

# PLANNING AHEAD

## HELPFUL HINTS FROM EXPERTS

### Five Steps To Plan For Dealing With Diminished Capacity And Illness

(NAPSA)—Aging can change many things in a person's life, including the ability to manage one's own money. That sobering reality is behind the creation of a new resource, "Planning for Diminished Capacity and Illness," issued by the U. S. Securities and Exchange Commission and the Consumer Financial Protection Bureau (CFPB). These organizations offer this key tip for how to prepare for your financial future: Hope for the best but plan for the worst.

#### The Problem

"Diminished financial capacity" generally refers to a decline in a person's ability to manage assets to serve his or her best interests. When people of any age lose the capability to manage their finances, they may also become more vulnerable to investment fraud and other forms of financial abuse.

#### What You Can Do

These five steps can help you prepare.

**Step 1:** Organize your important financial documents. Store them in a safe, easily accessible location. Give copies to trusted loved ones or let them know where to find them. When it comes to bank and brokerage statements and account information, make a list of your accounts with account numbers. Keep a separate list of online bank and brokerage passwords and PINs, and keep both lists in a safe place. List the locations of your safe-deposit boxes and their keys. Keep your mortgage and credit information, insurance policies, retirement benefits and Social Security information easily accessible.

**Step 2:** If you work with a financial professional, give that person emergency contact information in case he or she can't reach you or suspects something is wrong. Discuss what you would consider to be an emergency and specify when your financial professional may contact someone on your behalf.

**Step 3:** Consider creating a durable financial power of attorney. A financial power of attorney gives someone the legal authority to make financial decisions for you if you cannot. That person is called your agent. A financial power of attorney differs from a health care power of attorney, which covers only health care decisions.

After signing a durable financial power of attorney, you can still manage



**Preparing now can help make things easier for you later, should you ever become too ill to manage your own finances.**

your money and property as long as you have the ability to make decisions. Since you're essentially giving financial decision-making authority to your agent, it's critical he or she be someone you trust.

**Step 4:** Keep things up to date. If something changes (for example, you open a new account), keep your information as current as possible. Your trusted contact may also change over time. Keep your financial professionals informed of changes regarding who has authority to review your account or whom they should contact in an emergency.

**Step 5:** Speak up if something goes wrong. If you ever think someone is taking advantage of you or that you've been the victim of a fraud, speak up. Sadly, sometimes even family members, financial professionals and other people they think they can trust commit financial crimes. If this happens to you or your loved one, you're not alone—and the sooner you let someone know about it, the better chance there is of putting an end to it.

#### Learn More

If you have questions or concerns about issues with brokerage accounts and investments, call the FINRA Securities Helpline for Seniors toll-free at (844) 574-3577. You may submit a formal complaint to FINRA about a financial professional or firm at [www.finra.org/complaint](http://www.finra.org/complaint) or call (301) 590-6500.

If you have an issue with a consumer financial product (such as a mortgage or credit card), submit a complaint to the CFPB. Visit [www.consumerfinance.gov/complaint](http://www.consumerfinance.gov/complaint) or call (855) 411-2372.

To learn more about how to protect your money, visit the FINRA Foundation's website: [www.SaveandInvest.org](http://www.SaveandInvest.org).