total reported losses more than doubling from $63 million in 2020 to $164 million in 2021. Median individual reported losses on social media scams by older adults increased from $204 in 2020 to $460 in 2021. Also notable were text scams, which showed higher median individual reported losses than any other contact method with the exception of phone calls. The total loss amount reported by older adults on text scams increased from $22 million in 2020 to $41 million in 2021.

The types of frauds older adults most frequently reported losing money to varied by contact method. As in 2020, when the contact method was a phone call, older adults most often

\begin{figure}
\centering
\includegraphics[width=\textwidth]{figure7.png}
\caption{2021 Total Loss and Median Individual Loss by Contact Method (Ages 60 and Over)}
\end{figure}

\begin{itemize}
\item Phone call: $280M, $1500
\item Social Media: $164M, $460
\item Website or App: $136M, $300
\item E-mail: $90M, $846
\item Online Ad or Pop-up: $41M, $200
\item Text: $41M, $1000
\item Mail: $21M, $903
\end{itemize}

Online frauds are scams in which the consumer reported first learning about the fraud on a website or app, on social media, or via an online ad or pop-up. Phone frauds are scams in which the consumer reported first learning about the fraud via a phone call, and do not include text messages.

\begin{itemize}
\item \textsuperscript{120} See FTC Consumer Protection Data Spotlight, \textit{Social media a gold mine for scammers in 2021} (Jan. 25, 2022), available at \url{https://www.ftc.gov/news-events/data-visualizations/data-spotlight/2022/01/social-media-gold-mine-scammers-2021}.
\item \textsuperscript{121} Older adults submitted 406,955 reports indicating a contact method in 2021, while younger adults submitted 752,022 reports indicating a contact method. Of these, 148,204 reports by older adults indicated a phone call was the contact method and no money was lost, compared to 131,153 such reports by younger adults.
\end{itemize}
reported dollar losses on business impersonation scams followed by government impersonation scams and tech support scams. However, for the 80 and over age group, loss reports indicating a phone call as the method of contact were again most often about prize, sweepstakes and lottery scams. When text was the contact method, the largest share of loss reports by older adults were business impersonation scams, particularly those impersonating Amazon. When the contact method was online, most of the loss reports by older adults were about online shopping frauds, with business impersonation scams and romance scams a distant second and third.\footnote{122} While online shopping was the most commonly reported fraud, the amount of losses were highest for romance and then investment scams. About 60\% of all dollars reported lost to online fraud by older adults were lost to romance scams and investment scams.\footnote{123}

e. Gift Cards Were the Most Frequently Reported Payment Method, but Bank Transfers Took the Top Spot for Total Dollars Lost

People reporting fraud frequently indicate the payment method they used, and this information helps the FTC identify opportunities for enforcement and consumer education. The first column in Figure 8 shows that, in 2021, older adults most often reported paying scammers with gift cards or reload cards followed by credit cards and debit cards. The second column in Figure 8 shows the aggregate dollar losses that older adults reported for the payment methods shown. Aggregate losses reported by older adults were highest on bank transfers and payments.

\footnote{122} Of 37,178 online fraud reports by older adults indicating a dollar loss in 2021, 20,130 were about online shopping fraud, followed by 3,863 business impersonation scam reports and 3,269 romance scam reports.

\footnote{123} Of $341 million dollars reported lost to online fraud by older adults in 2021, $137 million was reported lost to romance scams and $72 million was reported lost to investment scams.
Several notable shifts occurred in the payment methods reported by older adults in 2021 as compared to 2020. The number of older adults who said they paid with a gift card or reload card increased by about 67%. These reports were largely about impersonation scams, with the growth related to a sharp increase in reports of scammers posing as well-known businesses. Reported losses by older adults using bank transfers and payments more than doubled, with the largest share of these losses going to romance scams, investment related fraud, and business impersonation scams. Most striking was the more than fivefold increase in reported losses

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125 In 2021, about 66% of reports by older adults indicating gift card or reload card as the payment method were categorized as imposter scams. Reports by older adults classified as business imposter scams with gift card or reload card as the payment method increased 83% in 2021 as compared to 2020.

126 Adults 60 and over reported $209 million (5,904 loss reports) lost to fraud with bank transfers and payments as the payment method in 2021 compared to $99 million (2,948 loss reports) in 2020.

