

HOW TO SWITCH BANKS AND MAKE IT COUNT



SO YOUR BANK IS FUNDING THE DIRTY FOSSIL FUEL INDUSTRY...

IT'S NOT A PLEASANT FEELING: learning that your bank—the custodian of *your money*—is lending billions of dollars to projects that damage the environment and drive climate change. Luckily there is plenty you can do to rectify the situation.

This guide takes you through the most important steps in finding and moving to a bank that won't use your money to fund polluting coal, oil and gas. Importantly, it will also show you how to send a powerful message to your old bank that will make it think twice about funding fossil fuel projects again.

We have developed this guide to help you switch financial institutions on environmental grounds and put pressure on the banking sector to reconsider its position on investing in the fossil fuels. For specific financial information about services offered by your current or any prospective bank, we recommend you speak to those institutions or a financial advisor.

HOW TO SWITCH BANK ACCOUNTS



MOVING FROM ONE BANK TO ANOTHER is likely to be much more straightforward than you imagine. Banks are competing for your business and many will now handle much of the switching process outlined in this guide. Banks often allow you to open an account online so you might not need to physically visit a branch. This leaves you more time to make sure your old bank knows why you are leaving them.

You can manage the entire transfer process yourself, or you can allow your new bank to complete key steps on your behalf. Either way, you'll want to allow a few weeks to make sure that all your credits and debits are transferred across to your new account before finally closing your old account.

DISCLAIMER: The information provided in this document does not constitute financial product advice. The information is of a general nature only and does not take into account your individual objectives, financial situation or needs. It should not be used, relied upon, or treated as a substitute for specific professional advice. Market Forces recommends that you obtain your own independent professional advice before making any decision in relation to your particular requirements or circumstances.


1 CHOOSE A NEW BANK





THIS IS A VERY IMPORTANT STEP and deciding where to move your money is entirely up to you. You'll want to know about services and products that alternative banks and credit unions offer, and their rates and fees. It's important that you do your research.


Market Forces doesn't provide financial advice, nor do we single out banks to recommend. But we expect one of your priorities will be finding a bank that doesn't invest in the fossil fuel industry. We can help with that. You'll find a table on our website containing a range of banks and credit unions' positions on investing in coal and gas so that you can decide which one you're most comfortable with. Visit www.marketforces.org.au/comparebanks

We've summarised the table here by listing the largest banks and credit unions. After researching which banks have loaned the most money to fossil fuels in Australia since 2016, come up with these categories:

 **Does Invest** – Banks that are invested in the fossil fuel industry or have a recent history of lending to coal, oil or gas.

 **Owner Invests** – Banks that are owned by those invested in the fossil fuel industry.

 **Position Provided** – Banks, credit unions and building societies that have not shown up in any of our research as invested in the fossil fuel industry, and who have provided a position on where they stand on fossil fuel investment.

 **Position Unknown** – Banks, credit unions and building societies that have not shown up in any of our research as investing in the fossil fuel industry, but who have failed to clarify their position on fossil fuel investment.

For more information about which banks are funding coal and gas projects, and to take action to tell them to stop lending to the fossil fuel industry, visit: www.marketforces.org.au/banks

DOES INVEST

- ▶ ANZ
- ▶ Commonwealth Bank
- ▶ NAB
- ▶ Westpac

OWNER INVESTS

- ▶ Bank of Melbourne (owned by Westpac)
- ▶ Bank of SA (owned by Westpac)
- ▶ St George (owned by Westpac)
- ▶ BankWest (owned by Commonwealth Bank)
- ▶ UBank (owned by NAB)

POSITION PROVIDED

- ▶ Bank Australia
- ▶ Bank of Queensland
- ▶ Bendigo Bank
- ▶ CUA (Credit Union Australia)
- ▶ Heritage Bank
- ▶ ME Bank
- ▶ People's Choice Credit Union
- ▶ Suncorp

Current as of September 2019. For a complete list of all Australian banks, credit unions and building societies and where they stand on investing in the fossil fuel industry visit: www.marketforces.org.au/comparebanks

Remember: as banks change their policies and their lending habits over time, we will do our best to reflect this in the banks comparison table. If you are unsure about whether a bank is sufficiently changing their ways you can contact us at contact@marketforces.org.au to check.

2 OPEN A NEW ACCOUNT



ONCE YOU HAVE CHOSEN your new bank or credit union, it's time to open an account. You can do this by visiting a bank branch in person, or a growing number of banks and credit unions now allow you to open a bank account online. Opening an account online only takes about 10 minutes and your identity and address will be verified online through the process. Have on hand your tax file number, driving licence, and 1–2 other ID documents (e.g. passport, Medicare card, Medibank Private card).

