

FRAUD ALERT!

Living Trust Offers: How to Make Sure They Trust-worthy

You've worked hard for your money, and made every attempt to be a conscientious saver. So it's only natural that you want some control over what happens to your assets in the event of your death. At the very least, you probably want to minimize or avoid potential hassles and headaches for your loved ones.

Estate planning deals with what happens to your assets after you die. Even if you are a person of modest means, you have an estate and several strategies to choose from to make sure that your assets are distributed as you wish and in a timely way.

Misinformation and misunderstanding about estate taxes and the length or complexity of probate provide the perfect cover for scam artists who have created an industry out of older adult's fears that their estates could be eaten up by costs or that the distribution of their assets could be delayed for years. Some unscrupulous businesses are advertising "free lunch" seminars on living trusts or sending postcards inviting consumers to call for in-home appointments to learn whether a living trust is right for them. In these cases, it's not uncommon for the salesperson to exaggerate the benefits or the appropriateness of the living trust and claim — falsely — that locally-licensed lawyers will prepare the documents. Other businesses are advertising living trust "kits": consumers send money for these do-it-yourself products, but receive nothing in return. Still other businesses are using estate planning services to gain access to consumers' financial information and to sell them other financial products, such as insurance annuities.

What's a consumer to do? It's true that for some people, a living trust can be a useful and practical tool. But for others, it can be a waste of money and time. What is a living trust, anyway, and how does it differ from a will? Who should you trust when it comes to estate planning? And how can you tell which tools and strategies will work best for your particular circumstances?

The Federal Trade Commission advises to proceed with caution. Because state laws and requirements vary, "cookie-cutter" approaches to estate planning aren't always the most efficient way to handle your affairs. Before you sign any papers to create a will, a living trust, or any other kind of trust:

- Explore all your options with an experienced and licensed estate planning attorney or financial advisor. Generally, state law requires that an attorney draft the trust.
- Avoid high-pressure sales tactics and high-speed sales pitches by anyone who is selling estate planning tools or arrangements.
- Avoid salespeople who give the impression that AARP is selling or endorsing their products. AARP does not endorse any living trust product.
- Do your homework. Get information about your local probate laws from the Clerk (or Register) of Wills.
- If you opt for a living trust, make sure it's properly funded — that is, that the property has been transferred from your name to the trust. If the transfers aren't done properly, the trust will be invalid and the state will determine who inherits your property and serves as guardian for your minor children.
- If someone tries to sell you a living trust, ask if the seller is an attorney. Some states limit the sale of living trust services to attorneys.
- Remember the **Cooling Off Rule**. If you buy a living trust in your home or somewhere other than the seller's permanent place of business (say, at a hotel seminar), the seller must give you a written statement of your right to cancel the deal within three business days.
- Check out the organization with the Bucks County Consumer Protection office in Bucks County or where the organization is located before you send any money for any product or service. Although this is prudent, it is not foolproof: there may be no record of complaints if an organization is too new or has changed its name.

The FTC works for the consumer to prevent fraudulent, deceptive and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them.

To file a [complaint](#) or to get [free information on consumer issues](#), visit www.ftc.gov or call toll-free, 1-877-FTC-HELP (1-877-382-4357); TTY: 1-866-653-4261.

BUCKS COUNTY CRIMES AGAINST OLDER ADULTS TASK FORCE-
FIGHTING ABUSE, NEGLECT, AND EXPLOITATION OF OLDER ADULTS IN BUCKS COUNTY

Bucks County District Attorney's Office
215-348-6344
Bucks County Consumer Protection
215-348-6060
Bucks County Register of Wills
215-348-6265

Bucks County Area Agency on Aging
215-348-0510
Network of Victim Assistance
1-800-675-6900
Bucks County Coroner
215-348-3852