

# Ways to Recognize and Combat Elder Financial Exploitation

# Housekeeping Items

- ✓ Webinar is being recorded
- ✓ Slides and recording will be emailed
- ✓ Ask questions in the Q&A pod
- ✓ We'll get to questions at the end!

# About Us

## **American Bankers Association**

The American Bankers Association is the **voice of the nation's \$23.7 trillion banking industry**, which is composed of small, regional and large banks that together employ more than 2.1 million people, safeguard \$18.7 trillion in deposits and extend \$12.2 trillion in loans. **Through a broad array of information, training, staff expertise and other resources, ABA supports America's banks** as they perform their critical role in energizing the economy and helping communities thrive.

## **American Bankers Association Foundation**

The ABA Community Education Foundation (dba ABA Foundation) is a **501(c)3 corporation that empowers bankers to help make their communities better**. Since 1925, the Foundation has helped bankers provide financial education to individuals at every age, elevate issues around affordable housing and community development, and achieve corporate social responsibility objectives to improve the well-being of their customers and their communities.



# Agenda

01

## Context & Trends

Quick look at facts  
and figures

02

## Spotting & Stopping Elder Fraud

Identifying red flags

03

## Resources

Materials & information  
to share with older  
people

04

## Q&A

We want to hear  
from you

# Speakers

**Department of Justice:**

**Jackie Blaesi-Freed**, Assistant Director, Department of Justice, Consumer Protection Branch

**ABA Foundation:**

**Sam Kunjukunju**, Vice President, Consumer Education, ABA Foundation

DEPARTMENT OF JUSTICE

# ElderJustice INITIATIVE

## Spotting and Stopping Elder Fraud

Jacqueline Blaes-Freed  
Assistant Director  
Consumer Protection Branch  
U.S. Department of Justice



# CONSUMER PROTECTION BRANCH

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- Enforce laws that protect consumers' health, safety, and economic security
- Civil and criminal authority
- Embedded law enforcement agents, investigators, and analysts
- Coordinating member of the Department's Elder Justice Initiative, Transnational Elder Fraud Strike Force, and Money Mule Initiative

