



## Welcome move puts financial abusers 'on notice'

**26 June, 2023:** New banking Terms and Conditions (T&Cs) that make it clear financial abuse will not be tolerated have been hailed as a significant step forward by the Centre for Women's Economic Safety (CWES).

Two major banks have committed to new T&Cs that will enable the banks to suspend, cancel or deny individuals access to their accounts if they are mis-using them to cause harm.

NAB has today announced a new 'unacceptable account conduct' condition on its savings and transaction accounts that will allow bankers to cut off customers who are perpetrating financial abuse.

The Commonwealth Bank says it will name financial abuse as an unacceptable customer behaviour in new T&Cs on a range of products.

Rebecca Glenn, CEO of CWES, says "This response from two of Australia's major banks puts perpetrators 'on notice' that institutions are going to make it harder for them to use financial abuse as a tactic of coercive control. And, importantly, that they'll take action.

"Few other businesses are better placed to protect women against financial abuse and its devastating health and economic impacts for them and their children.

"I'm delighted to see the Commonwealth Bank and NAB build on a range of other initiatives they've put in place to support people experiencing financial abuse and domestic and family violence."

In its **Designed to Disrupt** report published late last year, the CWES called on all 97 Australian banks to redesign products to improve financial safety. It called for banks to start by changing their terms and conditions to make it clear that a bank account is no place for abuse and that they will take action against customers who misuse their products to cause harm.

In March, CWES conducted a desktop review of the T&Cs of the 20 Australian Banking Association (ABA) member banks to measure the baseline and found:

- None of the 20 banks referenced financial abuse in T&Cs
- 9 banks describe the misuse of payment descriptions to send abuse as unacceptable behaviour
- 6 banks describe the consequences for the misuse of payment descriptions to send abuse, with 4 citing it as a reason to close an account.



Report author and founder and Director of Flequity Ventures, Catherine Fitzpatrick says, “The new T&Cs send a clear signal to millions of bank customers that they have a choice: abuse and potentially lose access to their bank account, or behave with respect.

“We know gender inequality is the driver of violence against women. If every bank in Australia made it clear that there is a minimum expectation of respect for women to be a customer, it would be a game changer.

“Our research found more than 90% of customers who send abuse payment descriptions stop doing it when warned by their bank. We hope the widespread adoption of financial abuse T&Cs and broad public communication will send a strong message to everyone with a bank account that gendered violence is unacceptable and has consequences.”

The [Designed to Disrupt report](#) outlines changes to financial product design that counter the ways products are weaponised. For example, setting up every joint account with separate passwords, logins and portals for each person so it's simpler and safer to separate if the relationship ends or is abusive.

For more information about CWES: <https://cwes.org.au/>