



How to Recognize and Combat the Financial Exploitation of Seniors

Are you related to, caring for or a senior citizen yourself? Then you need to read this article! The U.S. Securities and Exchange Commission defines elder financial exploitation as “exploitation of an older person by another person or entity, that occurs in any setting (e.g. home, community, or facility), either in a relationship where there is an expectation of trust and/or when an older person is targeted based on age or disability.” It is a serious and troubling crime and knowing what it is along with some tips to recognize and avoid it is very important.

Why are seniors more vulnerable to exploitation?

There are three main factors that work together to increase the vulnerability of the elderly to financial exploitation:

- **Health:** Cognitive and physical changes that accompany aging can make it more difficult for the elderly to manage their personal finances and easier for exploiters to intervene.
- **Financial and Retirement Trends:** The elderly are also more likely targets of financial exploitation due to the wealth or assets that they might have accumulated through life.
- **Demographic Trends:** As the baby boomers age, the elderly population rises and increases the urgency to the problems of elder financial exploitation and general elder abuse.

How could your finances be compromised?

There are several types of scams that can be used against you as a senior, either by scammers or even in some cases, by acquaintances, caregivers or even family members:

- Telemarketing or other forms of phone scams
- Lottery scams
- Email/phishing scams
- Imposters scams, in which someone impersonates a relative or friend
- Forging or misusing an older person’s check

How can you protect yourself and your money from exploitation?

- Never sign anything you do not understand.
- Never give away property in exchange for care.
- Know your banker, attorney, or financial adviser.
- Document financial arrangements in writing.
- Plan ahead. Consider a trust or power of attorney.
- Use direct deposit so that your funds go directly into your account.
- Get to know the people at your bank and reach out to them if anything seems questionable.
- Check the references and credentials of anyone who will do work in your home.
- Beware of door-to-door sales people and telephone sales pitches.

- Avoid offers that seems “too good to be true.”
- NEVER give out your bank account number, credit card number, Social Security number or other personal information over the phone or Internet.
- Avoid carrying large quantities of cash.
- Always review credit card and bank statements regularly for any transactions that you didn’t make. If you find anything that looks suspicious, contact your bank or credit card company immediately to question or confirm.

To further help seniors and caregivers avoid financial exploitation, the FDIC and the Consumer Financial Protection Bureau have developed [Money Smart for Older Adults](#), a curriculum with information and resources.

If you or someone you know may be a victim of financial exploitation call the Executive Office of Elder Affairs **Elder Abuse Hotline at 1-800-922-2275**.

Source: *Elder Financial Exploitation*, U.S. Securities and Exchange Commission
<https://www.sec.gov/files/elder-financial-exploitation.pdf>

Questions? Call us at 978-462-3106 or email us at info@institutionforsavings.com.