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# Context and Trends



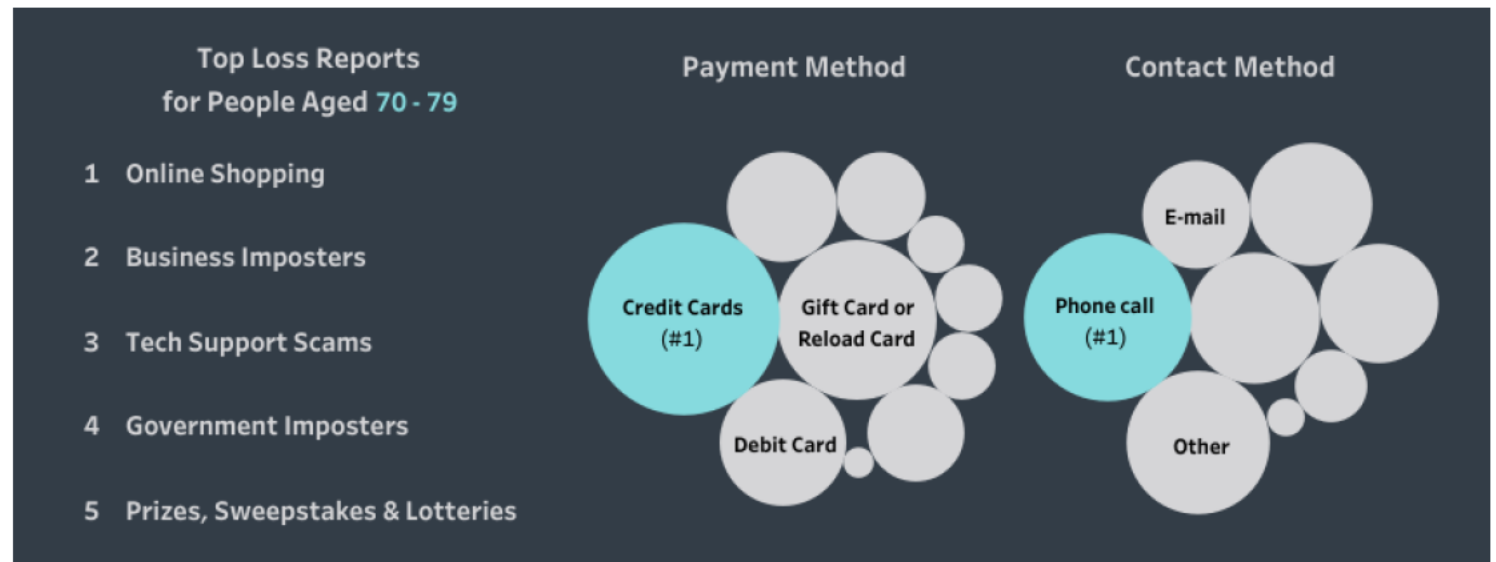
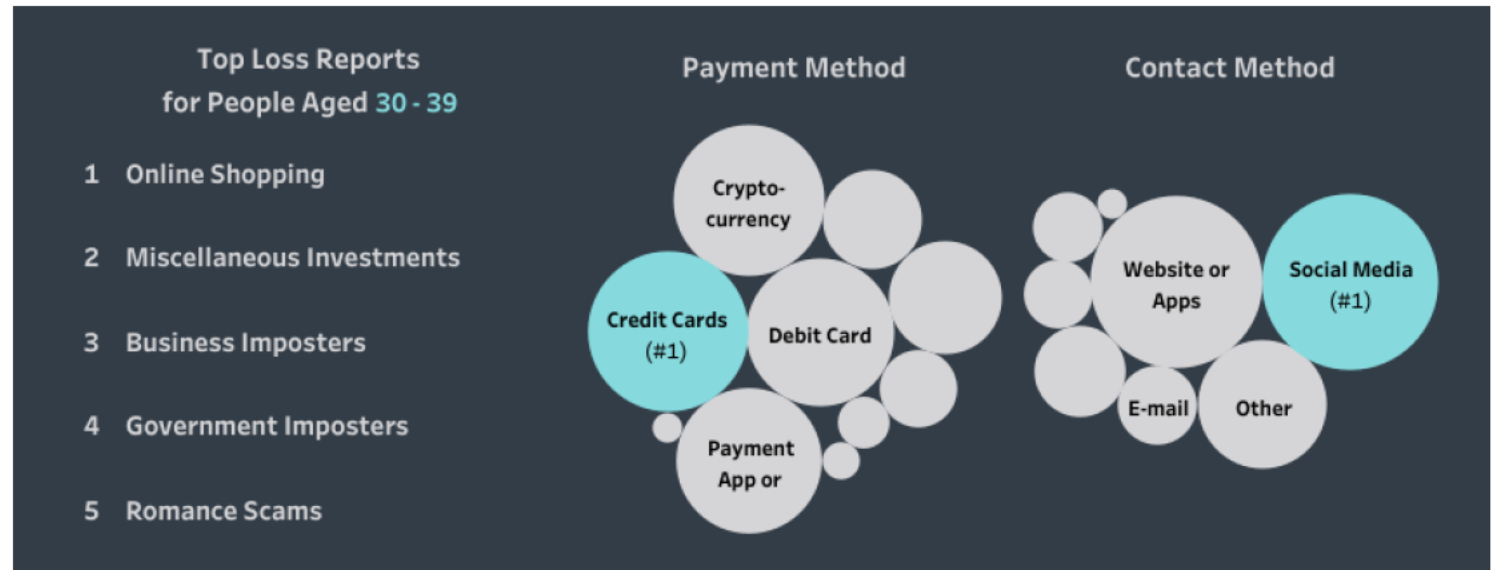
# ELDER FRAUD IN CONTEXT

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- What is “elder fraud”?
- For 2022, over \$3.1 billion in losses reported to FBI’s IC3 alone, over 100,000 complaints, 84% increase over 2021
- Perpetrators live next door and across the globe
  - One study from the CFPB indicated financial institutions about half of perpetrators are known to the victim and half are strangers
  - Another study from FinCEN indicated that of scam-related SARs, 66% of older adults transferred money to a foreign location

# FRAUD AND AGE

- Less likely to report losing money, but have higher median losses
- More likely than younger to send money to tech scams, sweepstake scams, and family and friend imposter scams
- Highest aggregate losses to romance scams, business imposter scams, and investment scams.
- Sweepstakes scams account for highest losses for those over 80