127 In 2021, adults 60 and over reported losing $43 million to romance scams using bank transfers and payments as the payment method, followed by investment related fraud at $39 million and business imposter scams at $37 million.
using cryptocurrency as the payment method. The largest share of reported cryptocurrency losses by older adults were on investment scams, with romance scams a close second.

f. Identifying Differences in Fraud and Consumer Issues Affecting Older Adults of Color

FTC research and analysis has demonstrated that different demographic communities report different types of fraud at different rates. This section seeks to identify trends for older adults in Black, Latino, and Asian American and Pacific Islander (“AAPI”) populations. Although the FTC does not collect race and ethnicity information directly from consumers, a method to impute race and ethnicity using name and zip code information has been applied for the purpose of identifying any trends in reporting. Using this method, over 138,000 fraud reports filed from 2019 to 2021 from older adults most likely to be Black, Latino, and AAPI were identified for analysis. The results show differences in the reported fraud types and

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128 Adults 60 and over reported $119 million (2,796 loss reports) lost to fraud with cryptocurrency as the payment method in 2021 compared to $22 million (784 loss reports) in 2020.

129 In 2021, adults 60 and over reported losing $42 million to investment scams using cryptocurrency as the payment method, followed by romance scams at $40 million.


131 The procedure used to impute race and ethnicity for this report combines information from a consumer’s first name, surname, and home zip code, with a method known as Bayesian Improved First Name Surname Geocoding (BIFSG). Where BIFSG could not be applied, race/ethnicity probabilities were determined using surname and zip code (BISG) and using zip code alone where surname could not be used. Consumers were then classified according to their largest single race/ethnicity probability, an approach called max a posteriori (MAP) classification. To check for robustness, statistics were also computed using race probabilities as weights and threshold classification methods to ensure that the findings broadly held across methodologies. BISG is a standard technique in fair lending analysis for banking supervision, originally explored in Mark N. Elliott et al, Using the Census Bureau’s surname list to improve estimates of race/ethnicity and associated disparities, Health Services and Outcomes Research Methodology 9, no. 2. (2009). For more information on BIFSG, See Ioan Voicu, Using First Name Information to Improve Race and Ethnicity Classification, Statistics and Public Policy, Volume 5, Issue 1 (2018) at 1-13. available at https://www.tandfonline.com/doi/full/10.1080/2330443X.2018.1427012.

132 Three years of reporting data were used to increase the sample size. The number of 2019-2021 reports identified for analysis for each group were as follows: 72,235 Black, 50,435 Latino, and 15,453 AAPI. Note that this information only includes a fraction of the older adults in these populations who experienced fraud. One study has shown that only about 4.8 percent of the victims of mass-marketing consumer fraud complained to the Better Business Bureau or a government agency. See Keith Anderson, To Whom Do Victims of Mass-Market Consumer Fraud Complain? at 1 (May 2021), available at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3852323 (study showed that only 4.8 percent of victims of mass-market consumer fraud complained to a Better Business Bureau or a government entity). Further, research involving nine consumer protection matters found that heavily Black and Latino areas complained substantially less relative to their rate of victimization after controlling for other demographic characteristics. See Devesh Raval, Whose Voice Do We Hear in the Marketplace? Evidence from Consumer Complaining Behavior, Marketing Science (2020), 39 (1), 168-187, available at https://deveshraval.github.io/complaintBehavior.pdf.
payment methods for each community, as well as larger reported median dollar losses for older adults most likely to be AAPI.

**FIGURE 9: 2019-2021 TOP FRAUD TYPES**

**SHARE OF TOTAL LOSS BY RACE AND ETHNICITY (AGES 60 AND OVER)**

<table>
<thead>
<tr>
<th>Type</th>
<th>Black All Reports</th>
<th>Latino All Reports</th>
<th>AAPI All Reports</th>
</tr>
</thead>
<tbody>
<tr>
<td>Romance Scams</td>
<td>13.0%</td>
<td>14.9%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Business Imposters</td>
<td>13.8%</td>
<td>11.4%</td>
<td>13.6%</td>
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<tr>
<td>Government Imposters</td>
<td>14.7%</td>
<td>14.9%</td>
<td>15.5%</td>
</tr>
<tr>
<td>Prizes, Sweepstakes, &amp; Lotteries</td>
<td>8.0%</td>
<td>5.8%</td>
<td>12.9%</td>
</tr>
<tr>
<td>Investment Scams</td>
<td>10.6%</td>
<td>12.1%</td>
<td>19.3%</td>
</tr>
<tr>
<td>Tech Support Scams</td>
<td>7.0%</td>
<td>5.6%</td>
<td>3.6%</td>
</tr>
<tr>
<td>Online Shopping</td>
<td>4.0%</td>
<td>5.3%</td>
<td>4.6%</td>
</tr>
<tr>
<td>Family &amp; Friend Imposters</td>
<td>3.7%</td>
<td>3.3%</td>
<td>0.8%</td>
</tr>
</tbody>
</table>

