

FINANCIAL EXPLOITATION PREVENTION ACT (EXCERPT)
Act 344 of 2020

487.2087 Investigations; delay or freeze on transactions; exception.

Sec. 7.

(1) Except as otherwise provided in this subsection, and subject to subsection (3), if a financial institution suspects or detects covered financial exploitation of a member or customer, the financial institution may delay the related transaction for further investigation or examination of available facts. Upon investigation or examination of available facts, if the financial institution still suspects or has detected covered financial exploitation of the member or customer, the financial institution may either continue the delay of related transactions under this subsection or place a freeze on any transactions or assets related to that member's or customer's accounts, individually or jointly held, as provided in this subsection. Any delay or freeze placed by the financial institution must be done according to the terms of any account or service agreement between the financial institution and the member or customer. If there is not an applicable account or service agreement between the financial institution and the member or customer, the financial institution may delay an individual transaction or place a freeze on any transactions or assets relative to that member's or customer's accounts, individually or jointly held, under this section for up to 10 business days, or according to the terms of any applicable court order.

(2) If a financial institution is informed by a law enforcement agency or adult protective services under section 5(4) that suspected or detected covered financial exploitation that has been reported is under investigation, the financial institution may extend the term of a transaction delay or freeze until the financial institution is informed of the dismissal of the reported incident or the financial institution reasonably believes there is no continued risk of covered financial exploitation of the targeted individual, whichever is later.

(3) A financial institution may provide for the processing of any transaction necessary to preserve the health, safety, or financial well-being of a member or customer during the period of a transaction delay or freeze, unless those transactions are related to the suspected covered financial exploitation or the financial institution is directed otherwise by court order.

History: 2020, Act 344, Eff. Sept. 26, 2021