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# Federal Elder Fraud Efforts

# ELDER FRAUD INFRASTRUCTURE

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- Elder Justice Coordinator in every U.S. Attorney's Office
  - Local working groups or task forces
- Strong Interagency Partnerships
  - Money Mover Initiative
- Transnational Elder Fraud Strike Force
- Developing Foreign Law Enforcement Relationships

# OVERALL STRATEGY

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- Disrupt, Investigate, Prosecute
- Facilitators and Perpetrators
- Prevention Efforts

# MONEY MOVER INITIATIVE

- Over 12,000 actions during five campaigns
- This year:
  - About 4,000 warning letters
  - 12 civil/administrative actions
  - 20 individuals charged

## Moving money for someone? You could be helping a fraudster!

Did you know that foreign fraudsters use people in the U.S. to help them steal money? If you've been asked to be a "money mover," you could be harming others!



**BEWARE** if people you've met over the phone or online ask you to accept money from strangers and send it to someone else.

Fraudsters may lie to get you to help them. They may tell you the money you will receive is:

- From people helping you get a lottery prize
- From people helping someone you met online
- Part of an investment or charitable effort
- Part of a work-at-home job you were offered



### A FRAUDSTER MAY ASK YOU TO:

- Move money
- Open a bank or cryptocurrency account
- Receive packages



### YOU CAN PROTECT YOURSELF AND YOUR COMMUNITY!

- If someone asks you to send and receive money or other things of value, stop communicating with that person.
- Question new long-distance relationships.
- Report if someone asks you to move money as soon as possible.
- [Learn about scams.](#)



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# SARs

## HOW DO WE LOOK

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- I know what I want
  - Create a direct query on entity or typology
  - Set an alert
  
- I'll know it when I see it
  - Use broad parameters



## WHAT DOES THIS MEAN FOR ME?

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- Know your value
- SAR review is wheat and chaff
  - Reduce false positive
  - Reduce user fatigue
  - Don't bury the lede
  - Know what you have (when you can)
- Narrative v. back-up documents



## FinCEN Issues Advisory on Elder Financial Exploitation

Immediate Release: June 15, 2022

### Urges Financial Institutions to Aid in Combatting Growing Threat

WASHINGTON—The Financial Crimes Enforcement Network (FinCEN) is issuing an [advisory](#) to alert financial institutions to the rising trend of elder financial exploitation (EFE). EFE involves the illegal or improper use of an older adult's funds, property, or assets, and is often perpetrated either through theft or scams. The advisory highlights new EFE typologies and red flags since FinCEN issued its first advisory on the issue in 2011.

"FinCEN is proud to support [World Elder Abuse Awareness Day](#) and call attention to a concerning and tragic rise in elder financial exploitation. Older adults should not have to endure abuse by criminals who seek to defraud them of their lifelong savings, or who wish to lure them into scams or schemes under false pretenses," said FinCEN Acting Director Himamauli Das.

"Financial institutions serve on the frontlines in protecting their older customers' finances, and can play a critical role in helping to identify, prevent, and report suspected elder financial exploitation. Financial institutions' vigilance matters. Their reporting matters."

In 2021, financial institutions filed 72,000 Suspicious Activity Reports (SARs) related to EFE. As referenced in the advisory, this represents an increase of 10,000 SARs over the previous year's filings. The Consumer Financial Protection Bureau (CFPB)'s estimate of the dollar value of suspicious transactions linked to EFE has similarly increased—from \$2.6 billion in 2019 to \$3.4 billion in 2020. This is the largest year-to-year increase since 2013.

### Elder Theft

Schemes involving the theft of an older adult's assets, funds, or income by a trusted person

### Elder Scams

Scams involving the transfer of money to a stranger or imposer for a promised benefit or good that the older adult did not receive

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# Dominant Elder Scams

## WHAT SCHEMES HAVE IN COMMON

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- Large number of victims, frequent re-victimization
- Often international, complicating investigation
- Facilitators

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# THE COMMON PLOY OF ALL SCHEMES? AN EMOTIONAL HOOK

# TYPOLOGIES

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- Government Imposter
- Romance Scam
- Emergency/Person-in-Need Scam
- Lottery and Sweepstakes Scam
- Tech and Customer Support Scams

# BEHAVIORAL RED FLAGS

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- An older customer is agitated or frenzied about the need to send money immediately in the face of a purported emergency of a loved one, but the money would be sent to the account of a seemingly unconnected third-party business or individual.
- During a transaction, an older customer appears to be taking direction from someone with whom they are speaking on a cell phone, and the older customer seems nervous, leery, or unwilling to hang up.
- An older customer mentions how an online friend or romantic partner is asking them to receive and forward money to one or more individuals on their behalf or open a bank account for a “business opportunity.”



