

Protecting Clients from the risks of cognitive decline and financial exploitation

WHAT DO YOU DO WHEN YOU DISCOVER THAT ONE OF YOUR CLIENTS HAS DIMINISHED MENTAL CAPACITY, OR IS BEING TAKEN ADVANTAGE OF FINANCIALLY?

Addressing cognitive decline and financial exploitation properly helps protect Clients, yourself and your business. But often times, knowing what to do in these situations can be a challenge.



WHAT CAN YOU DO

IF YOU SUSPECT COGNITIVE DECLINE OR ELDER FINANCIAL EXPLOITATION¹?

- Consult existing procedures already established with your firm
- Carefully document each Client interaction (dates, changes in behaviour, concerns)
- Notify your compliance department or regulating body
- Delay Client instructions and seek guidance
- Contact appointed power of attorney
- Restrict transactions
- Review the account
- Assess alerting the appropriate authorities
- Maintain frequent contact with Client



QUESTIONS YOU CAN ASK

IF YOU SUSPECT ELDER FINANCIAL EXPLOITATION²:

- Does someone help you manage your money day-to-day?
- Do you run out of money at the end of the month?
- Do you regret or worry about financial decisions you've recently made?
- Have you given power of attorney to another person?
- Have you felt pressured to change your will?



HOW CAN YOU ASK

CLIENTS ABOUT FINANCIAL CAPACITY OR ELDER FINANCIAL EXPLOITATION?

Discussing the topic of financial incapacity or elder abuse is challenging. It requires a more delicate and tactful approach. Remember to be sensitive to the Client's feelings and potential embarrassment.

Questions you can ask if you suspect financial incapacity:

- I've noticed some changes in your memory and mood recently. Have there been any changes to your health that I should be aware of?
- Have you noticed any changes in yourself, or been feeling differently recently?
- Have any of your family members expressed concerns about a change in behaviour?
- Is your family providing you with extra assistance in your day-to-day activities and in making important decisions?
- Are you comfortable making these important financial decisions alone?

Helpful Resources

Knowing where to look for help is key when it comes to protecting Clients and yourself from the risks of cognitive decline and financial exploitation.

Government of Canada

www.canada.ca/seniors

Canadian Network for the Prevention of Elder Abuse

www.cnpea.ca

Alzheimer Society of Canada

www.alzheimer.ca

SIFMA - Senior Investor Protection Toolkit

www.sifma.org/seniorinvestors/toolkit



¹ Canada's Investment Industry: protecting Senior Investors, IIAC, 2014

² 'Recognizing Financial Abuse,' Financial and Consumer Services Commission (FCNB)