

Investor Alerts and Bulletins

Investor Bulletin: Please Consider Adding a Trusted Contact to Your Account

March 4, 2020

The SEC's Office of Investor Education and Advocacy and the Financial Industry Regulatory Authority (FINRA) are issuing this Investor Bulletin to urge you to consider adding a "trusted contact person" to your brokerage account.

When you open a new retail account or update your account information, your brokerage firm will request that you give them the name and contact information of a "trusted contact person." It is not mandatory that you do so – but there are a number of very important reasons to give your broker the name of someone you trust, and the SEC's Office of Investor Education and Advocacy and FINRA urge you to consider the request.

What is a "trusted contact person?"

A "trusted contact person" is a person that you authorize your brokerage firm to contact in limited circumstances, such as if your broker has trouble reaching you or has a reasonable belief that your account may be exposed to possible financial exploitation. A trusted contact person must be age 18 or older.

Naming someone as a trusted contact person does not give that person any authority to act on your behalf, execute transactions or engage in activity in your account.

Why would you add a "trusted contact person" to your brokerage account?

- If your brokerage firm cannot reach you, adding a trusted contact person to your brokerage account may help your firm ensure that your current address and contact information are correct.
- Adding a trusted contact person to your brokerage account may help your brokerage firm respond to possible financial exploitation or fraud in your account and protect your account's assets.
- If your brokerage firm suspects that you are experiencing a health issue, adding a trusted contact person to your brokerage account may help your broker confirm your current health status.
- Adding a trusted contact person to your brokerage account may help your brokerage firm verify the identity of any legal guardian, executor, trustee or holder of a power of attorney on your account.

How can you add a "trusted contact person" to your brokerage account?

You may be asked to add a trusted contact person when you log on to your brokerage account online. Many brokerage firms send notices to you, via e-mail or regular mail, that include instructions for adding a trusted contact person to an account. *Before clicking on any link in an e-mail notice about a "trusted contact person," make sure you verify that your brokerage firm sent the e-mail.*

If you do not receive a notice, and you would like to add a trusted contact person to your brokerage account, contact your firm or your financial professional and ask how to add a trusted contact person to your account.

Additional Resources

[Investor Bulletin: FINRA's New Account Protection Rule - Trusted Contacts](#)

[FINRA Investor Insights: Protecting Seniors from Financial Exploitation](#)

[FINRA Frequently Asked Questions Relating to Financial Exploitation of Seniors](#)

Call OIEA at 1-800-732-0330, ask a question [using this online form](#), or email us at Help@SEC.gov.

Call the FINRA Securities Helpline for Seniors® at 844-57-HELPS (844-574-3577)

Visit [Investor.gov](https://investor.gov), the SEC's website for individual investors.

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