# TRANSACTIONAL RED FLAGS

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- An older customer receives and transfers money interstate or abroad to recipients with whom they have no in-person relationship, and the explanation seems suspicious or indicative of a scam or money mule scheme.
- Frequent large withdrawals, including daily maximum currency withdrawals from an ATM.
- Dormant accounts with large balances begin to show constant withdrawals.

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# Elder Abuse

## WHAT SCHEMES HAVE IN COMMON

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- Trusted persons include neighbors, friends, financial services providers, other business associates, or those in routine close proximity to the victims.
- Perpetrators use deception, intimidation, and coercion.
- Perpetrators may exploit victims' reliance on support and services and will take advantage of any cognitive and physical disabilities, or environmental factors such as social isolation.

# BEHAVIORAL RED FLAGS

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- A caregiver or other individual shows excessive interest in the older customer's finances or assets, does not allow the older customer to speak for himself or herself, or is reluctant to leave the older customer's side during conversations.
- An older customer shows an unusual degree of fear or submissiveness toward a caregiver or expresses a fear of eviction or nursing home placement if money is not given to a caretaker.
- The financial institution is unable to speak directly with the older customer, despite repeated attempts to contact him or her.
- A new caretaker, relative, or friend suddenly begins conducting financial transactions on behalf of an older customer without proper documentation.

# TRANSACTIONAL RED FLAGS

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- Frequent large withdrawals, including daily maximum currency withdrawals from an ATM.
- Sudden or frequent non-sufficient fund activity.
- Uncharacteristic nonpayment for services, which may indicate a loss of funds or of access to funds.
- Debit transactions that are inconsistent for the older customer.

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# Takeaways

## IT TAKES A VILLAGE, USING ALL THE TOOLS WE HAVE

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- Prevention, Detection, Intervention, and Investigation
- Information Sharing is Critical

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# ElderJustice INITIATIVE



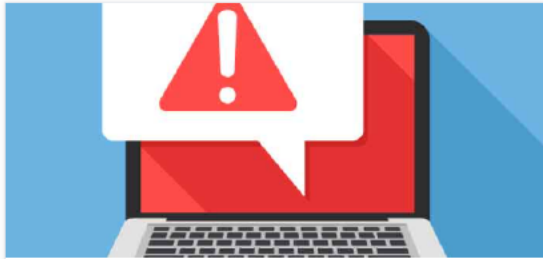


# Banker Resources

## Elder Financial Exploitation Prevention Course

Online, self-paced training for frontline bankers about detecting, preventing, and combating elder financial exploitation.

[LEARN MORE >](#)



## Protect Yourself and Your Money

Tips and downloadable infographics to help people of all ages recognize scams and fraud.

[LEARN MORE >](#)

[Aba.com/OlderAmericans](https://www.aba.com/OlderAmericans)

## Elder Financial Exploitation Prevention Resources

Federal guidance, state laws and industry resources on protecting older consumers from financial exploitation.

[LEARN MORE >](#)



## Safe Banking for Seniors Campaign

Free videos, social posts, handouts, presentations, and other tools to help bankers educate seniors and their loved ones about elder fraud and financial caregiving.

[LEARN MORE >](#)

## Partnerships to Protect Seniors

A free guide to help bankers facilitate key partnerships to respond to elder abuse.

[LEARN MORE >](#)



## Financial Caregiving Resources

Information to help consumers with financial caregiving needs and planning.