% OF TOTAL LOSS

Percentage calculations are based on fraud loss reports totaling $1.7 billion, including $95 million (Black), $93 million (Latino), and $87 million (AAPI). The method used to impute race and ethnicity uses a procedure that combines information from a consumer’s first name, surname, and home zip code. Consumers were classified according to their largest single race/ethnicity probability. Reports categorized as unspecified and reports provided by IC3 are excluded. Reports can be classified as more than one fraud type.
Figure 9 shows top fraud types by the share of total reported losses by older adults most likely to be Black, Latino, and AAPI. The gray bar represents all reports by older adults. Each colored bar shows the share of total losses from each demographic group about various types of fraud. The data suggest that the fraud types with the highest reported dollar losses for older adults as a whole are also among the most costly for Black, Latino and AAPI older adults. However, differences are also evident. For example, 24% of total reported losses by older adults most likely to be AAPI were on government impersonation scams, compared to just 13% of all reports. Older adults most likely to be AAPI also had a much higher share of reported losses on investment-related fraud. These reports have continued to climb, and in the first six months of 2022, 57% of all reported losses by the AAPI group were on investment scams, and nearly half of these losses were in cryptocurrency. For reports from older adults most likely to be Black, prize, sweepstakes and lottery scams stand out at 19% of the total reported losses for this group compared to 13% for older adults generally. The largest share of these losses was on phone scams in which consumers reported that the scammers claimed a connection with well-known businesses.

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133 Because the method used to impute race requires a U.S. zip code of residence, reports from consumers residing outside the U.S. have been excluded here and throughout this section of the report.

Figure 10 shows the differences in the top fraud payment methods reported by older adults for each of the three demographic groups. Older adults most likely to be Black and Latino filed a larger share of their reports about payments made with debit cards compared to all older adults, and a lower share about payments made with credit cards. Because the law provides additional fraud protection in credit card transactions, these disparities are especially noteworthy for consumer reports of fraud.\textsuperscript{135} Figure 10 also shows that older adults most likely to be Latino reported using wire transfers as the payment method in 11% of their reports compared to just 6%.

\textsuperscript{135} See FTC Consumer Advice, Lost or Stolen Credit, ATM, and Debit Cards, available at https://consumer.ftc.gov/articles/lost-or-stolen-credit-atm-debit-cards.
for all older adults. About 22% of these reports were about scammers impersonating friends and family members, compared to 8% of all wire transfer reports by older adults.

Fraud reports from older adults in each demographic group also showed differences in individual loss amounts and the share of reports that indicated any money was lost. The median reported loss from 2019 to 2021 was $600 for the older adults most likely to be Black, $720 for older adults most likely to be Latino, and $1,000 for older adults most likely to be AAPI, compared to $650 for all older adults. These differences were seen across many different fraud types, with the older adults most likely to be AAPI reporting higher median losses than those most likely to be Black and Latino as well as all older adults on most frequently reported frauds. Of the top fraud types identified in Figure 9, the AAPI group reported higher median individual losses than all older adults on all but the family and friend imposters fraud type. Compared to the Black and Latino groups, the AAPI group reported higher median individual losses for all but the online shopping and family and friend imposters fraud type.

2. Analysis of Social Security Administration Scam Reports

Government impersonators have been plaguing U.S. consumers for many years now. In 2021, the FTC received almost 400,000 reports about government impersonators. Scammers impersonating the Social Security Administration (“SSA”) topped the list in 2021 with more than 217,000 reports and almost $150 million dollars in reported losses.

136 Of the top fraud types identified in Figure 9, the AAPI group reported higher median individual losses than all older adults on all but the family and friend imposters fraud type. Compared to the Black and Latino groups, the AAPI group reported higher median individual losses for all but the online shopping and family and friend imposters fraud type.

137 From 2019-2021, the share of fraud reports indicating a monetary loss was 17% for all older adults, 20% for both the Black and Latino groups, and 26% for the AAPI group.

The SSA Scam typically starts with an automated phone call from scammer claiming there is a problem with the consumer’s Social Security number, often claiming it has been suspended because of criminal activity. The scammer tells consumers to avoid arrest and secure their money, they must purchase gift cards or cryptocurrency, or wire money. The scammer then takes the consumer’s funds.

Two researchers took a closer look at the reports received by the FTC about the SSA Scam, using a variety of methods to learn more about the scam. Among other things, the researchers confirmed that SSA scam reports followed some of the trends for all government impersonator scams, that is, that older adults file fewer reports about losing money to these scams than younger people, but older adults lose significantly more money per incident on average.

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141 Id. at 35, 40, 45, 46.
In looking at the narratives in the consumer reports, the researchers found evidence of high intensity emotional arousal in nearly every consumer narrative. The researchers noted that “[o]f the 600 cases in the sample, 312 included threats of arrest, 220 mentioned drug-related charges, and 165 mentioned money laundering charges.” They further found that “[c]onsumers who complied with the scam described how these threats instilled fear, anxiety, and panic.” The most common emotion word in the consumers’ narratives was “scared,” along with derivatives such as “afraid,” “worried,” “terrified,” “paralyzed,” “panicked,” “shaking,” “nervous,” “fearful,” and others.

