

Cerritos

Neighborhood

Watch Report

March 2003

Hardening the Target

Warning to seniors about “living trust mills” and annuity scams

The California Department of Justice has issued a warning to consumers to beware of “living trust mill” con artists that fraudulently sell trusts and annuities to senior citizens.

Sales agents for these scam operations often misrepresent seniors’ current investments while stressing the advantages of the investment plans they offer. Many pretend to be experts in living trusts, and often work in assisted living centers, churches and other places that seniors are known to gather.

The Attorney General for the State of California warns seniors and their families to be wary of these scams and avoid becoming victims.

Seniors pay substantial sums of money to sales agents for living trust mills. Through fraud and deceit, these scam artists can damage seniors’ estate plans, the security of their investments and their life savings. A state appellate court recently affirmed a multimillion dollar judgment against an insurance company that had conspired with a living trust mill to commit fraud in selling trusts and annuities to seniors.

In their solicitations, sales agents often pose as expert financial or estate planners, passing themselves off as a “trust advisor,” “senior estate planner” or paralegal. They frequently schedule an initial appointment with seniors in their homes. Under the guise of helping to set up or update a living

trust, the sales agent learns about the financial assets and investments of the senior.

The agent will then schedule a second visit to deliver a completed trust, and will have documents signed and notarized along with title of the assets that are being transferred to the trust. He or she will scare seniors into believing that their assets are unsafe and that by moving their money, they can earn higher interest with minimal or no risk.

The agent may then have the victim sign documents that transfer certificates of deposit (CDs), mutual funds or other holdings into an annuity, a so called “promissory note” or some other form of investment.

Planning an estate and choosing investments involves important legal, financial and personal decisions. If estate planning documents are not properly prepared or executed, they can be invalid and cause lasting damage.

The California Department of Justice offers the following information to help consumers avoid becoming victims of living trust mills:

- Sales agents of living trust mills are neither attorneys nor trained experts in estate planning.
- Documents in trust packages may not comply with California law.
- Sales agents may not follow procedures set by law for executing or witnessing wills and other documents. These violations may render the documents subject to legal challenges.

- Sales agents may fail to disclose possible adverse tax consequences or early withdrawal penalties that may be incurred when transferring stocks, bonds, CDs or other investments into annuities.
- An annuity is never 100 percent safe, and only a portion is guaranteed by the state. Insurance companies can and do fail, and their assets may not be enough to pay the full value of their customer’s investments.
- So called “promissory notes” are not insured by the Federal Deposit Insurance Corporation (FDIC) or any other government agency and may be very risky. They may not be registered as securities with the state.

An attorney qualified in estate planning can help consumers decide if they need a living trust or any other estate planning documents. He or she can also help the client review an existing trust or will. To obtain a list of attorneys certified as estate planning specialists or for information about estate planning, contact the State Bar of California at (888) 460-7364.

If you feel that you have been victimized by a living trust mill, annuity or promissory note fraud, contact the local office of the district attorney at (562) 804-8085 and the California Department of Insurance at (800) 927-4357. Consumer complaints can also be filed online at the Attorney General’s web site at: <http://www.ag.ca.gov/consumers/mailform.htm>.

Monthly Crime Summary: February 2003

Part I felony crimes in Cerritos during the month of February were recorded at 107 incidents. This is down from 151 in January. Deputies handled an average of 333 calls for service each week. That figure is lower than the nearly 360 weekly call average established in 2002.

Ten robbery incidents were investigated by Cerritos deputies in February.

The first incident occurred on Tuesday, February 4 at 9:10 p.m. at a fast food restaurant in the 13700 block of Artesia Boulevard, where cash was demanded by a suspect with a gun.

Two suspects held up a liquor store located at Norwalk Boulevard and 166th Street on Wednesday, February 5 at 10 p.m.

On Saturday, February 8 at 6:15 p.m., a group of young teenagers was confronted by two older teenagers near a theater in the Cerritos Towne Center. A small amount of cash was relinquished.