[LEARN MORE >](#)

# Elder Financial Exploitation Prevention Course

## Menu

**1** Course Introduction



**2** Victims of Elder Financial Exploitation



**3** Identifying Elder Exploitation




**4** The Law and Elder Financial Abuse



**5** Recognizing Signs of Elder Financial Exploitation



**6** Course Conclusion



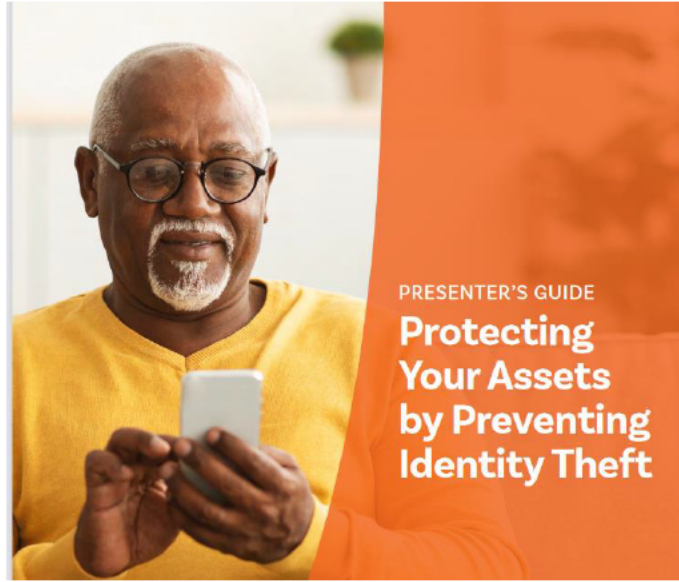


# SAFE BANKING FOR SENIORS®

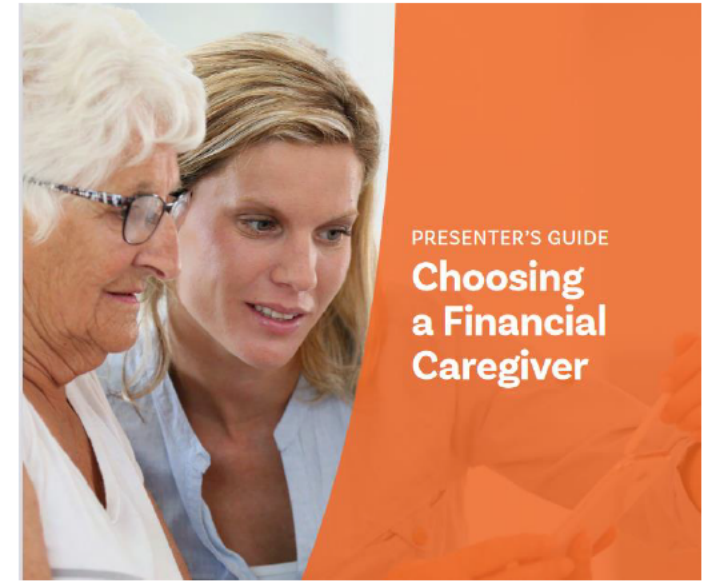




PRESENTER'S GUIDE  
**Identifying  
and Avoiding  
Scams**



PRESENTER'S GUIDE  
**Protecting  
Your Assets  
by Preventing  
Identity Theft**



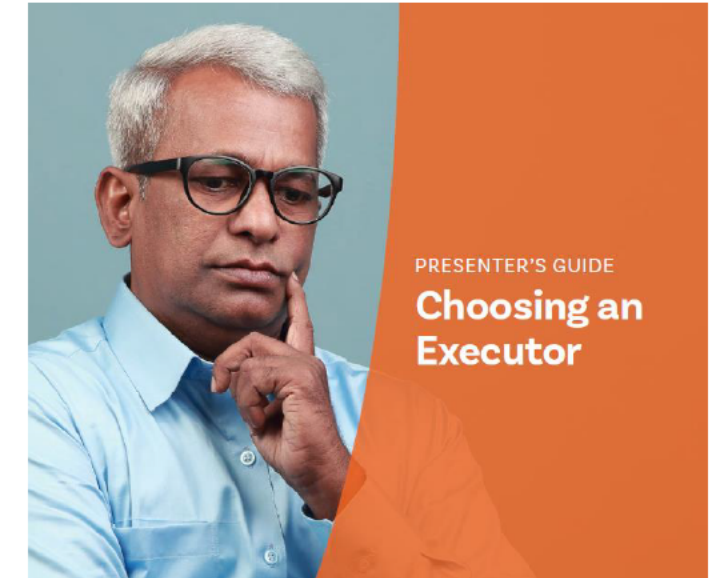
PRESENTER'S GUIDE  
**Choosing  
a Financial  
Caregiver**



