

What is elder financial exploitation?

Financial exploitation is a type of abuse towards the vulnerable older adults carried out by family members, friends, neighbors, and caregivers, among others. In Puerto Rico, this type of abuse has seen an increase in the last few years. Some factors that have contributed to this include: the financial situation of the victims' children, the use and abuse of controlled substances by close family members, trusting or offering financial information to third parties, health conditions that limit the elderly person's mental capacity, changes in traditional patterns in the management of bank accounts, disputes between children over their parents' resources, and an increase in people receiving pensions with few support networks, among others.



Act No. 121-1986 defines financial exploitation as the improper use of an elderly person's funds, property, or resources by another individual, including but not limited to, fraud on false pretenses, the misappropriation of funds, conspiracy, the falsification of documents, the falsification of records, coercion, transferring property, or denying access to assets.

Indicators of financial exploitation of the elderly

The following are some indicators that an elderly person is being financially exploited:

- ⇒ A sudden or atypical significant reduction in the balances of their savings or checking accounts
- ⇒ Withdrawal of certificate of deposit funds before their maturity date
- ⇒ Direct debit payments to third party accounts
- ⇒ The victim's needs are not being met as they should based on their financial resources
- ⇒ Falsified signatures
- ⇒ Past due accounts
- ⇒ The suspension of water, power, and telephone services
- ⇒ Foreclosure/repossession notices
- ⇒ The withdrawal of significant sums of cash from their accounts or changes in consumption patterns
- ⇒ Loan application or signing
- ⇒ The purchase of vehicles or properties without the victim's consent
- ⇒ The sale of vehicles or properties
- ⇒ The purchase or cancellation of insurance policies

Associated high risk factors

- ◆ Isolation
- ◆ Loneliness
- ◆ Family members with drug, alcohol, or gambling addiction problems

- ◆ The victim's physical or mental disability forces them to depend on the help of others
- ◆ A lack of the skills needed to handle matters related to finances and technology
- ◆ The death of a spouse who handled financial matters, or of children who helped them with said matters

How can financial exploitation be prevented?

1. Identify and carefully select the person whom you will trust with your financial matters
2. Protect your checkbook, credit or debit cards, financial statements, and any other sensitive document by keeping them in a safe place
3. Do not share your social security number or ATM pin number with anyone, especially not with someone on the phone

What sort of penalties would someone who engages in financial exploitation face?

Act No. 146-2012 establishes the following penalties:

- ◆ In cases where the value of the funds, assets, property, or real estate involved in the financial exploitation of the elder or person with disabilities totals up to \$2,500.00, the offender will be charged with a misdemeanor.

- ◆ In cases where the value of the funds, assets, property, or real estate involved in the financial exploitation of the elder or person with disabilities is \$2,501.00 or more, the offender will be charged with a felony.
- ◆ In all cases, the Court will impose the penalty of restitution in addition to any other penalties established.

Which laws protect us from financial exploitation?

The following Laws protect older adults from financial exploitation:

- Act No. 121-1986, as amended, known as the “Bill of Rights for Elderly Persons.”
- Act No. 206-2008, which orders the Commissioner of Financial institutions, the Public Corporation for the Supervision and Insurance of Cooperatives in Puerto Rico, and the Office of the Commissioner of Insurance to implement any necessary regulations, in order to require the financial institutions, cooperatives, or insurance companies operating in Puerto Rico to establish prevention and detection protocols for possible cases of financial exploitation affecting elderly people or people with disabilities. These entities are required to refer situations in which financial exploitation is suspected.

Act No. 146-2012, as amended, known as the “Penal Code of the Commonwealth of Puerto Rico”, provides in Articles 127-C and D, Financial Exploitation of Elderly People, the types of abuse and the applicable penalties for people who commit this crime, among other particulars.

Where can I call to report financial exploitation?

It is everyone’s duty to protect victims or potential victims of this crime. If you suspect or know of a situation of abuse in the form of financial exploitation, you may call the following phone numbers:

Department of Family Affairs Families and Children Administration

Social Emergency Hotline

**1-800-981-8333
787-749-1333**

Counseling Hotline

**787-977-8022
1-888-359-7777**



When Financial Exploitation affects me...



GOBIERNO DE PUERTO RICO
Departamento de la Familia
Administración de Familias y Niños

