

Protecting yourself from financial abuse

Financial abuse is a serious issue with far-reaching consequences for individuals, their families and the community. Financial abuse can happen to anyone, but some people may be at greater risk, including older Australians, people with a disability, people experiencing mental illness or emotional challenges, and people who are socially isolated. This fact sheet provides tips to help you protect yourself against financial abuse.

What is financial abuse?

Financial abuse can take many forms and it usually consists of a number of actions over a period of time, rather than a single event. For example, financial abuse may occur when someone else:

- takes, 'borrows' or misuses your money, ATM card, debit card, credit card and/or valuables without your knowledge or consent, such as accessing accounts or cashing cheques without your permission
- threatens or pressures you to give them money or property when they don't intend to repay you or return the goods. An example may be pressuring you to mortgage your home, provide gifts, or invest in 'too good to be true' investments so they can benefit without taking on the risk
- coerces you into providing care or other services without being paid or fairly compensated, or expects you to unfairly pay for their expenses (e.g. someone shares a home with you and doesn't contribute to rent, bills, maintenance and other expenses)
- pressures, tricks or threatens you to make changes to your will, power of attorney or other legal arrangements.

Anyone can be an abuser

A 'financial abuser' can be someone you hardly know or someone you have known for many years. They could be family members, friends, acquaintances or strangers who befriend you. They may also be professionals or caregivers employed to help you.

A financial abuser is anyone who manipulates, threatens, pressures or otherwise influences you to gain access to your money, property or assets, or other valuables. Abusers often take advantage of the trust or power they are given, or they may take advantage of your relationship.

There could be many reasons for their actions.

A financial abuser may have a false sense of entitlement to your money or property; they may have financial troubles, such as debt or unemployment; or have an addiction which is causing money issues.

Signs you may be at risk of financial abuse

Financial abuse can be difficult to recognise. Trust your instincts; if a person is saying or doing things that make you feel uncomfortable about your money or property, they may be financially abusing you. You may be at risk of financial abuse if you:

- don't feel confident making big financial decisions alone or don't understand decisions that someone else is making for you about your money or property
- have people contacting you and asking for money, including financial scams
- have people managing your money and you're concerned that money seems to be disappearing from your accounts, and you don't know where it's going.

Protect yourself from financial abuse

If the financial abuser is a family member or friend, you may feel awkward about saying anything or you may be nervous about the consequences of telling someone. Although these feelings are understandable, it's important that you take proactive steps to help keep you, your money and your property and assets safe and secure. There are a number of things you can do to protect yourself, including:

- **Protect your assets and property:** You can be at high risk of identity theft and financial abuse if someone gets hold of your personal and financial information. You should consider storing important documents at your local bank in a safety deposit box and you shouldn't share your personal identification number (PIN) or other access codes with anyone.

- **Talk to someone you trust:** This could be a family member or friend, or your doctor, lawyer, accountant or someone in your community. If you're thinking of giving someone a loan or gift, or you're facing a major financial decision, talking about it with someone you trust will allow you to ask questions, get a second opinion and ask for help if you need it.
 - **Talk to your bank:** You can use practical and convenient options to manage your banking needs, such as pre-authorised bill payments and direct debits. These options let you do your own banking, so you don't have to give someone else access to your account. If you think you're being financially abused, you should remove any permissions or authorisations on your account, especially if they allow the suspected abuser to access your accounts and make transactions. You should also consider changing your PIN.
 - **Watch your finances:** Keep track of what's happening with your bank accounts, investments and other assets. Regularly review your account statements. It's your money and it's your right to ask questions about how that money is being managed. If you can't do this because you're ill or face other difficulties, such as language issues, speak to someone you can trust who can help you.
 - **Keep records:** Keep copies of important documents and records of all your transactions, payments and transfers. These will serve as evidence and enable others to help you if there is ever a problem.
 - **Read documents:** Always read contracts and other documents carefully before you sign them, even if someone says you don't need to read them before signing. If you're being pressured to sign a document you don't understand, ask for someone else to help you. Tell the person who is pressuring you that you always talk to your lawyer, accountant, bank manager, trusted friend or another person before you enter into any sort of financial or legal agreement. This will give you the space and time to consider things carefully.
 - **Be careful about paying for goods and services:** Ordering and receiving deliveries may expose you to financial abuse. If you're paying cash on delivery for an item, make sure you've got someone you trust with you when you accept the delivery. Alternatively, ask the supplier if they'll accept another form of payment, such as a cheque or BPAY transfer – this way, you can avoid having large amounts of cash at your home.
 - **Be careful about joint accounts:** Setting up a joint account for banking or investments may be convenient. However, joint accounts can't protect you against financial abuse, so it's important the person on your joint account is someone you trust.
 - **Know and exercise your legal rights:** Your money and property belong to you. You should maintain control over your assets. If you decide to share control of your money and property with another person, it's a good idea to speak to a lawyer first. If you're considering sharing control of your money, investments, property or other assets, think about getting legal advice before you sign anything.
 - **Plan ahead:** Put in place arrangements for how your money and property will be handled if something happens to you and you can no longer communicate your wishes or don't have the capacity to make decisions about your finances or property. This can lower the risk of financial abuse and help avoid difficulties later, including family conflicts about how best to manage your finances in the future.
 - **Call the police:** If you think you're being financially abused, call the police and express your concerns. If you're worried about your immediate safety, call 000. The police can help you determine whether you've been the victim of a criminal offence. They can also refer you to information and community resources that can help you.
- ### What to do if you think someone you know is being financially abused
1. Talk to the person you're worried about and let them know your concerns.
 2. Offer help. If the person declines help, don't give up. It can be difficult for anyone to leave an abusive situation, especially if it involves family members.
 3. Keep checking in on them and continue to offer support.
- ### Where to go for more information
- The Australian Guardianship and Administration Council website at www.agac.org.au/links has links to State and Territory agencies with information on power of attorney documents and other guardianship issues. Ph: (07) 3234 0870.
 - The Australian Network for the Prevention of Elder Abuse website at www.anpea.com.au/Links.aspx has links to relevant State and Territory elder abuse services.
- ### Document Created: June 2013
- ### Contact the Australian Bankers' Association (ABA)
- For further information, please contact ABA's Director of Public Relations Heather Wellard on 02 8298 0411 or email heather.wellard@bankers.asn.au or write to the ABA at Level 3, 56 Pitt Street, Sydney, NSW 2000.
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