



Insured Retirement Institute
1100 Vermont Avenue, NW | 10th Floor
Washington, DC 20005

t | 202.469.3000
f | 202.469.3030

www.IRIONline.org
www.myIRIONline.org

December 4, 2020

Jennifer Piorko Mitchell
Office of the Corporate Secretary
FINRA
1735 K Street, NW
Washington, DC 20006-1506

Re: Regulatory Notice 20-34

Dear Ms. Piorko Mitchell:

On behalf of the Insured Retirement Institute (IRI)¹, we thank you for the opportunity to comment on the proposed amendments to FINRA Rule 2165 and Retrospective Rule Review Report related to the enhancement of protection of senior investors. We write today in support of the proposed amendments.

Enhancing the protection of seniors and other vulnerable adults against financial exploitation is a national imperative for public policymakers. Financial abuse costs older Americans between \$2.9 billion and \$36.5 billion annually according to a Consumer Financial Protection Bureau [report](#) issued in February 2019. The [average loss per incident of financial exploitation is estimated to be \\$120,000](#), a figure which happens to align with the average amount Americans have saved for retirement. As such, financial exploitation can erase a lifetime of savings and leave a retiree or pre-retiree in financial ruin, compounding the retirement income crisis our nation is currently facing. With the population of older Americans expected to double in size to nearly 84 million citizens by 2050, there needs to be a concerted effort to combat financial exploitation.

IRI has a long history of supporting legislative and regulatory policies that would provide more resources to protect seniors and other vulnerable investors from financial exploitation. In fact, IRI's 2020 [Federal Retirement Security Blueprint](#), which outlines our public policy objectives for the year, calls for the

¹ The Insured Retirement Institute (IRI) is the leading association for the entire supply chain of insured retirement strategies, including life insurers, asset managers, and distributors such as broker-dealers, banks, and marketing organizations. IRI members account for 90 percent of annuity assets in the U.S., include the top 10 distributors of annuities ranked by assets under management, and are represented by financial professionals serving millions of Americans. IRI champions retirement security for all through leadership in advocacy, awareness, research, and the advancement of digital solutions within a collaborative industry community. Learn more at www.irionline.org.

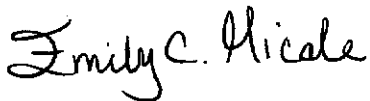
adoption of policies aimed at protecting seniors, including an increase in the amounts appropriated to currently underfunded federal programs supporting state Adult Protective Services agencies. IRI was also a leading advocate for the enactment of the *SeniorSafe Act* (signed into law in May 2018), which enables and encourages financial advisors to report suspected financial abuse to better help protect their clients.

IRI understands and appreciates that the proposed amendments to FINRA Rule 2165 (Financial Exploitation of Specified Adults) were developed based on the results of FINRA's retrospective review of the effectiveness and efficiency of its senior protection rules. The proposed amendments to Rule 2165 to extend the hold period and to allow temporary holds on securities transactions will better enable our members to prevent the financial exploitation of vulnerable Americans. IRI recommended these modifications in comments submitted to FINRA in November of 2016, and we commend FINRA for proposing to incorporate these important changes into the rules at this time.

IRI proudly advocates for the enactment of common-sense solutions that will help ensure that Americans can have a secure and dignified retirement. Rules designed to protect Americans against bad actors looking to defraud them out of their savings are, in our view, critical to the advancement of retirement security. As such, we are proud to support the proposed amendments to FINRA Rule 2165. We welcome the opportunity to work with you as FINRA considers other new ways to increase protections against the financial exploitation and abuse of senior citizens.

Thank you again for the opportunity to provide these comments. If you have questions, or if we can be of any further assistance in connection with this important regulatory effort, please feel free to contact the undersigned at [Redacted] or [Redacted]

Respectfully submitted,



Emily Micale
Director, Federal Regulatory Affairs



John Jennings
Assistant Director, Government Affairs