

August – Compliance Call Notes

- ➔ **Checks** – going forward, after you have blotted a check and are in the process generating a trade key (so you can scan a copy of the check into CLIC/WebCapture (for recordkeeping purposes)), you will need to note that trade key will need OSJ APPROVAL. All checks will need to be approved by the OSJ **. *** If you are using Mobile check deposit or are mailing the check to the home office for deposit for NFS/FCCS or Pershing accounts, then these checks will not need OSJ approval.*
- ➔ **Google Drive** = if you are using Google Drive as your document storage, make sure you have the encryption turned on (it doesn't default to the secure setting)
- ➔ **Audits** = We will be conducting a semi-annual audits on your office.
- ➔ **529 “Best” Share Class** = Regulators are coming down hard on which Share Class should be used in 529 accounts: Rule of thumb, if the anticipated year of withdrawal is less than 6 years, C-Share should be used. If the anticipated year of withdrawal is more than 6 years, A-Share should be used. *NOTE: if you have a client set-up on automatic contributions (monthly or annually) you will need to make sure you “switch over” the proper share class as the anticipated year of withdrawal draws closer to the “6 year” mark.*
- ➔ **I BONDS** = If you are discussing I Bonds with your clients or recommending them, **MAKE SURE** you have an FPE (Financial Planning Engagement) for on file
- ➔ **SEC Marketing rule** = New rule and regulations coming in November. **PLEASE** review the link in the body of the email for webinar's/trainings and FAQ.
 - 1) Most Advertising submissions will need to be re-submitted for review
 - 2) Financial Professional generated Consolidated Client statements, will no longer be allowed.
 - 3) “Performance” reporting piece, if allowed, will need additional disclosures
 - 4) AWARDS & Recognitions will need additional disclosures
- ➔ **DBA's** = Please make sure if you are operating under a DBA or have a DBA that you submit an OBA (Outside Business Activity)... This is a “new” rule, so please update your information accordingly.
- ➔ **Written Information Security Program (WISP) and Cybersecurity Incident Response Plan (CSIRP)** = every advisor needs to have one on file – see link in email body. Please send to Stacey once complete. Due Nov. 15th
- ➔ **FIRM Element** = is now available. Due October 15th. See link in body of email. **ALL** Firm Element needs to be **complete via online**. The only IN PERSON completion that will be allowed is ACM (Annual Compliance Meeting), can be completed at Ignite.

Other Reminders:

- 1) **CONCENTRATION:** CIR is cracking down on concentration guidelines. You will begin to see more items come back in Trade Review with additional questioning and need for more rationale. Please make sure you are calculating NIA properly (CIRStatements + Outside Holdings = NIA). The “WHY” also needs to be specific to the client, no “standard” answers.
- 2) **Reg BI – PTE:** Non-Qualified accounts = needs BIA (Best Interest Analysis) completed
Qualified accounts = need the RightBridge Report completed
Please upload the proper above paperwork into Trade Review when you upload the New Account/servicing paperwork. Items will be sent back in TR if the proper form is not uploaded.

Always:

- Submit **all** advertising into AdView
- Check TRADE REVIEW ***Daily***
- ***Submit correspondence **ON TIME*****
- CyberFraud – be mindful of communications with clients & within the office
- **Make sure you** U-4 and OBA are current and up to date
(when changes occur, you need to report within 24 hours)