
Who is your Trusted Contact Person?

Posted on: September 11, 2023

Monica was alarmed to hear from her mother's financial advisor expressing concern over some unusual financial requests. She called her mom, who seemed fine, but Monica couldn't get the conversation with the financial advisor out of her head. She travelled to see her mom in person and was dismayed to discover numerous unpaid bills and an uncompleted tax return. Her mother had always been very meticulous about money, so something was off. Monica's concerns turned out to be well-founded. Within a few months, her mother was diagnosed with dementia.

If not for the phone call from the financial advisor, things may have been more catastrophic. He was only allowed to do this because Monica had been designated her mother's Trusted Contact Person (TCP) regarding financial matters. With this permission established, financial advisors can contact TCPs when concerned about clients' well-being, which happens most frequently with seniors. Monica learned that many aren't as fortunate as her mother. Her friend's father squandered almost his entire nest egg before his dementia diagnosis. If he had established a TCP, this might have been avoided with a simple telephone call from a financial advisor.

Although imagining ourselves or loved ones experiencing cognitive decline is uncomfortable, it's more common than you might realize. 685 Canadians are diagnosed with dementia every day¹. As their condition progresses, they struggle to make complex decisions, including money management. Without the protection of a financial advisor and TCP, they are far more vulnerable to financial loss, exploitation, and fraud. This brings up some important questions to consider.

Should I name a TCP? If so, when?

If you have investments to protect, you should name a TCP. Our advice is to do this as soon as possible.

What is a TCP?

A TCP is a person your financial advisor can contact if they're worried about you. **While TCPs protect your interests, they don't have access to your accounts and are not allowed to make financial decisions on your behalf.**

How do I choose a TCP?

Your TCP must be reliable, honest and willing to be your point of contact regarding your finances. Who would you want in your corner in a vulnerable situation?

How do I designate a TCP?

Share your TCP's name and contact information with your financial advisor. They will prepare a document for you to sign, establishing the circumstances under which your TCP can be contacted.

When is a TCP contacted?

Common circumstances include not being able to reach you, concerns about your mental capacity to make financial decisions or that you appear to be vulnerable to exploitation.

Is a TCP the same as a Power of Attorney (POA)?

TCPs and POAs are not the same because POAs are authorized to make decisions for you when you cannot do so. Similarly, to a TCP, it's wise to designate a POA sooner rather than later.

Naming a TCP and POA is an essential part of sound financial planning. We can guide you through the process. [Connect with us today](#) [1].

**Fictional characters for illustrative purposes only.*

¹: Alzheimer Society of Canada: Navigating the Path Forward for Dementia in Canada: The Landmark Study Report #1 - https://alzheimer.ca/en/research/reports-dementia/landmark-study-report-1-path-forward#Chapter_3:_The_power_of_dementia_risk_reduction [2]

Copyright © 2023 AdvisorNet Communications Inc. All rights reserved. This article is provided for informational purposes only and is based on the perspectives and opinions of the owners and writers only. The information provided is not intended to provide specific financial advice. It is strongly recommended that the reader seek qualified professional advice before making any financial decisions based on anything discussed in this article. This article is not to be copied or republished in any format for any reason without the written permission of the AdvisorNet Communications. The publisher does not guarantee the accuracy of the information and is not liable in any way for any error or omission.

Tags: [investment planning](#) [3]

Source URL: <https://limeridge.com/e-newsletter/2023/2023-09/article-1.htm>

Links

[1] <https://limeridge.com/contact-us> [2] https://alzheimer.ca/en/research/reports-dementia/landmark-study-report-1-path-forward#Chapter_3:_The_power_of_dementia_risk_reduction [3] <https://limeridge.com/taxonomy/term/20>