

FinCEN Analysis on Increasing Elder Financial Exploitation



The Financial Crimes Enforcement Network (FinCEN) issued an analysis focusing on patterns and trends identified in Bank Secrecy Act data linked to Elder Financial Exploitation (EFE) involving scams or theft perpetrated against older adults. The analysis is a follow up to their 2022 Elder Financial Exploitation Advisory where financial institutions were warned about rising trend of EFE, which FinCEN defines as “the illegal or improper use of an older adult’s funds, property, or assets, and is often perpetrated either through theft or scams”. The analysis, covering June 15, 2022, through June 15, 2023, found the following:

- Banks filed 72% of EFE-related BSA filings (e.g., Suspicious Activity Reports).
- 80% of EFE-related BSA filings involve scams, with many reports referencing account takeover by unknown perpetrators relying on unsophisticated means to steal funds.
- 20% of EFE-related BSA filings involved theft with 40% of the reports indicating family members as perpetrators.
- Perpetrators mostly relied on unsophisticated means to steal funds that minimized direct contact with bank employees, including previously compromised usernames and/or passwords, guess passwords, or phishing emails eliciting responses containing sensitive information.
- Filers reported an average suspicious activity amount of \$98,863 for elder theft and \$129,483 for elder scams.

As a growing problem, it is important for financial institutions to develop, implement, and maintain internal protocols and procedures for protecting elder account holders, such as:

- Arranging the sharing of account information with third parties designated as ‘trusted’ by elder account holders.
- Offering age-friendly services to older consumers, including protective opt-in account features such as withdrawal limitations, alerts, transaction restrictions for merchant categories, information on planning for incapacity or disability, and honoring powers of attorney.
- Ask detailed questions when the elder account holder requests account transactions that are unusual for the account (e.g., wire transfers and large cash withdrawals) and monitor activity to help prevent and detect scams and theft.

OFAC Launches New Sanctions List Service Application

The Office of Foreign Assets Control (OFAC) announced the Sanctions List Service (SLS) [<https://ofac.treasury.gov/sanctions-list-service>] on their website. The site provides easy access to the most up-to-date lists and information. The recently added Sanctions List application was designed to facilitate the use of the Specially Designated Nationals and Blocked Persons list (SDN List) and other Non-SDN lists administered by OFAC.