The researchers also matched the zip code information for all consumer reports to U.S. Census Bureau information and looked to the demographic information for those zip code areas. They found that consumers from majority Black, Asian, and Hispanic communities are more likely to report that they lost money than people in non-Hispanic White communities. People from non-Hispanic White communities reported higher average losses. Researchers also noted that reports about the SSA scam often mentioned successful interventions by third parties in the narrative, such as: “(1) retail store employees, including cashiers, store managers, and bank tellers; (2) law enforcement officers; (3) friends and family members; (4) SSA employees; and (5) financial institutions.”

3. Hearing Directly from Older Adults About FTC Impersonators

The FTC continued its program this year to engage with and gather information from older adults who reported losing money to scammers pretending to work at or be affiliated with the FTC. FTC staff reached out to the majority of people who filed these reports to explain that the FTC does not distribute prizes, money, or grants, and provided additional information as needed. During these calls, staff learned more about the means by which scammers continued to call older adults and ultimately steal their money.

Information from this program indicates that as the isolation of the pandemic continues, scammers continue to call older adults and use the FTC’s name to gain their trust. At the outset, when the scammer states that they are part of a government agency, they gain an aura of

142 Id. at 43.
143 Id. at 21-22.
144 Id.
145 Id.
146 Id. at 47-48.
147 Id. at 36, 47-48.
148 Id. at 23.
legitimacy, which seems to increase the likelihood that consumers will respond. Once this aura is established, they move on to finding ways to convince people to send them money.

The most common approach scammers employ is to talk about prizes the consumer supposedly won, such as cash, cars, or overseas vacations. The required payments are presented as taxes, import and customs fees, and delivery charges that must be paid before the prize can be delivered. Individually these payments are seldom large, but over time as the scam is perpetuated, they can accumulate into an enormous loss. To lower consumers’ suspicions and keep the money coming in, the scammers develop “relationships” with the consumers, calling several times a week to check up on them and to give updates on their prize. Sometimes a consumer is passed on to another caller working the scam, which helps convince them that each payment brings their jackpot closer. Secrecy is also emphasized, supposedly to make the huge payout a surprise to the consumer’s family when it comes. But in reality, secrecy prevents other family members or friends from learning how much the consumer has paid.

Many of the older adults contacting the FTC have grown suspicious and want to confirm that the callers they have been interacting with are indeed FTC employees. Yet, FTC staff may also spend significant time convincing the consumer that the scammers are not in any way employed by or affiliated with the FTC. In other instances, some of the older adults already have consulted with family members about what has been happening and contact the FTC in order to report the scam. In such circumstances, they are contacting the FTC to ensure that others are not similarly deceived and will not suffer difficult and often devastating monetary losses.

B. Coordinated Efforts to Protect Older Consumers

The FTC’s Every Community Initiative leads the agency’s strategic planning for the protection of older consumers. As highlighted in last year’s Serving Communities of Color Report, different types of consumer protection issues affect different groups of people, and this Initiative examines the impact of various schemes on distinct groups, including older adults, military service members and veterans, Black Americans, Latinos, Asian Americans, Native Americans, communities who speak languages other than English, and other groups. The Initiative uses research and input from stakeholders in communities to develop strategies to prevent fraud, inform the agency’s law enforcement program, and expand outreach. These partnerships across the country have been extremely valuable as the FTC identifies potential cases and further develops strategies to protect older adults in a wide range of communities from financial loss.

In pursuing law enforcement actions to have the largest possible impact, the FTC also coordinates with federal, state, local, and international agencies, including those with criminal authority, leveraging resources to track down fraudsters and build cases to stop them. In

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particular, the FTC participates in the Global Anti-fraud Enforcement Network, a multilateral network of agencies that enforces laws prohibiting mass marketing fraud. The Network has been pivotal in enforcement actions against entities that have defrauded millions of older consumers.

Further, the FTC has continued to be an active member of the Elder Justice Coordinating Council, a multi-agency federal entity that coordinates activities across the federal government related to elder abuse, neglect, and exploitation. Led by the Assistant Secretary for Aging within the Department of Health and Human Services (“HHS”), the EJCC meets at least twice a year with the goal of better coordinating the federal response to elder abuse. At the December 2021 meeting, the FTC’s Elder Justice Coordinator presented information about the FTC’s efforts to protect older adults from fraud and bad business practices, highlighting the FTC’s work to better serve people living in communities of color. At the June 2022 meeting, six researchers summarized their recent projects, including Dr. Marti DeLiema who discussed her paper analyzing consumer reports received in the FTC’s Consumer Sentinel Network about the SSA impersonation scam. The EJCC and its staff-level working group have strengthened the FTC’s connections with other federal government offices that are also working to combat elder abuse and has facilitated valuable information sharing and coordination.

