

Financial Exploitation—Don't let it happen to you!

As we grow older, a number of changes occur in our lives. It is important to take stock of your total health and well-being no matter what your age, and that includes all aspects, including your physical, emotional, and financial health.

Adult financial abuse has become a growing problem, despite attempts to educate the public about the tricks of fraudsters and freeloaders who willingly take advantage of a person's kindness, condition, or connections. Financial exploitation occurs when a person in a position of trust and confidence takes advantage of a relationship to exert influence over a vulnerable adult either by deception or intimidation. Once access has been obtained, the person can use funds, credit, or other property with the intent to deprive the vulnerable adult who has mistakenly given their trust.

An example of this type of financial abuse is when a family member repeatedly pressures a person for money or borrows money but never repays it. Another example is when a person misuses their power of attorney rights, or when a house or other personal property is sold for personal gain. Adult children can use their parent's pension for their personal needs and income, while they force their aging parent to beg for pocket money.

Many cases go unreported because the adult being victimized is embarrassed or afraid that the situation will become even worse. Often the victim is forced to sign over their rights or their assets because of manipulation by family members. They become increasingly isolated, making it even more difficult to reach out for help.

Predatory lending has also been on the rise. Desperate for cash, many individuals fall prey to the payday lending businesses that make it easy to get cash today as long as you pay it back, plus substantial interest tomorrow. When a person is unable to pay the money back, they are forced to extend their loan, plus more fees and interest. If an elderly person has family members that have established poor financial habits, they will often try to beg, borrow, or steal out of desperation.

Scams of all kinds continue to be a concern for financial institutions and the public at large. Here are a few more types of scams to be aware of:

Phishing and Pharming: Fraud occurs when a person is contacted by phone, email, or letters by mail attempting to gain personal or account information to initiate transactions either by setting up automatic payments from a person's account for something they did not want or need, or to gain access to a person's credit initiated by identity theft.

You're A Winner! Counterfeit check scams continue to be a popular game for fraudsters even when we've been told over and over again that if something sounds too good to be true, it probably is. A sure sign of a scam is any requirement that you wire money to pay for taxes or fees of any kind.

Repairs, Referrals, and Red Tape: People who own their home can be a target for fraudsters who show up with the appearance of representing a legitimate business and then take advantage of the homeowner by taking money for unnecessary repairs or overcharging for repairs or services.

How can a person protect their assets and investments? First and foremost, be aware of your financial situation. Take the time to look over your statements and monitor your accounts for any unusual activity. Don't be afraid to talk to your financial institution if you have questions or concerns, and rely on your relationship and their expertise. Research any companies that you do not know. Reputable businesses are not offended by questions. Beware of anyone that would threaten you, try to manipulate you or pressure you into entering into a transaction of any kind. Big promises and over-the-top friendliness can also be an indicator of something that isn't quite right.

Being informed and exercising good judgment in all aspects of your life is the best way to prevent problems. Know your financial condition and don't be afraid to utilize the resources available to you. Build solid relationships that will support your goals and aspirations throughout your lifetime.

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