

TITLE 12 TRADE, COMMERCE AND BANKING
CHAPTER 11 SECURITIES
PART 18 TRAINING AND REPORTING GUIDELINES UNDER THE PROTECTING VULNERABLE ADULTS FROM FINANCIAL EXPLOITATION ACT

12.11.18.1 ISSUING AGENCY: Regulation and Licensing Department - New Mexico Securities Division.
[12.11.18.1 NMAC - N, 9/11/2018]

12.11.18.2 SCOPE: All persons, whether natural or legal entities, that transact business in New Mexico as a broker-dealer, an agent, an investment advisor, an investment adviser representative, or who serve in a supervisory, compliance or legal capacity for a broker-dealer or investment adviser.
[12.11.18.2 NMAC - N, 9/11/2018]

12.11.18.3 STATUTORY AUTHORITY: Subsection A of Section 58-13C-605 NMSA 1978 authorizes the director to adopt rules necessary or appropriate to carry out the New Mexico Uniform Securities Act. Subsection A of Section 58-13D-7 NMSA 1978 instructs the director to promulgate, by rule, training guidelines that broker-dealers and investment advisors may use to comply with the requirements of the Protecting Vulnerable Adults from Financial Exploitation Act, Section 58-13D-1 to 8 NMSA 1978.
[12.11.18.3 NMAC - N, 9/11/2018]

12.11.18.4 DURATION: Permanent.
[12.11.18.4 NMAC - N, 9/11/2018]

12.11.18.5 EFFECTIVE DATE: September 11, 2018, unless a later date is cited at the end of a section.
[12.11.18.5 NMAC - N, 9/11/2018]

12.11.18.6 OBJECTIVE: To provide training guidelines to broker-dealers and investment advisers who shall provide training concerning the financial exploitation of vulnerable adults to its employees who are required to be registered in New Mexico as agents or investment adviser representatives and who have contact with eligible adults and access to account information on a regular basis and as part of their job.
[12.11.18.6 NMAC - N, 9/11/2018]

12.11.18.7 DEFINITIONS: [RESERVED]

12.11.18.8 TRAINING AND REPORTING GUIDELINES UNDER THE PROTECTING VULNERABLE ADULTS FROM FINANCIAL EXPLOITATION ACT:

A. The standardized training curriculum for training provided pursuant to the Protecting Vulnerable Adults from Financial Exploitation Act shall include adequate detail and explanation regarding:

- (1) The agencies to which disclosures must be made, including:
 - (a) agency contact information;
 - (b) the designated functions and respective roles of the agencies; and
 - (c) how to make a required disclosure to each agency;
- (2) The key terms from Section 2, particularly:
 - (a) eligible adult;
 - (b) financial exploitation;
 - (c) incapacitated person; and
 - (d) qualified individual;
- (3) delaying disbursements or transactions; and
- (4) immunity.

B. Training developed by a broker-dealer or investment advisor shall cover all topics addressed in Subsection A of this section and shall be submitted to the director of the securities division for approval. Notice of approval of standardized training curriculum will be issued by the director after review of the curriculum and determination that it is satisfactory.

C. A broker-dealer or investment advisor specifically employing personnel that manage, oversee or perform the type of reporting mandated by the Protecting Vulnerable Adults from Financial Exploitation Act must provide documentation to the securities division showing that:

(1) the personnel identified in Section C are given the appropriate training required by Section A and

(2) the broker-dealer's or investment advisor's reporting protocols comply with the provisions of the Protecting Vulnerable Adults from Financial Exploitation Act.

D. As a condition of registration, broker-dealers and investment advisors shall file a report pursuant to Paragraph (2) of Subsection A of Section 58-13C-406 NMSA 1978, confirming compliance with Section 7B of the Protecting Vulnerable Adults from Financial Exploitation Act.

E. A disbursement or transaction may be delayed pursuant to Section 58-13D-5 NMSA 1978 of the Protecting Vulnerable Adults from Financial Exploitation Act only if the broker-dealer, investment advisor or qualified individual who reasonably believes that executing the disbursement or transaction may directly result in the financial exploitation of an eligible adult and all other requirements provided in Section 58-13D-5 of the act are met.

[12.11.18.8 NMAC; N, 9/11/2018]

History of 12.11.18 NMAC: [RESERVED]