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Ethical dilemmas and inter-generational advice

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Agenda

- Objectives
- Key issues for discussion
- Case study
- Develop strategies to resolve dilemmas
- Develop our top 10 tips
- Wrap up



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What is Elder Abuse?

- Elder abuse as described by the World Health Organisation (WHO) as:

A single or repeated act, or lack of appropriate action, occurring within any relationship where there is an expectation of trust which causes harm or distress to an older person.

- A common claim is that the FSP:
 - should have recognised financial abuse was taking place and
 - could have taken steps to prevent loss.



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The FOS view: Financial Abuse

Occurs where a third party uses the funds or assets of an elderly person, to the detriment of that person

However, what occurs may be improper conduct because:

- the act or omission may not be deliberately abusive or malicious or
- a relationship of trust or dependence may cloud the question of consent

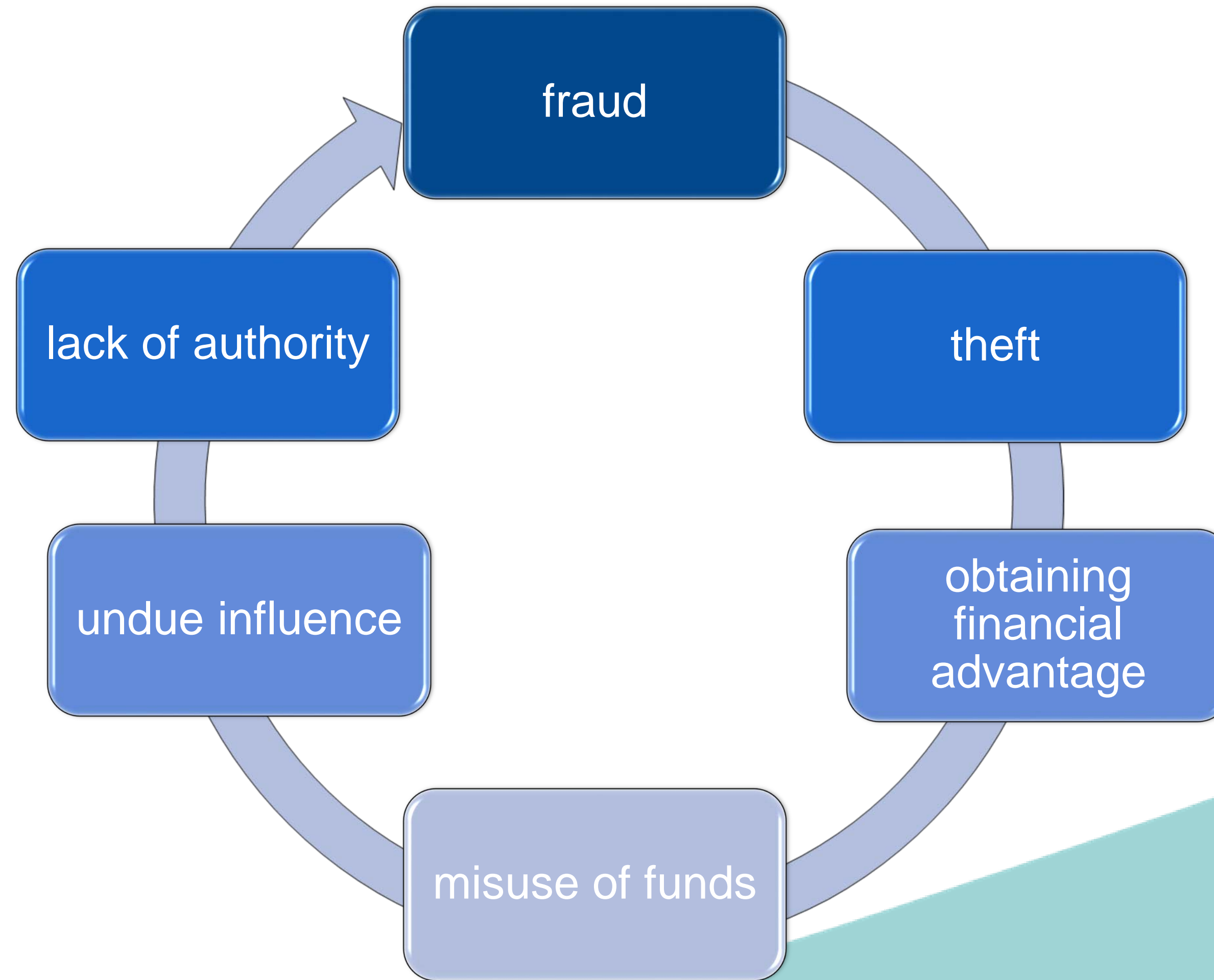


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In financial services



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Recognising potential abuse

Engage in financial activity that is unusual, erratic or out of character

Accompanied by a new acquaintance

Transactions by a caregiver that do not seem to be in the interests of the customer

Not allowed to speak for themselves or engage in instructions

Mail, email, account statements, are no longer delivered to their home or contact details



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Inter-generational Advice: The common issues

Authorisation to transact/provide instructions

Forgery/ Signatures

Duty to inquire

Incapacity/ Competency

Undue influence / Unconscionable conduct



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The case study

- Introducing the Silvers



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Your opportunity to interview the parties



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Objectives

Identify and discuss ethical dilemmas associated with inter-generational advice

Strategies for how to resolve these ethical dilemmas in a professional practice

Develop 10 tips on what an adviser should do, when...



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Key issues for discussion

Competency to give instructions

Conflict in instructions – power of attorney vs client

Duty of confidentiality and privacy implications

Overspending within an investment strategy

Ensuring correct authorisation to transact on accounts



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Strategies for resolving dilemmas



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Develop our top 10 tips

TOP 10



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Wrap up



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Questions



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Other resources



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