

## Financial Planning With Your Trusted Advisor

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In 2017 various securities regulators and states enacted the “Trusted Contact” rule for senior investors, (defined as people over 65 years old), and other “specified adults” (defined as persons age 18 years or older who have a mental or physical impairment that rendered the individual unable to protect his or her own interests).

This rule requires financial services firms to obtain from those identified clients the name and contact information of a trusted contact whom the firms can contact and communicate with if the firm believes, in good faith, that the affected individual is unable to take care of their own financial interests, and/or may have become a victim of financial exploitation. The rule permits the financial firms to put a temporary hold on funds (not more than 15 business days after the hold is placed on an account) for disbursements from their account, until the firm can make further inquiry as to the person’s status with the named trusted contact. It also provides relief from a claim that the firm violated the client’s privacy rights by discussing their financial information with the trusted contact.

During these uncertain and critical times, individual investors should expand upon this concept by taking affirmative steps to disclose/discuss their financial information with their trusted contact and/or other close family members and friends. Many people are uncomfortable or embarrassed to discuss their intimate financial details with others, including children, parents and siblings. However, that position is counterproductive and could lead to serious financial, tax and estate planning problems once the individual has passed or becomes incapable of handling their own financial affairs.

Organizing and discussing your investments and other important financial information before an emergent situation arises can avoid a problem and reduce stress and uncertainty and a critical time of illness or bereavement. If there is no one in your personal life that you can appoint as a trusted contact,

consider using a friend, or qualified and reputable professional such as an investment adviser, attorney or accountant. If you require assistance with gathering your investments and financial information, those same trusted financial professionals can assist with that as well.

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