PRESENTER'S GUIDE  
**Acting as a  
Responsible  
Financial  
Caregiver**



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**Understanding  
Powers of  
Attorney**



PRESENTER'S GUIDE  
**Choosing an  
Executor**



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# Safe Banking for Seniors Communications Toolkit

Contact |    

## Helpful Hints

Be sure to tag the [American Bankers Association's Facebook page](#) in your posts to that platform so we can engage with your posts. To do this, simply paste your post text into Facebook, click on the part of the post that says @American Bankers Association, and select American Bankers Association from the dropdown menu. You'll know ABA has been properly tagged when the name appears in blue.

CAMPAIGN 

## Safe Banking for Seniors

### DESCRIPTION

Safe Banking for Seniors (SBFS) is a free national program, sponsored by the ABA Foundation, that provides bankers with the tools and resources necessary to help older adults, their families and caregivers prevent elder financial abuse and exploitation. The program consists of six turn-key modules with presentations, activity sheets, resources sheets, infographics, and guides to help bankers connect with their communities to share about avoiding scams, preventing identity theft, financial caregiving, powers of attorney, choosing executors, and more. Now, also available in Spanish!

### KEY DATES

**Financial Literacy Month**

April

**Older Americans Month**

May

**Senior Fraud Awareness Day**

May 15, 2023

**World Elder Abuse Awareness Day**

June 15, 2023

Elder Financial Exploitation

Social Shares - Financial Caregiving

Social Shares - Sc

Digital Resources

Media and Marketing Resources

entation and Partnership Resources

Communications Resources for State Bankers Associations

FACEBOOK POSTS

**TIP SHEET**

**5 Ways to Spot a Lottery Scam**

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**FB: SBFS - Spot a Lottery Scam**

Lottery scams occur when a fraudster tells a victim - often someone older - that they've won the lottery or a sweepstakes, and need to pay taxes or fees before receiving their winnings. Unfortunately, the winnings come in the form of a bogus check, or never come at all. Discover how to spot these scams: <https://aba.social/3EySepQ>

#SafeBankingForSeniors

f Post to timeline

**TIP SHEET**

**Don't Fall Victim to the Grandparent Scam**

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**FB: SBFS - Grandparent Scams**

Grandparent scams deliberately target older Americans by scaring them into thinking a family member is in serious trouble and in need of money immediately. The victim wires the money to what ends up being a fraudster. Use these tips from the '@American Bankers Association' Foundation to help you spot and avoid these scams: <https://aba.social/3rHBfw>

#SafeBankingForSeniors

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**FAKE CHECK SCAMS**

Did someone send you a check and ask you to send some money back?

**THAT'S A SCAM!**

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**FB: SBFS - Fake Check Scams**

Fake checks continue to be one of the most common instruments used to commit fraud against older Americans. Check out the infographic the '@American Bankers Association' Foundation and the '@Federal Trade Commission' with tips on how to spot and avoid fake check scams: <https://aba.social/3xLK3VS>

#SafeBankingForSeniors

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**The Bait**

Scammers use familiar company names



Professors love quickly. Claims to be from the U.S., but is overseas for business or military service.

**Signs of an online dating scam**

**Imposter Scams: Say No, Keep Your**

Learn to spot these scams and say no



# HOW SCAMMERS TARGET SENIORS



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## FAMILY IMPOSTOR SCAMS



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## LOTTERY SCAMS



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## TECH SUPPORT SCAMS



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## SWEETHEART SCAMS



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## GOVERNMENT IMPOSTOR SCAMS