On Monday, February 10 at 4 a.m., a man was sleeping in his vehicle near Jacob Avenue and Yearling Street when two suspects made him get out of the car, disrobe and give them a small amount of money. Later that evening at 6 p.m., a briefcase was wrestled away from a victim in a lot at Norwalk Boulevard and Artesia Boulevard.

A store in the Cerritos Towne Center was the scene of an armed robbery on Tuesday, February 11 at 7:32 p.m. Cash was removed from two registers by a single suspect.

A purse was snatched in the 12200 block of Artesia Boulevard on Thursday, February 13 at 6 p.m.

On Saturday, February 15 at 1:35 p.m., two suspects robbed a store near the Cerritos Towne Center. The following day at 6:35 p.m., an ice cream parlor in the 12500 block of South Street was robbed by two suspects who took cash from the register and the wallets of two employees.

The final incident occurred on Tuesday, February 18 at 5:10 p.m. in a small retail store located in the

13200 block of South Street. A suspect asked the clerk for change for a quarter and pushed her away from the register before removing cash.

Always be aware of your surroundings, make eye contact with others and avoid ATM machines in hours of darkness. In almost every case of a street or parking lot robbery, the victim was alone when confronted. If at all possible, when you are walking or shopping at night, do so in pairs to further reduce your chances of becoming a victim.

Residential burglaries declined in February and were reported at 10 compared to 14 in January. The current weekly average is 2.5 in this category and is lower than the 4.5 average recorded at the end of 2002. Typical items stolen last month included cash, jewelry, cameras and other concealable property.

While some of these cases involved identified family members, open/unlocked doors and windows continue to be a factor in facilitating entry.

An open second story window was used in one incident. Bicycles and tools were taken in other cases where the front garage door was left open, while the homeowner was inside the house. Passersby tend to seize the opportunity when given such a chance. These cases can be drastically reduced by ensuring that your residence is secured prior to leaving, even if it is only for a brief period of time.

The side garage door is also a favored point of entry, as it tends to offer a thief concealment from neighbors and allow more time to attempt to enter the dwelling.

The side garage door should be constructed of a solid core and be equipped with a deadbolt lock. Once a burglar gets into the garage, attempts to enter your home are even more concealed. Install a solid core door with a deadbolt inside of your garage as well.

Vehicle burglary cases also

declined from 38 in January to 24 in February. The weekly average this year has been 7.3 incidents. While high-end stereo components are the items most commonly taken, other items left within the passenger compartment have been increasingly targeted as well. This occurs predominantly in parking lots, but also in residential areas. Parking lots are busier with foot traffic, and people often do not pay particular attention to the activities of any one person.

Purses, briefcases, laptop computers, wallets, cell phones and jewelry are among some of the items targeted when left in plain view in a vehicle. SUVs and pickups are likely targets because they do not have trunk space. If you drive one of these vehicles, make sure that you do not leave anything of value inside when you plan to park.

With 30 cases investigated in February, vehicle theft declined as well, down from 41 cases in January. So far this year, 8.5 vehicle thefts occur on average each week.

Honda and Toyota products continue to dominate the list of those vehicles most appealing to thieves, due to their popularity and the need for spare parts. These vehicles are "stripped" most often. Other makes and models are frequently taken for transportation purposes, but this does not exempt them from having parts removed.

The Cerritos Sheriff's Station/Community Safety Center continues to emphasize the importance of a visual physical deterrent such as a steering wheel locking device or a brake pedal cover as an inexpensive way to protect your vehicle.

Kill switches and fuel restricting mechanisms are also a good investment, however, keep in mind that entry must still be made into your vehicle before a thief is made aware that these products are installed.

When criminals can visibly see that your vehicle is equipped with a protection device, another target is almost always pursued.

Safety Contacts:
Community Safety Division -
(562) 916-1266
Sheriff's Station - (562) 860-0044



To join Cerritos Neighborhood Watch, call Community Mobilization Officer Mike Yach at (562) 916-1258.