Finally, pursuant to the Stop Senior Scams Act, the FTC recently established an Advisory Group comprised of stakeholders from government, industry, and consumer advocacy groups to create new initiatives that address fraud impacting older adults. The Advisory Group held its first public meeting on September 29, 2022, and introduced several committees that will

150 HHS convened the Elder Justice Coordinating Council in accordance with the Elder Justice Act passed in 2010. The Council consists of heads of federal departments and other government entities, including the FTC, identified as having responsibilities, or administering programs, relating to elder abuse, neglect, and exploitation. See HHS, What is the Elder Justice Coordinating Council? (last modified July 8, 2022), available at https://www.acl.gov/programs/elder-justice/elder-justice-coordinating-council-ejcc.


152 A recording of the June 2022 EJCC meeting, along with a copy of Dr. DeLiema’s remarks is available at https://acl.gov/programs/june-21-2022-ejcc-meeting. Dr. DeLiema’s analysis of the Consumer Sentinel reports about the SSA scam is discussed in Section IV(A)(2) of this report.


154 The Advisory Group is comprised of representatives of the following entities: AARP; AmeriCorps Senior; Chamber of Digital Commerce; Commodity Futures Trading Commission; Consumer Financial Protection Bureau; Federal Deposit Insurance Corporation; Federal Reserve Board; Federal Trade Commission; Financial Crimes Enforcement Network; Financial Industry Regulatory Authority; Innovative Payments Association; National Retail Federation; Office of the Attorney General for the State of Vermont; Retail Gift Card Association; Securities and Exchange Commission; The Money Services Round Table; U.S. Department of Health and Human Services; U.S. Department of Justice; U.S. Department of Treasury; U.S. Postal Inspection Service; and USTelecom.
tackle four topics in the upcoming year: 1) expanding consumer education efforts; 2) improving industry training on scam prevention; 3) identifying innovative or high-tech methods to detect and stop scams; and 4) developing research on consumer or employee engagement to reduce fraud. The FTC also created a Senior Fraud Advisory Office pursuant to the Seniors Fraud Prevention Act of 2022. This Office will advise the Commission on fraud prevention strategies, monitor the market for emerging fraud trends impacting older adults, and coordinate with our law enforcement partners to disseminate consumer education regarding these new trends.

V. Conclusion

The FTC remains firmly committed to protecting older adults through aggressive law enforcement and effective consumer education and outreach. Research, law enforcement experience, and input from stakeholders will continue to be critical as the Commission innovates in using its resources to protect older adults in the years ahead.

