

FINANCIAL INSTITUTION FRONT LINE

“RED FLAGS” FOR VULNERABLE ADULT FRAUD

COURTESY OF: COLORADO COALITION FOR ELDER RIGHTS AND ADULT PROTECTION – WWW.CCERAP.ORG



- Sudden changes in account or practice, including unexplained withdrawal of large sums of money, while escorted by another person.
- The addition of authorized signers on signature card.
- Unauthorized withdrawal of funds using the ATM card, particularly repetitive withdrawals over a short period inconsistent with prior usage patterns.
- Abrupt changes in a will or other financial documents.
- Unexplained disappearances of funds or valuable possessions.
- Bills unpaid despite the availability of adequate resources.
- Discovery of signature being forged for financial transactions or for the titles of possessions.
- Sudden appearance of previously uninvolved relatives claiming rights to financial affairs and possessions.
- Customer has no knowledge of a newly issued ATM or debit card on account.
- A caregiver appears to be getting paid too much or too often.
- Customer's confusion about the account balance or transactions on account.
- Excitement about winning a sweepstakes or lottery.
- Unexplained sudden transfer of assets, particularly real property, to a family member or someone outside of the family.
- Customer appears confused about a request for new Power of Attorney.
- Seems to be a companion around all of the time who is "calling the shots."
- Sudden appearances of credit card balances with no prior history of using credit.
- Deterioration of physical appearance, health, mental status or hygiene.
- Refinance of property, particularly with significant cash out or with the addition of new owners on the deed and, most particularly, without the new owners shown as co-borrowers on the loan.
- Customer expresses concern about giving out his/her personal and account information to a solicitor via phone or e-mail.
- Actual report or expressed concern of financial exploitation from the customer, a service agency representative, or other interested party.

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“ROLE”

IF YOU SUSPECT FRAUD



- Carefully verify a person’s authority, if someone is acting on the customer’s behalf.
- Avoid confrontation and attempt to separate the vulnerable adult from the individual accompanying him or her.
- Delay the suspicious transaction, if possible, by advising the customer that additional verification of the transaction is required.
 - Note: If your customer has asked for a large cash withdrawal which appears out of pattern, an institution could provide an awareness document and ask the customer to sign it prior to receipt of the funds.
- Use probing questions to determine the customer’s intent. It is important to let the customer tell you using his or her own words without prompting. Examples include:
 - Power of Attorney (POA) request: : “Mr. Jones, do you want Ms. Smith to be able to withdraw money from your account at any time without needing your permission?”
 - Home repair or advance fee scam: “Mrs. Green, \$4000 is a lot of cash to be carrying around. For your safety, I can make a check out to the other party if you have the invoice with the correct spelling of the name.”
- Contact your institution’s loss prevention and/or legal departments for assistance and guidance.
- Take immediate protective actions on accounts by placing holds or restraints and follow normal prevention and recovery steps to follow the money as needed.
- Document the situation in an investigative file.
- Make a verbal report to local Adult Protection Service and provide investigative research services as needed.
- Monitor accounts during the legal proceedings, if needed.
- Advise the branch office of outcome.

INFORMATION PROVIDED BY:
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