3 IDENTIFY REGULAR TRANSACTIONS



THE NEXT STEP is identifying the regular deposits (like your pay or share dividend payments) and debits (such as a subscription or monthly donation to a cause you follow) that automatically come in and out of your account. Most banks and credit unions can help you with this process by obtaining from your old bank a list of all your direct debits and direct credits for the previous 13 months. To get this process started you will need to submit to your new bank a form called 'Switch of regular payment arrangements'.

4 MOVE REGULAR TRANSACTIONS TO YOUR NEW ACCOUNT

AFTER YOUR NEW BANK or credit union receives the list of regular direct debits and direct credits associated with your old account they will send it to you for your review. You will need to verify that the list is correct and return it to your new bank or credit union along with a signed 'Notice of Variation of Account Details' form. This form authorises your new bank or credit union to switch your regular direct debits and direct credits to your new account.



REMEMBER:

This process will only switch across direct debit and direct credit payments that have been established using a BSB and Account number. Although BPAY, Internet 'Pay Anyone' and regular payments to and from debit and credit cards may be included in the list of regular payments sent to you, your new bank cannot switch these payments on your behalf. You will need to switch or re-establish these types of payments yourself. Your new bank or credit union will be able to advise you how best to do this.

5 THE BEST PART: CLOSE YOUR OLD BANK ACCOUNT



NOW YOU ARE READY to close your bank account. Remember to leave a small amount of money in your old account which can be withdrawn on the day you close your account. Make sure you allow time for any pending transactions to be finalised (3–5 days is advisable). It's also a good idea to call your old bank to make sure you are completely ready to close your account.

A FEW EXTRA POINTERS:

- ▶ Keep enough money in your old account to cover any regular payments that might come out before they are transferred to your new account.
- ▶ Some banks recommend you wait until all direct debits and credits appear on your new bank account before shutting down your old account to ensure they have been correctly re-established. Ask your new bank if they recommend this approach.
- ▶ Some banks will send you a letter confirming that they have received notification from the relevant organisations that direct debits and credits have been successfully updated. In this case you will not need to wait until all regular payments appear on your account before shutting down your old bank account. Speak with your new bank or credit union to see if they take this approach.
- ▶ The organisations that make credits and debits to your account should contact you for new instructions if these regular payments fail.

MAKING YOUR BANK SWITCH COUNT

Moving your money to a bank that won't fund fossil fuels is an important, positive step. But if you want to help stop the banks from continuing to fund dirty energy projects, you're only halfway done. It is critical that your choice to switch banks leaves a lasting impression on your old bank and makes them realise why their actions are costing them customers. Here are a few ways you can do that.

1. TELL YOUR BANK WHY YOU'RE LEAVING THEM

If your bank doesn't know why you're closing your account and taking your money elsewhere, they can't be expected to know how they need to change. Contact them before you start the bank switching process to let them know why you're unhappy about their support of the fossil fuel industry. When they write back, keep up the dialogue – it only helps to emphasise that you care about the issue.

Throughout the process, and when you leave the bank, contact them again to remind them why. The more that customers speak up, the more the bank will be convinced that it's just not worth lending to fossil fuels anymore. You can find template letters on the Market Forces website under 'Resources.'

2. TELL YOUR NEW BANK WHY YOU'RE JOINING THEM

It's important to let your new bank or credit union and the public know why you have made the switch. This will encourage your new bank or credit union to become more vocal about the environmental impacts of fossil fuels and make it an issue that banks investing in fossil fuels need to take seriously. You can find template letters on the Market Forces website under 'Resources.'

3. LET YOUR FRIENDS AND FAMILY KNOW WHY YOU'RE SWITCHING BANKS

Losing a customer is one thing, but losing a customer who can influence many more to do the same is far more worrying to the banks. There's a good chance that many of your friends and family are also with one of the 'big four' banks (ANZ, Commonwealth, NAB and Westpac), all of who heavily invest in fossil fuels. By sharing your own experience, you might encourage them to take the same action, magnifying your impact on your bank.

4. DOCUMENT AND SHARE YOUR EXPERIENCE OF MOVING BANKS

This is by far the most important way you can add value to your actions. When the public starts having an active conversation about customers walking away from the big banks over fossil fuel funding, the banks will be under serious pressure to change their behaviour. Your experience is an important contribution to that conversation but only if it is documented and shared with the rest of the world.

Here's a few ways how:

- ▶ Write a post for a website or social media platforms (yours, ours, someone else's) about why you're moving banks.
- ▶ Document your interaction with your old and new bank.
- ▶ Keep a diary – perhaps a video diary – that you can share once you've moved banks.
- ▶ Attend a bank switch or "divestment" event and make your presence felt.

REMEMBER:

We're here to help. We can help you move your money to a bank that won't support the dirty fossil fuel industry, and we're happy to share your story of switching banks so that they, and the public, take notice of the need for change. If you'd like help getting your message across to your bank, or telling your story more widely, please get in touch. Email us at contact@marketforces.org.au.

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