

## **GIVE NEW TOOLS FOR ADVISORS TO PROTECT SENIORS**

SB 1672 by Senator Broxson and HB 813 by Representative McClure provides registered investment advisors, dealers, or associated persons (“Advisors”) with new tools to employ when they believe that financial exploitation of a senior citizen is occurring.

The bill would grant discretion to Advisors to place a temporary hold on a proposed financial transaction for which they have a good faith belief involves exploitation that has occurred, is occurring, or is about to occur. The procedures would require the Advisor to:

1. Immediately notify the Department of Children and Family Services of the suspected exploitation.
2. Within three days of the temporary hold, must attempt to notify all those listed on the account of the hold, unless the person to be notified is in good faith believed by the Advisor to be involved in the suspected exploitation.
3. The temporary hold expires 15 days after being placed, but can be extended another 10 days or longer if needed if a good faith belief the exploitation continues or is going to continue. A court can extend the stay beyond these periods.

Advisors may provide financial records of the exploited person to investigators and other law enforcement officers, both involving the incident that necessitated the hold, and also additional records not involving the incident. Advisors are immune from any civil, criminal, or administrative liability for actions taken under this new law. The new provisions cannot form the basis for any cause of action against the Advisor. Importantly, the new provisions do not create a new obligation on an Advisor to place a hold, and the Advisor may refuse to place a hold on any account.

The bill applies to customers that are either age 65 or older, or an otherwise vulnerable adult. The “hold” period would give time to authorities to investigate the potential exploitation, while safeguarding the seniors’ assets.

**SUPPORT SB 1672 AND HB 813  
GRANTING ADVISORS DISCRETION TO PLACE A HOLD ON  
EXPLOITIVE FINANCIAL TRANSACTIONS TO PROTECT SENIORS ASSETS.**