

From: Renee Emrick
Bcc: [IPI Advisors](#)
Subject: Compliance Alert - Trusted Contact Person Form
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Attachments: [Trusted Contact Person Form 9-16-16.pdf](#)
[image001.png](#)
Importance: High

Unfortunately for many clients aging is accompanied by diminished capabilities, including a diminished ability to assess and manage their financial assets and resources, as well as a heightened susceptibility to financial exploitation. Many advisors struggle in knowing how to handle a potential issue of elder abuse, financial exploitation or diminished capacity in seniors and other clients.

Developing strong relationships with your clients is one of the most important weapons in detecting diminished capacity and in the fight against financial exploitation. In addition to the strong client relationships, planning for more than the client's financial future before potential issues arise is critical. Given the often urgent nature of financial exploitation, maintaining clear, open communication channels is critical for clients. Advisors should facilitate conversations with their clients about tools like memorializing advance financial directives and a contingent power of attorney or other appropriate devices. Many advisors start these conversations with clients by discussing the need to plan for medical emergencies, which will then lead into the financial directive discussion.

Several IPI advisors have inquired about the best practices to handle this issue. Many states are working on implementing state specific laws and FINRA has proposed a rule that is currently in limbo which would require a change to our new account form to request information for a third party in which the client would like listed as a trusted contact person for them with IPI. The main concern with providing information about a client to a third party is the violation of privacy laws and that the third party may be the suspected abuser. However, with a client's written consent this will allow IPI advisors to discuss on a limited basis the client's contact information, health status and the identity of a POA, legal guardian, executor or trustee.

This is not a mandatory form to use with clients at this time, but is optional if your client is open to providing you with a Trusted Contact Person's information. Please keep in mind that you are not able to provide account information, take directions, place trades, disburse money, etc. without the appropriate directive such as a power of attorney or other appropriate device. The Trusted Contact Person form only allows you to be able to reach out to a third party approved by the client in case you have concerns about the client's financial well-being or their diminished capacity to discuss it with the third party or to seek contact information for the client's POA, legal guardian, trustee, executor, etc.

I would be happy to discuss this further if you have questions. Have a great weekend! Renee

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