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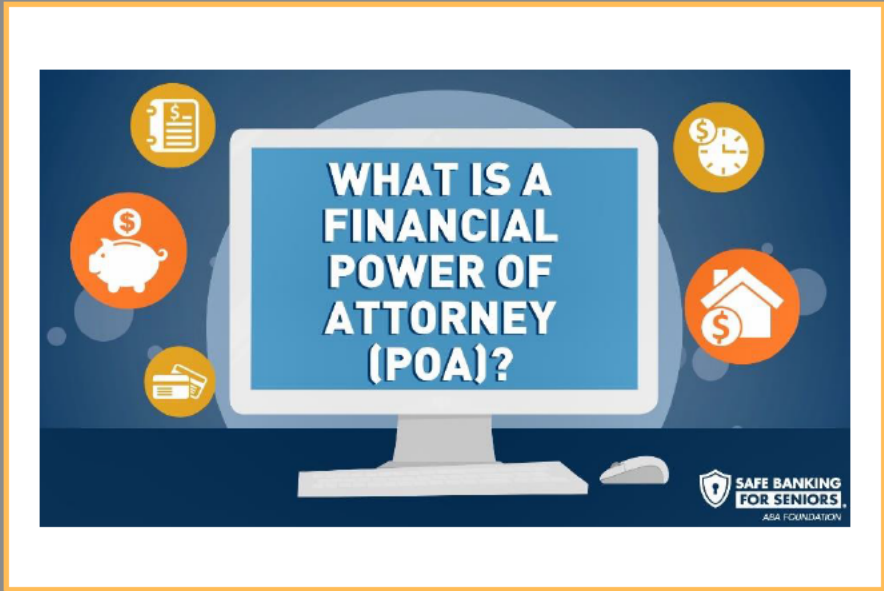


## MONEY MULE SCAMS



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# Financial Caregiving and You



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## How to help your financial caregiver

Share your financial information with your chosen financial caregiver. This will take some time and planning. The first step is to get organized with a financial inventory. Use the checklist below to help you identify potential financial items to share. You will also want to set up automatic payments and deposits to help your financial caregiver better monitor your finances.

### Financial accounts

- Certificates of deposit
- Checking accounts (and debit cards)
- Credit cards
- Investment accounts
- Retirement accounts
- Health savings accounts
- Savings accounts
- Business interests/royalties

### Living expenses

- Telephones (Cellphone, landline)
- Utilities (Electricity, gas, water)
- Internet/cable TV
- Property taxes
- Rent
- Subscription services
- Funds for grocery/clothing/travel/miscellaneous

### Property

- Property (Primary residence, rental property, etc.)
- Antiques/art/jewelry/collections
- Vehicle(s)
- Safe deposit box
- Digital assets/web passwords

### Loans

- Auto(s)
- Mortgage/home equity
- Education
- Personal

### Insurance

- Auto
- Disability
- Homeowners/renters
- Life
- Long-term care
- Medical
- Medicare
- Umbrella

### Income


- Annuities
- Business income
- Insurance payments
- Investment interest
- Dividends
- Military benefits
- Pension
- Retirement income
- Salary
- Social Security

### Professional services

- Accountant
- Attorney
- Insurance agent
- Financial advisor
- Doctor/dentist
- Business interests

### Home services

- House cleaner
- Home maintenance

- 
- An elderly couple is shown in a home setting, looking at a laptop screen together. The man is on the left, wearing a pink and white plaid shirt, and the woman is on the right, wearing a light blue shirt. They are both smiling and appear to be engaged in a conversation about the content on the laptop. The background shows a bookshelf and a window with a white frame.
- Protecting Seniors Guide
    - State of Elder Financial Exploitation
    - Top Scams in Play
    - Roles of APS & Law Enforcement
    - Reporting
    - Partnering with APS & Law Enforcement

# Upcoming Resource

# An Overview

## ELDER FINANCIAL EXPLOITATION

### What is Elder Financial Exploitation?

Elder financial exploitation (EFE) is the illegal or improper use of an older person's funds, property, or assets. It is the fastest-growing form of elder abuse, as perpetrators may be family members, friends, neighbors, caregivers, health care providers, business associates, or strangers.

EFE crimes generally fall into two categories:



#### ELDER THEFT

Trusted individuals steal money or belongings from seniors. Elder theft comprises two-thirds of EFE cases. Examples:

- Forging checks
- Stealing retirement or Social Security benefits
- Using credit cards or bank accounts without permission
- Changing names on wills, bank accounts, life insurance policies, or real estate titles without permission



#### ELDER SCAMS

Strangers deceive older adults into transferring money to them for promised goods, services or financial benefits which do not exist or were misrepresented. Examples:

- **Tech support scams** — Scammers pose as tech repair agents to access victims' computers and finances
- **Investment scams** — Perpetrators induce investors to make purchases based on false information and promises of large returns with minimal risk
- **Romance scams** — Criminals seek money from victims on dating apps and social media
- **Government or family imposter scams** — Fraudsters impersonate government officials or family members to demand money
- **Lottery scams** — Criminals claim victims must pay taxes or fees to access winnings from a lottery or raffle

# Red Flags

## SPOT THE RED FLAGS OF ELDER FINANCIAL EXPLOITATION

Recognize the signs of elder financial exploitation, such as changes in behavior or unusual account activity.



