

FINANCIAL EXPLOITATION CHECKLIST - LEARN THE SIGNS



- Is there anything more gut wrenching, infuriating or saddening than the thought of one of your parents being defrauded of their life savings by a close family member or trusted friend?
- Elderly financial abuse is a massive and growing problem in the United States. The Department of Justice estimates that approximately 10% of seniors will be victims of financial abuse in any given year.
- How much money do seniors typically lose? A whopping \$34,200 on average according to the U.S. Consumer Financial Protection Bureau. The biggest culprit? Family members.
- Seniors make great targets. They're often rich in financial assets, socially isolated, trusting (especially with family members), reliant on others and unfortunately, frequently suffer from cognitive decline.
- Here are a few signs your parents may be falling prey to financial exploitation, scams or fraud.

Unusual Bank Account Activity



Your parents bank account, credit card and investment statements are a great starting point to help you uncover unusual or unexplained activity. Look for:

- Unusual and unexplained withdrawals at the ATM
- Unusual and unexplained expenses on debit or credit cards
- Unusual and unexplained new credit card applications
- Sudden activity in a formerly dormant account
- Sudden and unexplained, disappearance of funds
- Checks made out to cash
- Checks with suspicious signatures
- Sudden "NSF" non sufficient fund warnings
- A new loan and/or mortgage at an exceptionally high interest rate
- Request to add a name to a bank account
- New joint account set-up
- Closing CD's, Money Market Accounts or cashing in mutual funds without regard to penalties
- Unusual trading of stocks or mutual funds in retirement accounts (juicing broker fees)
- Unusual or questionable investment
- Request to change address of bank and/or credit card statements
- Bank or credit card statements no longer being received
- Unexplained wire transfers
- Any fraudulent looking signatures on bank statements, titles, etc...

Changes in Spending Habits



Changes in spending habits and patterns are a good place to start asking questions. If grocery spending goes from \$50 a week to \$75, perhaps a caregiver accompanying your parent to the grocery store is buying a few extra items for themselves. Check for:

- Payment for seemingly reasonable services, without evidence service was provided (new medical alert system that never came)
- Payment for unneeded services or products (new magazine subscription or home warranty plan)
- Unpaid bills or collection notices
- Increase in spending on certain items (groceries, gas for car, clothing, etc...)

Changes on the Home Front



Visit your parents in their home regularly. Make sure things are in their proper place. Take pictures of your parents' valuables and their location. Check for:

- Missing possessions in their home (electronics, jewelry, accessories, clothing, art, etc...)
- Lack of food in the House
- Lack of needed medical or caregiving services
- A large number of telemarketing calls (after being scammed once, your parents could be on a telemarketing "hot" list)
- A Change in your parents mood (sad, depressed, anxious)

New “Best Friends”



View people who take a sudden interest in your parents with suspicion, especially if you notice they are isolating your parents, limiting you from contact with them, paying their bills, handling their finances or accompanying them to the bank.

- Sudden “new best friend” unfamiliar to family members and friends
- Existing family member or friend, who becomes uncharacteristically close
- Family member or friend moving in with parent
- Family member or friend trying to keep you or other siblings away

Unexpected Changes to Legal Documents



Meet with your parents and their lawyer, accountant and financial advisor. Make sure they know you're to be trusted, so that if anyone new appears on the scene it will raise suspicion. Let them know to alert you of any significant requests for changes. Look for:

- Unexpected change to a will or power of attorney
- Unexpected change in retirement account or life insurance beneficiaries
- Unexpected change to home or car titles