

# **Spotting & Stopping Elder Financial Exploitation**

A Practical Guide for Customer Service Representatives

Financial Services Contact Center

## **What is Elder Financial Exploitation?**

Elder financial exploitation happens when someone illegally or improperly uses an older adult's money, property, or assets for their own benefit.

It's not always obvious – that's why staying alert matters. Exploitation can be subtle and may involve manipulation, coercion, or deception.

### **Common Examples:**

- Unauthorized withdrawals or transfers
- Forged signatures on checks or documents
- Manipulation or coercion to change account beneficiaries
- Sudden involvement of a third party who wasn't previously involved
- Unusual or unexplained account activity

## Red Flags During Customer Calls

Trust your instincts. If something feels off during a call, it probably is. Here are specific warning signs to listen for:

Customer mentions:	Third party behavior:
• Suddenly can't access their own account	Insisting on speaking for the customer
• Doesn't understand recent transactions	• Pressuring customer to make quick decisions
• Seems confused about account changes	Refusing to let customer speak privately
• Expresses fear about a family member/fraud	Making threats if requests aren't met
• Mentions being pressured to withdraw funds	Providing inconsistent information

## **The Senior Safe Act**

The Senior Safe Act became federal law in 2018 to encourage reporting of suspected elder financial exploitation.

### **What it does:**

- Provides immunity from liability for reporting potential exploitation of seniors (age 65+)
- Applies to covered financial institutions and eligible employees
- Requires employees to receive training on identifying and reporting exploitation

**Key requirement:** Reports must be made "in good faith" and "with reasonable care" to covered agencies (like FINRA, SEC, or adult protective services).

## **FINRA Rule 2165**

FINRA Rule 2165 gives broker-dealers specific authority to protect senior investors.

### **What it allows:**

- Place a temporary hold (up to 15 business days) on disbursements of funds or securities from accounts of "Specified Adults"
- Extend the hold for an additional 10 business days if there's a reasonable belief of exploitation

### **Who is a "Specified Adult"?**

- Age 65 or older, OR
- Age 18+ with a mental or physical impairment that makes them unable to protect their own interests

## **How to Handle Suspected Exploitation**

When you suspect elder financial exploitation during a call:

- 1. Stay calm and professional.** Don't accuse anyone directly.
- 2. Ask open-ended questions.** "Can you tell me more about this transaction?"
- 3. Verify identity carefully.** Follow all protocols for authentication.
- 4. Document everything.** Note specific concerns, quotes, and unusual behaviors.
- 5. Don't proceed with suspicious transactions.** Explain you need to review the request.
- 6. Escalate immediately.** Contact your supervisor or compliance team.

## **Escalation Process**

Follow these steps when escalating a suspected case:

**Step 1:** Complete the Suspicious Activity Report form in our system

**Step 2:** Notify your immediate supervisor

**Step 3:** Compliance team will review and determine if a temporary hold is appropriate

**Step 4:** If exploitation is confirmed, report to appropriate authorities (FINRA, APS, etc.)

**Step 5:** Follow up with the customer (when safe to do so) to ensure their wellbeing

**Remember:** The Senior Safe Act protects you when reporting in good faith!

## **Role-Playing Tips for Training**

Practice these scenarios with your team to build confidence:

- A caller claims to be the customer's nephew but doesn't know basic account details
- A senior customer seems confused about why they're withdrawing \$50,000
- Someone insists on changing the beneficiary on an account "right now"
- A customer mentions their caregiver is handling all their finances now
- Multiple calls in one day requesting different large withdrawals

## **Resources & Contacts**

### **Internal Resources:**

- Compliance Hotline: Ext. 5555
- Elder Abuse Reporting Form: Intranet > Compliance > Forms

### **External Resources:**

- FINRA Securities Helpline for Seniors: 844-574-3577
- Adult Protective Services (National): 1-800-677-1116
- National Elder Fraud Hotline: 1-833-FRAUD-11 (1-833-372-8311)

## **Remember: Your Vigilance Matters**

By staying alert and following these guidelines, you're helping protect some of our most vulnerable customers from financial harm.

Trust your instincts. When in doubt, escalate. It's always better to be cautious when someone's financial security is at risk.

Thank you for your commitment to protecting our senior customers!