### Watch for customers who:

- Make sudden and unusual changes to their accounts, such as altering contact information or adding new contacts who are located overseas
- Cannot explain unusual account activity or appear confused about financial transactions
- Appear distressed, fearful, and anxious to follow directions provided by others (e.g., they're receiving instructions while on their cellphone)
- Seem fearful of, or submissive to, a caregiver
- Indicate a transaction is for, or on behalf of, an online friend or romantic partner
- Urgently want to send money to a loved one because of an emergency, but the recipient is an unconnected individual or third-party business
- Indicate an interest in purchasing large numbers of gift cards or prepaid access cards
- Send multiple checks or wire transfers with memos such as "tech support services," "winnings," "taxes," "home improvement," "investment," or "crypto investment"
- Close CDs or accounts without regard for penalties
- Suddenly discuss buying cryptocurrency



### Be wary of accompanying individuals who:

- Are excessively interested in the customer's finances
- Do not allow the older customer to speak
- Are conducting financial transactions on the customer's behalf without proper documentation or with possibly forged documents



### Look out for accounts with:

- Uncharacteristic, sudden, abnormally frequent, or significant cash withdrawals or funds transfers
- Repeated daily maximum currency withdrawals from ATMs
- Uncharacteristic attempts to wire large sums of money
- Debit transactions which are inconsistent with established patterns
- Sudden or frequent non-sufficient fund activity
- Statements mailed to locations other than the customer's home

Source: FinCEN Advisory on Elder Financial Exploitation, FIN-2022-A002



# Responding

## COMBAT ELDER FINANCIAL EXPLOITATION WITH THE THREE Rs: RECOGNIZE, RESPOND, REPORT

Help protect your older adult customers by following the 3-R framework:



### Recognize

- Learn the financial and behavioral red flags of elder financial exploitation (EFE)
- Question the suspicious transaction or activity. Don't be afraid to ask:
  - ✦ The purpose of the funds transfer, cashier's check, or wire
  - ✦ How the customer knows the individual(s) receiving the funds
  - ✦ If the customer was coached by someone on how to answer the bank's questions
- Review the prior history of the account. Watch for recent changes or uncharacteristic behavior such as:
  - ✦ Frequent deposits, quickly followed by funds transfers to multiple external accounts
  - ✦ The addition of a new signer, contact, or Power of Attorney
  - ✦ A new companion accompanying the customer to transfer funds
  - ✦ Sudden and large cash withdrawals
  - ✦ Unusual domestic or international wires/funds transfers



### Respond

- Contact the customer's trusted third-party contact, if available
  - ✦ Further scrutiny of the account may be needed if the trusted third party was recently added
- Escalate the transaction to the appropriate level of management
- Delay or refuse a transaction, as allowed under state law and bank policy



### Report

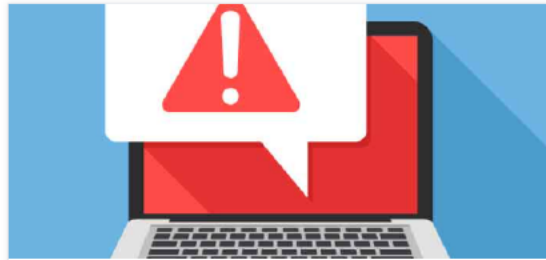
- Report suspicious activity according to your bank's protocols
  - ✦ Follow internal procedures for reporting suspicious activity, which may trigger a Suspicious Activity Report
  - ✦ The bank may be required to report suspected abuse to Adult Protective Services and/or law enforcement
- Strongly encourage fraud and scam victims to file a complaint with the Internet Crime Complaint Center at [IC3.gov](https://www.ic3.gov), or offer to file on their behalf



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