

# **Developments in Broker-Dealer and Investment Adviser Regulation with Compliance Officer Perspectives**

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# Office of Compliance Inspections and Examinations

- <https://www.sec.gov/ocie>
- Examination Brochure: Information about Examinations
- [https://www.sec.gov/about/offices/ocie/ocie\\_exambrochure.pdf](https://www.sec.gov/about/offices/ocie/ocie_exambrochure.pdf)
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- Examination Hot Line
  - 202-551-EXAM
  - examhotline@sec.gov
- SEC Center for Complaints and Enforcement Tips
  - <https://www.sec.gov/reportspubs/investor-publications/complaintshtml.html>

# National Examination Program

- 2017 Priorities – three thematic areas
  - Examining matters of importance to retail investors
  - Focusing on risks specific to elderly and retiring investors
  - Assessing market-wide risks

<https://www.sec.gov/about/offices/ocie/national-examination-program-priorities-2017.pdf>

# Cybersecurity

- Observations from Cybersecurity Examinations
  - <https://www.sec.gov/files/observations-from-cybersecurity-examinations.pdf>
- Risk Alert: Cybersecurity: Ransomware Alert
  - <https://www.sec.gov/files/risk-alert-cybersecurity-ransomware-alert.pdf>
- NIST - National Initiative for Cybersecurity Education
  - NICE Cybersecurity Workforce Framework
  - <https://www.nist.gov/itl/applied-cybersecurity/nice/resources/nice-cybersecurity-workforce-framework>

# Examination Process – Initiatives

- Newly-registered adviser exams
- “Unannounced” exams
- Multi-branch adviser initiative  
<https://www.sec.gov/ocie/announcement/risk-alert-multi-branch-adviser-initiative.pdf>
- ReTIRE  
<https://www.sec.gov/about/offices/ocie/retirement-targeted-industry-reviews-and-examinations-initiative.pdf>
- IM Guidance for newly registered investment advisers:  
<https://www.sec.gov/divisions/investment/advoverview.htm>

# Issues from Recent Exams

- Common Adviser Compliance Topics

<https://www.sec.gov/ocie/Article/risk-alert-5-most-frequent-ia-compliance-topics.pdf>

- Advertising

<https://www.sec.gov/ocie/Article/risk-alert-advertising.pdf>

# Rulemaking – Staff Guidance

- IA Business Continuity and Transition Planning
  - Business Continuity Planning for Registered Investment Companies  
IM Staff Information Update (June 2016)  
<https://www.sec.gov/investment/im-guidance-2016-04.pdf>
- Form ADV Amendments and Implementation
  - Commission Release:  
<https://www.sec.gov/rules/final/2016/ia-4509.pdf>
  - Commission Redline of Changes to Form ADV Part 1A  
<https://www.sec.gov/rules/final/2016/ia-4509-form-adv-summary-of-changes.pdf>
  - Staff Responses to Frequently Asked Questions  
<https://www.sec.gov/divisions/investment/iard/iardfaq.shtml>
  - Staff Information Updates:  
<https://www.sec.gov/investment/im-info-2017-04.pdf>  
<https://www.sec.gov/divisions/investment/imannouncements/im-info-2017-06.pdf>



# Custody Rule

- Latest IM Staff Guidance and Implementation
  - Inadvertent Custody: Advisory Contract versus Custodial Contract Authority  
IM Staff Guidance Update (February 2017)  
<https://www.sec.gov/investment/im-guidance-2017-01.pdf>
  - IM Staff No-Action Letter to the Investment Adviser Association (February 2017)  
<https://www.sec.gov/divisions/investment/noaction/2017/investment-adviser-association-022117-206-4.htm>

# Private fund advisers

- Private Fund Adviser Resources

<https://www.sec.gov/divisions/investment/guidance/private-fund-adviser-resources.htm>

- Reporting by Investment Advisers to Private Funds  
A Small Entity Compliance Guide

<https://www.sec.gov/rules/final/2012/ia-3308-secg.htm>

- Private fund adviser compliance issues

<https://www.sec.gov/info/complianceoutreach/compliance-outreach-program-national-seminar-2016-panel-2-presentation.pdf>

# Other Issues and Updates

- Regulated Brokerage/Advisory Compensation Flows
  - Perspectives
- Anti-Money Laundering – SEC Staff No-Action Letter  
<https://www.sec.gov/divisions/marketreg/mr-noaction/2016/securities-industry-financial-markets-association-120916.pdf>
- Communications and Advertising –  
FINRA Interpretive Letters  
<http://www.finra.org/industry/interpretive-letters/june-12-2017-1200am>  
<http://www.finra.org/industry/interpretive-letters/march-22-2016-1200am>

# Other Issues and Updates

- Outsourcing CCO and compliance services
  - OCIE Risk Alert: Examinations of Advisers and Funds that Outsource

<https://www.sec.gov/ocie/announcement/ocie-2015-risk-alert-cco-outsourcing.pdf>

# Questions and further resources

- Compliance Outreach Program

- <https://www.sec.gov/info/complianceoutreach.htm>

- Initiatives for funds and advisers

- [https://www.sec.gov/info/complianceoutreach\\_ia-funds.htm](https://www.sec.gov/info/complianceoutreach_ia-funds.htm)

- Initiatives for broker-dealers

- <https://www.sec.gov/info/complianceoutreach-bd.htm>

- Initiatives for municipal advisors

- <https://www.sec.gov/info/complianceoutreach-ma.shtml>