



March 24, 2017

The Honorable David B. Hawk
301 6th Avenue North
Suite 201 War Memorial Building
Nashville, TN 37243

RE: HB 304, An Act to amend Tennessee Code Annotated, Title 48, Chapter 1, Part 1,
relative to the regulation of securities, as amended

Dear Representative Hawk:

The Securities Industry and Financial Markets Association (“SIFMA”)¹ is a national trade association which represents hundreds of large, medium and small broker-dealers, banks and asset managers, many of whom have a presence in Tennessee. SIFMA is proud to be a vocal advocate in the fight against senior financial exploitation. Among other things, SIFMA has educated policymakers and the general public on the need for increased senior protections, founded a large working group for member firms to share ideas and best practices, and worked with federal and state legislatures and regulators on various “Report and Hold” proposals that would allow reporting firms to place temporary holds on suspicious transactions and/or disbursements.

We are writing to express our support for HB 304, as amended. Roughly one in 5 seniors has been a victim of financial exploitation – at a cost of approximately \$2.9 billion annually. Moreover, these numbers are likely low as it is also estimated that only 1 out of every 44 instances of financial abuse is actually reported. HB 304 helps protect investors by, among other things: providing broker-dealers and investment advisers with a voluntary reporting pathway to the State Securities Commissioner; permitting them to reach out to third parties reasonably associated with the senior if financial exploitation is suspected; and enabling them to place a temporary hold on suspicious disbursements while the possible exploitation is being investigated.

We believe the amended bill is a fair and balanced tool that will help the industry to protect vulnerable investors. We thank you for your efforts. Please do not hesitate to contact me at 212-313-1311 or SIFMA’s lobbyist Dan Haskell at 615-478-4994 if you have any questions.

Sincerely,
/s/
Kim Chamberlain
Managing Director & Associate General Counsel

¹ SIFMA is the voice of the U.S. securities industry, representing the broker-dealers, banks and asset managers whose 889,000 employees provide access to the capital markets, raising over \$2.4 trillion for businesses and municipalities in the U.S., serving retail clients with over \$16 trillion in assets and managing more than \$62 trillion in assets for individual and institutional clients including mutual funds and retirement plans. For more information, visit <http://www.sifma.org>