

Member Firm Case Study: The Importance of a Strong Social Network – The Involved Brother

Fred is an 86-year-old single man who has been a client of the firm for ten years. He has a trust account. Fred's brother Bobby is joint owner of a bank checking account with Fred. Bobby recently received a call from the bank about possible elder abuse of Fred by Fred's girlfriend, Ethel, who is 56. Bobby, although not a client, has met the FA before, and called him to share his concerns about Fred.

Bobby told the FA the banker said that Ethel and Fred withdraw \$20,000 from Fred's checking account. The banker told Bobby he was concerned about Ethel's demeanor, including things she said to Fred in front of the banker. Fred does not have any children. Ethel has several adult children.

After the banker's call, Bobby said that he reviewed the statements for the joint checking account and saw Fred had withdrawn \$60,000 in the past 12 months. This is unusual activity; Fred lives off his social security and pension.

After he got off the phone with Bobby, the FA called the firm's elder abuse team for advice on next steps. The elder abuse case specialist advised the FA to set up a joint meeting with Fred and Bobby, without Ethel in attendance. The FA should ask Fred direct questions about the amounts and purpose of the unusual withdrawals from Fred's bank account. She also advised exploring whether Fred was willing to ask Bobby to oversee his finances. At the meeting, Fred admitted he did not really know why he had taken the money out or what it would be used for, other than eating out and helping Ethel's children.

Fred told the FA and Bobby he could use his brother's help in managing his financial affairs. Fred also said he would contact his lawyer to update his trust so that Bobby is successor trustee. Before leaving the FA's office, Fred signed a third-party authorization in favor of Bobby so that the FA could take instructions from Bobby until Fred's trust paperwork is updated. The FA called the firm's case specialist to report on the outcome of the meeting; the case specialist filed her report with Adult Protective Services about Ethel's payment of Fred's funds to her children.