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<th>Case Type</th>
<th>Description</th>
<th>Outcome</th>
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<td>FTC Administrative Matter</td>
<td>10/1/2021</td>
<td>Made in the USA Deception</td>
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<td>2:21-cv-08260</td>
<td>Central District of California</td>
<td>10/19/2021</td>
<td>Deceptive Earning Claims</td>
<td>Alleged the defendants facilitated a deceptive investment training scheme by underwriting, funding, and servicing financing contracts the scheme issued to purchasers.</td>
<td>Settlement</td>
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<td>Case Name</td>
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<td>Federal Trade Commission v. Automatic Funds Transfer Services, Inc. et al.</td>
<td>1:21-cv-02932</td>
<td>District of Columbia</td>
<td>11/8/2021</td>
<td>Payment Processing</td>
<td>Alleged the defendants assisted and facilitated a fraudulent student loan debt relief scheme by processing victims’ payments to the scheme.</td>
<td>Settlement</td>
</tr>
<tr>
<td>United States of America v. OpenX Technologies, Inc.</td>
<td>2:21-cv-09693</td>
<td>Central District of California</td>
<td>12/15/2021</td>
<td>Data Privacy / Children’s Online Privacy Protection Act (COPPA)</td>
<td>Alleged the defendants deceived consumers by accessing location data even when consumers denied consent and collected personal information from children under 13 without parental consent.</td>
<td>Settlement</td>
</tr>
<tr>
<td>Federal Trade Commission v. ITMedia Solutions LLC et al.</td>
<td>2:22-cv-00073</td>
<td>Central District of California</td>
<td>1/5/2022</td>
<td>Lead Generation</td>
<td>Alleged the defendants solicited sensitive information from consumers through deceptive loan applications and then indiscriminately sold that information to marketing companies and others.</td>
<td>Settlement</td>
</tr>
<tr>
<td>Case Name</td>
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<td>In the Matter of Dun &amp; Bradstreet, Inc.</td>
<td>FTC Matter No. C-4761</td>
<td>FTC Administrative Matter</td>
<td>1/10/2022</td>
<td>Deceptive Marketing</td>
<td>Alleged the respondent made false or misleading claims that its products would improve business credit scores and ratings.</td>
<td>Consent Order</td>
</tr>
<tr>
<td>In the Matter of Fashion Nova LLC</td>
<td>FTC Matter No. C-4759</td>
<td>FTC Administrative Matter</td>
<td>1/24/2022</td>
<td>Deceptive Reviews</td>
<td>Alleged the respondent blocked negative reviews of its products from being posted to its website.</td>
<td>Consent Order</td>
</tr>
<tr>
<td>United States of America v. Vision Path, Inc.</td>
<td>1:22-cv-00176</td>
<td>District of Columbia</td>
<td>1/25/2022</td>
<td>Contact Lens Rule</td>
<td>Alleged the defendants failed to obtain or properly verify prescriptions for contact lenses and substituted their own brand for the ones prescribed.</td>
<td>Settlement</td>
</tr>
<tr>
<td>United States of America v. Burgerim Group USA, Inc. et al.</td>
<td>2:22-cv-00825</td>
<td>Central District of California</td>
<td>2/7/2022</td>
<td>Franchise Rule</td>
<td>Alleged the defendants withheld required information to encourage consumers to purchase fast-food franchises.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
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<td>United States of America v. Kurbo, Inc. <em>et al.</em></td>
<td>3:22-cv-00946</td>
<td>Northern District of California</td>
<td>2/16/2022</td>
<td>Children’s Online Privacy Protection Act (COPPA)</td>
<td>Alleged the defendants marketed a weight loss app for use by children as young as eight and then collected their personal information without parental permission.</td>
<td>Settlement</td>
</tr>
<tr>
<td>United States of America v. Turbo Solutions Inc. <em>et al.</em></td>
<td>4:22-mc-00369</td>
<td>Southern District of Texas</td>
<td>3/1/2022</td>
<td>Credit Repair</td>
<td>Alleged the defendants falsely claimed they would remove negative information from credit reports and filed fake identity theft reports to explain negative items on customers’ credit reports.</td>
<td>Permanent Injunction</td>
</tr>
<tr>
<td>Case Name</td>
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<td>In the Matter of Residual Pumpkin Entity, LLC and Planetart, LLC (CafePress)</td>
<td>FTC Matter Nos. C-4768 &amp; C-4769</td>
<td>FTC Administrative Matter</td>
<td>3/11/2022</td>
<td>Data Security</td>
<td>Alleged the respondents failed to implement reasonable security measures to protect sensitive information stored on its network.</td>
<td>Consent Order</td>
</tr>
<tr>
<td>In the Matter of Electronic Payment Systems, LLC et al.</td>
<td>FTC Matter No. C-4764</td>
<td>FTC Administrative Matter</td>
<td>3/11/2022</td>
<td>Credit Card Laundering</td>
<td>Alleged the respondents opened credit card processing merchant accounts for fictitious companies on behalf of a business opportunity scam previously sued by the FTC.</td>
<td>Consent Order</td>
</tr>
<tr>
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<td>In the Matter of HomeAdvisor, Inc.</td>
<td>FTC Matter No. D-9407</td>
<td>FTC Administrative Matter</td>
<td>3/11/2022</td>
<td>Lead Generation</td>
<td>Alleged the respondent used deceptive and misleading tactics in selling home improvement project leads to service providers.</td>
<td>Pending Administrative Complaint</td>
</tr>
<tr>
<td>In the Matter of Intuit Inc. (TurboTax)</td>
<td>FTC Matter No. D-9408</td>
<td>FTC Administrative Matter</td>
<td>3/28/2022</td>
