



1 (A) Obtain control through deception, intimidation,  
2 or undue influence over the elder's or vulnerable  
3 adult's money, assets, or property to deprive the  
4 elder or vulnerable adult of the ownership, use,  
5 benefit, or possession of the elder's or  
6 vulnerable adult's money, assets, or property; or

7 (B) Convert money, assets, or property of the elder  
8 or vulnerable adult to deprive the elder or  
9 vulnerable adult of the ownership, use, benefit,  
10 or possession of the elder's or vulnerable  
11 adult's money, assets, or property.

12 "Qualified person" means any agent, broker-dealer,  
13 investment adviser representative, investment adviser, or person  
14 who serves in a supervisory or compliance capacity for a broker-  
15 dealer or an investment adviser.

16 "Reasonably associated individual" means any person known  
17 to the qualified person to be reasonably associated with the  
18 elder, vulnerable adult, or account.

19 "Vulnerable adult" means a person eighteen years of age or  
20 older who, because of mental, developmental, or physical  
21 impairment, is unable to:



- 1           (1) Communicate or make responsible decisions to manage  
2                   the person's own care or resources;
- 3           (2) Carry out or arrange for essential activities of daily  
4                   living; or
- 5           (3) Protect oneself from abuse.

6           **§485A-B Governmental disclosures.** If a qualified person  
7 reasonably believes that financial exploitation of an elder or a  
8 vulnerable adult may have occurred, may have been attempted, or  
9 is being attempted, the qualified person shall promptly notify  
10 the commissioner.

11           **§485A-C Immunity for governmental disclosures.** A  
12 qualified person who, in good faith and exercising reasonable  
13 care, makes a disclosure of information pursuant to  
14 section 485A-B shall be immune from administrative or civil  
15 liability that might otherwise arise from the disclosure or for  
16 any failure to notify the commissioner of the disclosure.

17           **§485A-D Third-party disclosures.** If a qualified person  
18 reasonably believes that financial exploitation of an elder or a  
19 vulnerable adult may have occurred, may have been attempted, or  
20 is being attempted, a qualified person may notify a reasonably  
21 associated individual or any third party previously designated



1 by the elder or vulnerable adult. Disclosure shall not be made  
2 to any reasonably associated individual or previously designated  
3 third party who is suspected of financial exploitation or other  
4 abuse of the elder or vulnerable adult.

5 **§485A-E Immunity for third-party disclosures.** A qualified  
6 person who, in good faith and exercising reasonable care, makes  
7 a disclosure of information pursuant to section 485A-D shall be  
8 immune from any administrative or civil liability that might  
9 otherwise arise from the disclosure.

10 **§485A-F Delaying disbursements or transactions.** (a) A  
11 qualified person may delay a disbursement from, or a transaction  
12 in connection with, an account of an elder or a vulnerable  
13 adult, or an account on which an elder or a vulnerable adult is  
14 a beneficiary, if:

15 (1) The qualified person reasonably believes that the  
16 requested disbursement or transaction may result in  
17 financial exploitation of the elder or vulnerable  
18 adult after initiating an internal review of the  
19 requested disbursement or transaction and the  
20 suspected financial exploitation; and

21 (2) The qualified person:



1 (A) Immediately, but in no event more than two  
2 business days after the requested disbursement or  
3 transaction is delayed, provides written  
4 notification of the delay and the reason for the  
5 delay to all parties authorized to transact  
6 business on the account, unless any party is  
7 reasonably believed to have engaged in suspected  
8 or attempted financial exploitation of the elder  
9 or vulnerable adult;

10 (B) Immediately, but in no event more than two  
11 business days after the requested disbursement or  
12 transaction is delayed, notifies the  
13 commissioner; and

14 (C) Continues its internal review of the suspected or  
15 attempted financial exploitation of the elder or  
16 vulnerable adult, as necessary, and provides  
17 status updates to the commissioner upon request.

18 (b) Any delay of a requested disbursement or transaction  
19 as authorized by this section shall expire upon the sooner of:

20 (1) A determination by the qualified person that the  
21 requested disbursement or transaction will not result

1 in financial exploitation of the elder or vulnerable  
2 adult; or  
3 (2) Fifteen business days after the date on which the  
4 qualified person first delayed the requested  
5 disbursement or transaction, unless the commissioner  
6 requests that the qualified person extend the delay,  
7 in which case the delay shall expire no later than  
8 twenty-five business days after the date on which the  
9 qualified person first delayed the requested  
10 disbursement or transaction, unless sooner terminated  
11 or further extended by the commissioner or by an order  
12 of a court of competent jurisdiction.

13 (c) A court of competent jurisdiction may enter an order  
14 extending the delay of the requested disbursement or  
15 transaction, or may order other protective relief based on the  
16 petition of the commissioner, the qualified person who initiated  
17 the delay under this section, or other interested party.

18 **§485A-G Immunity for delaying disbursements or**  
19 **transactions.** A qualified person who, in good faith and  
20 exercising reasonable care, complies with section 485A-F shall  
21 be immune from any administrative or civil liability that might



1 otherwise arise from a delay of a requested disbursement or  
2 transaction in accordance with that section.

3       **§485A-H Records.** A qualified person shall provide access  
4 to or copies of records that are relevant to the suspected or  
5 attempted financial exploitation of an elder or a vulnerable  
6 adult to the commissioner or law enforcement, either as part of  
7 a referral to the commissioner or law enforcement, or upon  
8 request of the commissioner or law enforcement pursuant to an  
9 investigation. The records may include historical records as  
10 well as records relating to the most recent transaction or  
11 transactions that may comprise financial exploitation of an  
12 elder or a vulnerable adult. All records made available under  
13 this section shall be exempt from disclosure under chapter 92F.

14       Nothing in this section shall limit or otherwise impede the  
15 authority of the commissioner to access or examine the books and  
16 records of a qualified person as otherwise provided by law.

17       **§485A-I Multiple duties to report.** Compliance with this  
18 part shall not discharge the duty to report suspected abuse  
19 under any other law."

20       SECTION 2. In codifying the new sections added by  
21 section 1 of this Act, the revisor of statutes shall substitute



1 appropriate section numbers for the letters used in designating  
2 the new sections in this Act.

3 SECTION 3. This Act shall take effect upon its approval.



**Report Title:**

Uniform Securities Act; Elder; Vulnerable Adult; Financial Exploitation; Broker-Dealers; Investment Advisors

**Description:**

Mandates reporting of suspected financial exploitation of elders and vulnerable adults in relation to securities. Provides immunity for good faith reporting. Authorizes the delay of disbursements and transactions in situations of suspected financial exploitation. (SD1)

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