



REGULATION AND LICENSING DEPARTMENT

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NEWS RELEASE

For Immediate Release

Date: February 1, 2021

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"The Mission of the New Mexico Regulation and Licensing Department is to ensure New Mexicans receive quality care and services from qualified professionals".

Securities Division reminds regulated firms of customer obligations and investors about risk of stock price volatility

Santa Fe – The Securities Division of the New Mexico Regulation and Licensing Department today called on firms and other regulated entities to ensure that investor protection obligations are being met during recent price volatility in shares of certain publicly traded companies.

The Securities Division caution comes in light of the stock price volatility experienced over the past few weeks by GameStop Corporation, whose shares trade on the New York Stock Exchange. GameStop's price volatility stems from an ongoing battle between a major U.S. hedge fund, Melvin Capital, and amateur stock traders on the internet, mainly from a Reddit community called WallStreetBets. Other stocks are also being impacted by current price speculation

"Regulated entities have an obligation to their customers. The Securities Division will work with fellow regulators to ensure that investor protection, fairness and transparency are upheld in the public securities markets," said Interim Director Benjamin Schroepe. "We are closely monitoring this developing situation and will examine actions by online brokerages and others to ensure that they are in compliance with their client obligations."

The Securities Division also cautioned New Mexico investors about the risks associated with investing in publicly traded companies that are experiencing volatility. "Investing in companies experiencing price volatility can be risky and New Mexicans should understand their risk tolerance when considering such investments," Benjamin Schroepe said.

The New Mexico Regulation and Licensing Department regulates more than 425,000 individuals and businesses in 35 industries, professions and trades across the state. Its goal is to assure that New Mexicans receive quality services from qualified individuals and businesses while also ensuring fair and prompt administrative process.

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