<td>Deceptive Marketing</td>
<td>Alleged the respondent deceived consumers with advertisements pitching “free” tax filing that most tax filers could not use for free.</td>
<td>Pending Administrative Complaint</td>
</tr>
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<tr>
<td>United States of America v. Walmart Inc.</td>
<td>1:22-cv-00965</td>
<td>District of Columbia</td>
<td>4/8/2022</td>
<td>Deceptive Marketing</td>
<td>Alleged the defendant falsely marketed rayon textile products as bamboo and made deceptive environmental claims about the processing of those products.</td>
<td>Settlement</td>
</tr>
<tr>
<td>United States of America v. Kohl’s Inc.</td>
<td>1:22-cv-00964</td>
<td>District of Columbia</td>
<td>4/8/2022</td>
<td>Deceptive Marketing</td>
<td>Alleged the defendant falsely marketed rayon textile products as bamboo and made deceptive environmental claims about the processing of those products.</td>
<td>Settlement</td>
</tr>
<tr>
<td>United States of America v. Lithionics Battery, LLC et al.</td>
<td>8:22-cv-00868</td>
<td>Middle District of Florida</td>
<td>4/12/2022</td>
<td>Made in the USA Deception</td>
<td>Alleged the defendants made false or unsubstantiated claims that battery systems containing significant imported content were made in the USA.</td>
<td>Settlement</td>
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<tr>
<td>Federal Trade Commission v. Warrior Trading, Inc. <em>et al.</em></td>
<td>3:22-cv-30048</td>
<td>District of Massachusetts</td>
<td>4/19/2022</td>
<td>Restore Online Shoppers’ Confidence Act (ROSCA) / Telemarketing Sales Rule / Misleading Earnings Claims</td>
<td>Alleged the defendants made misleading and unfounded claims that their purported trading system would lead to investment gains for consumers.</td>
<td>Settlement</td>
</tr>
<tr>
<td>United States of America v. Funeral &amp; Cremation Group of North America, LLC <em>et al.</em></td>
<td>0:22-cv-60779</td>
<td>Southern District of Florida</td>
<td>4/22/2022</td>
<td>Funeral Rule</td>
<td>Alleged the defendants misrepresented their location and prices, illegally threatened and failed to return cremated remains to consumers and failed to provide required disclosures.</td>
<td>Litigation Ongoing</td>
</tr>
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<td>United States of America v. VOIP Terminator, Inc. <em>et al.</em></td>
<td>6:22-cv-00798</td>
<td>Middle District of Florida</td>
<td>4/26/2022</td>
<td>Telemarketing Sales Rule</td>
<td>Alleged the defendants assisted and facilitated the transmission of illegal prerecorded telemarketing calls.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
<td>Federal Trade Commission v. Michael Rando <em>et al.</em> (The Credit Game)</td>
<td>3:22-cv-00487</td>
<td>Middle District of Florida</td>
<td>5/2/2022</td>
<td>Credit Repair Organizations Act (CROA) / Business Opportunities Rule / Telemarketing Sales Rule / COVID-19 Consumer Protection Act</td>
<td>Alleged the defendants illegally charged consumers for credit repair services of little to no value, filed false identity theft reports with the FTC, and encouraged consumers to take unlawful actions.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
<td>In the Matter of Lions Not Sheep Apparel, LLC <em>et al.</em></td>
<td>FTC Matter No. C-4772</td>
<td>FTC Administrative Matter</td>
<td>5/10/2022</td>
<td>Made in the USA Deception</td>
<td>Alleged the respondents added false labels to its products to claim that its imported apparel is Made in the USA.</td>
<td>Consent Order</td>
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<tr>
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<td>Federal Trade Commission v. R360 LLC et al.</td>
<td>0:22-cv-60924</td>
<td>Southern District of Florida</td>
<td>5/16/2022</td>
<td>Opioid Addiction Recovery Fraud Prevention Act</td>
<td>Alleged the defendants deceived people seeking help for addiction about the evaluation and selection criteria for the treatment centers in their network.</td>
<td>Settlement</td>
</tr>
<tr>
<td>Federal Trade Commission v. Financial Education Services, Inc. et al.</td>
<td>2:22-cv-11120</td>
<td>Eastern District of Michigan</td>
<td>5/23/2022</td>
<td>Credit Repair Organizations Act (CROA) / Telemarketing Sales Rule</td>
<td>Alleged the defendants made false marketing claims about their credit repair services and encouraged consumers to participate in an illegal pyramid scheme.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
<td>United States of America v. Twitter, Inc.</td>
<td>3:22-cv-03070</td>
<td>Northern District of California</td>
<td>5/25/2022</td>
<td>Data Privacy / Violated a 2011 FTC Order</td>
<td>Alleged the defendant misrepresented to users the security and privacy of nonpublic contact information and violated a previous FTC order prohibiting such misrepresentations.</td>
<td>Settlement</td>
</tr>
<tr>
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<tr>
<td>Federal Trade Commission v. Gravity Defyer Medical Technology Corporation et al.</td>
<td>1:22-cv-01157</td>
<td>District of Columbia</td>
<td>5/25/2022</td>
<td>Deceptive Marketing / Violated a 2001 FTC Order</td>
<td>Alleged the defendants made false and unsubstantiated claims that their shoes could relieve pain and violated a previous FTC order prohibiting such misrepresentations.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
<td>In the Matter of Harley-Davidson Motor Company Group, LLC</td>
<td>FTC Matter No. 2123140</td>
<td>FTC Administrative Matter</td>
<td>6/22/2022</td>
<td>Right to Repair</td>
