



FLORIDA SECURITIES DEALERS ASSOCIATION, INC.

PRESIDENT

Louis Dempsey
Renaissance Regulatory Services

VICE PRESIDENT

Alyssa Meyer
Raymond James Financial Services

TREASURER

Alex J. Sabo, Esq.
Bressler, Amery & Ross, P.C.

SECRETARY

Patricia Cowart
Wells Fargo Advisors, LLC

PAST PRESIDENT

Steven M. Greenbaum, Esq.
TradeStation Securities, Inc.

GOVERNORS

Mitchell Bell
Pershing LLC

Laura J. Hawley
Allen & Company of Florida, Inc.

Andrew M. Hirsch
Robert W. Baird & Co., Inc.

Peter B. King, Esq.
Wland Guerra King P.L.

Daniel J. Kraus
Tom Galvin
Raymond James & Associates, Inc.

Anthony Kurlas
Alexander Sarafoglu
Merrill Lynch/Bank of America

Michael Levin
Janney Montgomery Scott, LLC

Teresa Cram
Transamerica Financial

Ronald D. Shindler, Esq.
Fowler White Burnett, P.A.

Tim Shuff
Edward Jones

Kirstin Turner
RBC Wealth Management

R. Michael Underwood, Esq.
Buchanan, Ingersoll & Rooney, P.C.

ADMINISTRATOR

Marie Silvani
MSW Solutions
msilvani01@comcast.net

October 29, 2015

NASAA Legal Department
Christopher Staley, Counsel
750 First Street, NE, Suite 1140
Washington, DC 20002

Dear Mr. Staley:

The Florida Securities Dealers Association (FSDA) appreciates this opportunity to comment on NASAA'S proposed Model Legislation or Regulation to Protect Vulnerable Adults from Financial Exploitation.

The FSDA, founded in 1933, is the oldest and largest state securities association in the country, representing a wide cross-section of the industry, including national and regional broker/dealers, independent broker-dealers, investment advisors, mutual funds, law firms, consulting firms, and other service providers.

The FSDA is committed to constructively engaging the Florida Legislature and Executive agencies on behalf of the industry to achieve fair and balanced regulation and legislation of the securities industry in Florida. Every year, the FSDA participates with interested stakeholders on a wide variety of proposed legislation, regulations, and rules that impact the industry. Our members contribute significant time and effort to achieving fair and balanced regulation and legislation of the securities industry in Florida. As such, we are currently engaging in a dialogue with interested stakeholders in Florida on passage of legislation similar to the model legislation NASAA is considering.

The FSDA's commitment to addressing financial abuse of vulnerable adults goes well beyond its legislative efforts. For the last two years, the FSDA has held a number of seminars in different parts of Florida to educate the elderly on potential financial abuse and tips for preventing it. The FSDA has partnered with legislators, regulators and constituents desiring to learn about and combat financial abuse. These seminars have been well attended, well received, and productive, finding common ground between industry, customers, regulators, and legislators. The FSDA understands that the industry plays a large role in combating abuse of vulnerable adults, and it should be given more tools to work with investors and public officials to prevent such abuse.

The FSDA supports legislation that would provide the industry with the necessary tools to enable it to make a good faith effort to protect vulnerable adults from financial exploitation. Incidents of such abuse undoubtedly occur with more frequency than anyone can document. Without the proper tools to delay a highly questionable transaction while the matter is being investigated, and to provide a cooling off period so the investor can take stock of the situation, investor's funds may disappear, never to be recovered, potentially leaving a vulnerable adult in serious financial distress..

6671 W. Indiantown Rd., #50-194, Jupiter, FL 33458

Phone: 561-371-4517

www.floridasecurities.com

Christopher Staley, Counsel

October 29, 2015

Page 2

The FSDA commends NASAA for proposing a forward-thinking proposal that properly balances investor protection with functional, reasonable regulation. If adopted in Florida, legislation based on this model would strengthen our laws to better protect investors who, due to age, disability, or infirmity, are vulnerable to financial exploitation from strangers or acquaintances.

NASAA's proposed model legislation includes a "mandatory reporting requirement." This provision may conflict with existing state laws as well as privacy related statutes and regulations. For years, Florida has had a mandatory reporting requirement for "any person" who "has reasonable cause to suspect, that a vulnerable adult has been or is being abused, neglected, or exploited." This reporting requirement is broad based and not specific to our industry. As to the other 49 states where this model may impose a duty to report where none otherwise exists, we take no position on this issue and urge a thoughtful dialogue that considers the specific circumstances of each state. Furthermore, FINRA has recently requested comment on proposed rules for its members that would make the reporting optional. Aligning the model rule with the FINRA proposal would reduce the potential regulatory conflict.

This model legislation would build on current reporting laws in Florida to allow a broker-dealer to refuse to fill suspect transactions for an appropriate timeframe so that the state and appropriate caregivers may review the situation in an expedited manner. Broker-dealers who act in good faith would be immune from civil, criminal, and administrative liability and penalties related to actions taken in conjunction with this new provision. This model is an important step in helping to protect a growing population of senior investors from financial exploitation and helping to ensure that more seniors are able to fully utilize the savings that they have built throughout a lifetime of hard work.

Our members are concerned that the proposal only allows for contact with family or a third party if they have already been previously authorized by the account holder. While the goal of having such a pre-authorization is laudable and wholeheartedly supported by the FSDA, in instances where the account holder has not yet been asked to make such a pre-authorization or failed to make one, the possible victim of abuse is left without an important source of help.

Another area where more dialogue may be needed is how long a disbursement may be held up. As currently drafted, the NASSA proposal and FINRA's proposal are not consistent. Our view is that consistency on this issue would be beneficial to all interested parties.

Christopher Staley, Counsel

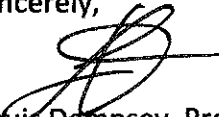
October 29, 2015

Page 3

We are encouraged by the work of NASAA and hope it will continue to proceed down its current path. We look forward to future engagement on this important issue. When vulnerable adults are exploited and lose their money to those trying to take advantage of them, investors, family members, firms, regulators, and state governments all lose. In general, this model strikes a good balance by giving the firms tools to delay a suspect transaction, but also gives firms the peace of mind they will not be drawn into needless litigation when acting in good faith in the interest of their clients.

We appreciate the opportunity to comment and encourage adoption of model legislation on this important topic.

Sincerely,

A handwritten signature in black ink, appearing to be 'Louis Dempsey', written over a horizontal line.

Louis Dempsey, President