Coerced Debt: What It Is and How to Protect Yourself

Coerced debt occurs when a current or former partner uses pressure, guilt, threats, deceit, or force to make you take out loans, credit cards, or other financial agreements against your will.

This may include an abuser:

- Forcing you to take on debt through threats, fear, or manipulation or by making you co-sign a loan, apply for credit or benefits, or take out a payday loan.

- Using your personal information to take on debt, such as by opening accounts or taking loans out in your name without telling you.

Coerced debt can leave you with financial problems and damage your credit, even long after you have left an abusive relationship.

How Technology is Misused to Create Coerced Debt

Abusers can misuse technology to make it easier to create coerced debt.

Examples include:

- **Online Applications:** Filling out loan or credit applications in your name without your knowledge.
- **Account Hacking:** Stealing your passwords to access your banking or credit accounts to withdraw cash or take loans out in your name.
- **Digital Forgery of Signature:** Forging your signature electronically or duping you into signing certain documents online.

How to Contest Coerced Debt

If you are experiencing coerced debt, there are steps you can take.
Remember: your safety is the priority. Taking some of these steps could cause the violence and abuse to escalate.
Before taking any steps, it is important to make a plan for your safety with someone you trust, such as a support worker or advocate.

Step 1: Write to the Creditor

- Explain how the debt was created under pressure, threats, or without your consent.

- Explain in what ways the contract was taken under duress, and, if a period of time has passed, how dealing with it sooner would have placed you in greater danger.
- Request the creditor to write off the debt or handle it differently, considering your circumstances.

Step 2: Request Assistance

- If you are working with an anti-violence worker, they may be able to assist in writing a supporting letter to accompany your explanation.
- The letter should explain how the abuse led to the debt and why you're seeking relief.

Step 3: Provide Additional Evidence

- If you have documents like police reports, court orders, or letters from social workers, they can help support your case. For more information on how to preserve digital evidence, see our toolkit.
- You don't have to share personal details you are not comfortable sharing, but any evidence of abuse can strengthen your request.

Protecting Yourself from Future Coerced Debt

While it may be impossible to avoid all risks entirely, the following steps may provide some protection:

- Change passwords and turn on two-factor authentication for banking and credit accounts.
- Monitor your credit report by reviewing it periodically for any unauthorized accounts or loans in your name.

- Set up fraud alerts with your bank and credit card company to be notified of suspicious activity.
- Limit access to your finances by opening a new bank account in your name only.
- Check out our info sheet, 6 Tips for Securing Your Online Financial Information.

Getting Help

You are not alone. Many organizations can help you with legal advice, financial support, and emotional care. They can also walk you through conversations with creditors and help you stay safe while addressing coerced debt.

Remember, this is not your fault, and there are people ready to help you as you rebuild your financial independence.

Technology-Facilitated Gender-Based Violence (TFGBV) is part of a continuum of violence that can be both online and in-person. If you or someone you know is experiencing TFGBV, you are not alone. You can use sheltersafe.ca to find a shelter/transition house near you to discuss options and create a safety plan. You don't need to stay in a shelter to access free, confidential services and support. For more information about digital financial abuse, see our full Digital Financial Abuse Toolkit.

Adapted for Canada with permission from Refuge's Tech Safety Project, based on their resource The Differences Between Identity Fraud and Coerced Debt.

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