

There are many reasons why you may need help with your financial affairs, even if you never needed help before. The problem is: what can you do to get help, and also make sure that no one can take advantage of you?

This brochure explains some common personal planning tools – how they are helpful, and what you have to watch for in order to avoid financial exploitation and abuse.

POWERS OF ATTORNEY

A common way that you can legally authorize another person to act for you while you are alive is by a document called a Power of Attorney. YOU give power to an AGENT to handle your affairs. The person who is your agent can make financial decisions, or healthcare/medical decisions, or both, as you determine. The powers that you give your agent can be very broad, or very limited. When you sign a Power of Attorney, you are not “giving away” your right to act for yourself, but allowing someone else to act in addition to yourself, and make decisions.

Your agent is required by law to act always in your best interest. However, no one watches over your agent but you. This means that you need to be sure your agent is trustworthy. **ALWAYS** keep an eye on your bank account statements, and the statements for all accounts and investments that you own.

If you suspect that your agent is abusing your trust, you can withdraw the Power of Attorney by revoking it. This revocation must be done in writing.

If you discover that your finances have been misused, it is important to act quickly. It is often difficult to recover money that has been used improperly by an agent who is unscrupulous.

JOINT BANK ACCOUNTS

Some people use joint bank accounts to give another person access to a bank account. Although this may be very convenient, **a joint bank account is very easy to abuse.** The joint owner is not your agent, but has as much right to spend your money as you do. The joint owner does not need to use your money for you! It may also happen that the joint owner would die first, leaving you to pay Inheritance Tax on your own money.

ADDING SOMEONE TO YOUR DEED

Sometimes people add another person’s name to the deed to their house, maybe to avoid having to probate a will. **This is a bad idea because you no longer own your own house.** A low-income senior citizen will no longer be eligible for real estate tax rebates, discounts on utilities, or homeowner repairs grants.

A joint owner may take out a loan or mortgage against the property and you risk losing your home if the other person stops paying the loan!

You cannot sell your house on your own decision if someone else’s name is on the deed; you have to get that person to cooperate with you.

It is very hard to set aside a deed change, or reverse it. Even if you were sick or confused, didn’t read what you signed, or changed your mind later, these are not reasons that will put your deed back in your own name alone.

UNAUTHORIZED USE AND IDENTITY THEFT

Sometimes people find charges on their credit card accounts that they don’t recognize, or unauthorized debits that appear on bank account statements. You must notify the credit card company, or the bank involved, immediately upon receiving the statement, or you may lose your legal right to have the transaction investigated.

Identity theft can easily occur because all a person needs to open a credit account is your name and social security number. You may not find this has happened until you are denied credit, or find out that someone is making charges in your name when monthly

statements arrive. If this happens, you need to report it in writing immediately to the company that issued the credit, and complete the fraud affidavit that they send to you, so the company can do an investigation.

You should also order copies of your credit report from the three major credit-reporting bureaus. All credit cards in your name will appear on the credit reports, and if there are any that you did not apply for, use, or authorize anyone else to apply for, or use in your name, you cannot be held liable for the charges. You can get the phone numbers to call by contacting our Intake Line.

It is important not to open an account in your own name for someone else, or let anyone use your card. If you allow someone to use your credit card, or take out a credit card for someone else, you are liable to the credit card company for the entire bill if the other person fails to make the payments.

If you did not authorize someone to use your credit card, but knew that the person was using it, you are still liable for the charges. If you find out that someone is using your card without your permission, you must notify the credit card company immediately by phone, and also in writing.

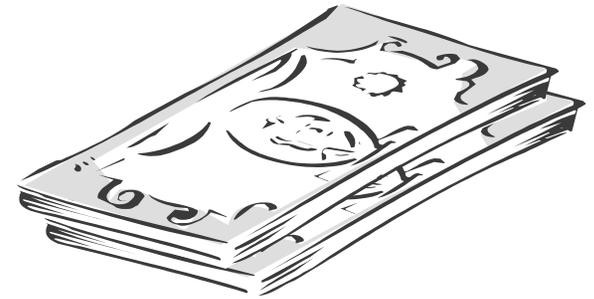
REMEMBER!

The best way to prevent financial exploitation is to remain active and involved in your affairs. Pay attention to your finances and ask questions of your agent. It is better to avoid financial abuse because it cannot be easily repaired.

The Pennsylvania SeniorLAW Helpline provides free legal counseling, assistance and referrals to anyone age 60 or older in Pennsylvania. We provide enhanced services to victims of financial exploitation and other crimes.

The Pennsylvania SeniorLAW Helpline is a project of SeniorLAW Center in Philadelphia, PA.

PROTECTING YOURSELF FROM FINANCIAL EXPLOITATION



Pennsylvania SeniorLAW Helpline

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