DETECTING FINANCIAL MISTREATMENT

Financial mistreatment
Financial mistreatment is often committed by a person a client trusts or relies on to take care of them or their finances.

There is financial mistreatment where:
- A person pressures a client to withdraw money from the client’s accounts or to add the person as a joint holder on an account.
- A mandatary isn’t managing a client’s finances in the client’s interests or is using the power of attorney given by the client for personal purposes.

Detecting financial mistreatment

There are several observable signs that a client may be a victim of financial mistreatment. Watching for those signs can lead to such situations being detected earlier.

![Note down any signs in the client’s file as and when you observe them. Examples are provided on the other side of this sheet.](image)

Validating signs of financial mistreatment with clients

Clients who are experiencing mistreatment are more likely to be open to talking about it when there is a climate of trust that encourages discussion. Express your concerns and listen to them, go at their pace, ask open-ended questions, and remain available to discuss the situation with them again or to answer their questions.

Offering help to clients

The AMF has published [Protecting vulnerable clients – A practical guide for the financial services industry](https://www.autorite.qc.ca), which proposes a variety of ways in which one can help clients get the assistance they need to put a stop to a situation of financial mistreatment and protect themselves from the often serious consequences that such a situation may have for their physical or psychological health or financial well-being.

1-877-525-0337
[autorite.qc.ca](https://www.autorite.qc.ca)
Signs to Watch For

Recognize the signs that clients are vulnerable:

- Have difficulty understanding explanations or communicating their needs owing, among other things, to:
  - cognitive impairments
  - poor knowledge of their own finances or no interest in managing their finances
  - poor knowledge of French or English
- Are showing mental health issues or physical limitations
- Live alone and are isolated
- Are going through a major change in their personal or professional life

Observe changes in clients’ behaviour

- Avoid making eye contact or seem afraid, suspicious or anxious
- Become aggressive when asked about their finances
- Seem incapable of or uncomfortable with answering questions
- Refuse to meet alone with their representative
- Place excessive trust in a friend or family member or rely on them to answer questions
- Refer their representative to another person to obtain answers to questions
- Minimize or excuse the behaviour of the person who is mistreating them
- Are not allowed by the person accompanying them to act or answer questions in that person’s place

Pay attention to changes in the way clients’ finances are managed

- Withdrawals requested by clients or their mandatary:
  - seem unusual in their frequency, number or amount
  - seem to go against the client’s financial interests or objectives
  - are suddenly urgent
- Sudden changes to the client’s investor profile or financial objectives
- Unexplained transfer of funds to a friend or family member
- Request from the mandatory to change financial institutions
- Signature that doesn’t look like the client’s signature