<td>Alleged the respondent illegally restricted customers’ right to repair their purchased products by including terms that voided the warranties if customers used unauthorized parts.</td>
<td>Pending Consent Order</td>
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<td>In the Matter of MWE Investments, LLC</td>
<td>FTC Matter No. 2223012</td>
<td>FTC Administrative Matter</td>
<td>6/22/2022</td>
<td>Right to Repair</td>
<td>Alleged the respondent illegally restricted customers’ right to repair their purchased products by including terms that voided the warranties if customers used unauthorized parts.</td>
<td>Pending Consent Order</td>
</tr>
<tr>
<td>Federal Trade Commission v. Walmart, Inc.</td>
<td>1:22-cv-03372</td>
<td>Northern District of Illinois</td>
<td>6/28/2022</td>
<td>Telemarketing Sales Rule</td>
<td>Alleged the defendants allowed scammers to use their money transfer services by failing to implement effective anti-fraud policies or trainings.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
<td>In the Matter of Weber-Stephen Products LLC</td>
<td>FTC Matter No. 2123139</td>
<td>FTC Administrative Matter</td>
<td>7/1/2022</td>
<td>Right to Repair</td>
<td>Alleged the respondent illegally restricted customers’ right to repair their purchased products by including terms that voided the warranties if customers used or installed third-party parts on their grill products.</td>
<td>Pending Consent Order</td>
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<td>Federal Trade Commission, Attorney General of the State of Connecticut et al. v. Harris Originals of NY, Inc. et al.</td>
<td>2:22-cv-04260</td>
<td>Eastern District of New York</td>
<td>7/20/2022</td>
<td>Truth in Lending Act / Military Lending Act</td>
<td>Alleged the defendants made deceptive claims that financing jewelry purchases would raise customers’ credit scores, misrepresented that its protection plans were required, added plans to purchases without consumers’ consent, and violated the Military Lending Act.</td>
<td>Settlement</td>
</tr>
<tr>
<td>Federal Trade Commission v. First American Payment Systems, LP et al.</td>
<td>4:22-cv-00654</td>
<td>Eastern District of Texas</td>
<td>7/29/2022</td>
<td>Deceptive Marketing / Restore Online Shoppers’ Confidence Act (ROSCA)</td>
<td>Alleged the defendants made false claims about the costs of their services, debited consumers’ accounts without consent, and made it difficult and expensive for them to cancel the service.</td>
<td>Settlement</td>
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<td>In the Matter of Opendoor Labs Inc.</td>
<td>FTC Matter No. 1923191</td>
<td>FTC Administrative Matter</td>
<td>8/1/2022</td>
<td>Deceptive Marketing</td>
<td>Alleged the respondent falsely represented that its home-buying service would save consumers money compared to traditional home sales.</td>
<td>Pending Consent Order</td>
</tr>
<tr>
<td>United States of America v. Axis LED Group, LLC et al.</td>
<td>3:22-cv-01389</td>
<td>Northern District of Ohio</td>
<td>8/5/2022</td>
<td>Made in the USA Deception</td>
<td>Alleged the defendants made false and misleading claims that their PPE products containing significant imported materials were made in the USA.</td>
<td>Litigation Ongoing</td>
</tr>
<tr>
<td>Federal Trade Commission v. Benefytt Technologies, Inc. et al.</td>
<td>8:22-cv-01794</td>
<td>Middle District of Florida</td>
<td>8/8/2022</td>
<td>Deceptive Marketing / Telemarketing Sales Rule (TSR) / Restore Online Shoppers’ Confidence Act (ROSCA)</td>
<td>Alleged the defendants misrepresented products that provided little or no coverage as comprehensive health insurance plans qualified under the Affordable Care Act.</td>
<td>Litigation Ongoing</td>
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<td>In the Matter of Electrowarmth Products, LLC.</td>
<td>FTC Matter No. 2223096</td>
<td>FTC Administrative Matter</td>
<td>8/19/2022</td>
<td>Made in the USA Deception</td>
<td>Alleged the respondent falsely represented that the textiles used in their heated mattress pads were made in the United States when they were wholly imported.</td>
<td>Pending Consent Order</td>
</tr>
<tr>
<td>Federal Trade Commission, People of the State of California et al. v. Roomster Corp. et al.</td>
<td>1:22-cv-7389</td>
<td>Southern District of New York</td>
<td>8/30/22</td>
<td>Deceptive Marketing</td>
<td>Alleged the defendants used fake reviews to bolster their deceptive advertisements that their housing listings were verified and authentic.</td>
<td>Litigation Ongoing</td>
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<td>In the Matter of Credit Karma, LLC.</td>
<td>FTC Matter No. 2023138</td>
<td>FTC Administrative Matter</td>
<td>9/1/22</td>
<td>Deceptive Marketing</td>
<td>Alleged the respondent made false or misleading claims regarding consumers’ approval or odds of receiving approval for credit cards or other financial products.</td>
<td>Pending Consent Order</td>
</tr>
<tr>
<td>Federal Trade Commission, California Department of Financial Protection and Innovation v. Green Equitable Solutions et al.</td>
<td>2:22-cv-06499</td>
<td>Central District of California</td>
<td>9/12/22</td>
<td>Deceptive Marketing / Telemarketing Sales Rule / COVID-19 Consumer Protection Act/Mortgage Assistance Relief Services Rule</td>
<td>Alleged the defendants made unsolicited calls to consumers pitching mortgage relief services for an upfront fee and falsely claimed an affiliation with government programs, including COVID-19 government relief programs.</td>
<td>Litigation Ongoing</td>
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