

Letter For Your Financial Adviser Regarding Potential Cognitive Incapacity

If your adviser does not have a form with instructions about what to do if they are concerned about your ability to make financial decisions or take care of your affairs, this is a form you can provide to them. They may want to adjust it to their specifications, but this will give them a starting point.

Anticipating the Potential for Incapacity

The question has come up in discussions with financial planning colleagues about what to do if a client shows behavioral changes or other tendencies that appear out of keeping with previous patterns. The matter would have particular significance if it appeared that the perceived tendencies seemed to include a disregard for or recklessness towards maintaining financial integrity, but might also include more subtle changes such as not adequately caring for oneself, etc.

Such a situation would be extraordinarily difficult for us as your trusted financial advisor, since (a) there is little in the way of objective criteria for assessing the difference between rational decisions that may be out of the ordinary and those that indicate some deeper difficulties and, (b) it is not our field nor the nature of our training to make such assessments. Yet, because of the typically long-term associations we have with our clients, we may be uniquely qualified, in a non-technical way, to raise such questions.

Therefore, we have devised this form to prepare for an eventuality that, hopefully, will never occur. If you would like to provide us with your preferences in the unlikely (but possible) event that such a situation should arise, please indicate below what sort of response you would prefer.

Please initial as many items as seem appropriate:

_____ I would like to have the subject raised with me first.

_____ If, after such a discussion, the concerns are not resolved, I give permission to you to contact one or more of the people listed below and discuss the issue with him/her/them.

_____ If, after such a discussion, the concerns are not yet resolved, and I have not given permission to you to contact one or more of the people listed below, I recognize that you may find it necessary to unilaterally terminate our contractual relationship.

_____ I give permission to you to contact one or more of the people listed below and discuss the issue with him/her/them, without necessarily raising the subject with me first, if you deem it appropriate.

_____ I would want you or one of the people listed below to arrange for an evaluation by an appropriate specialist (elder care professional, etc.) at my expense. (Indicate whom you would be willing to have make such arrangements)

_____ I have listed below those people I would want you to contact under the circumstances referred to above. People frequently list family members, physicians, attorneys, accountants, religious advisors, or friends:

Relationship	Name	Phone Number

Note: Your providing us with this document and our accepting it is in no way to be construed as a commitment on our part to act as your agent outside the normal financial planning/investment management role we have undertaken and agreed to prior to your completing and presenting us with this form. This is not to be considered a part of the services you have contracted with us to perform and you agree, by signing it, that you and your heirs or assigns will hold us harmless if we either act or fail to act on these stated preferences based on our own best judgment.

I have indicated my preferences above and agree to hold <name of company> and its employees harmless as stated in the previous paragraph.

Signature: _____ Date: _____

