

Efficiently Manage the Firm's Branch Audit Program

Industry Challenge

FINRA Rule 3110 requires member firms to conduct an annual review of the businesses in which it engages. Central to this review are branch audits, whose purpose is to ensure that branch supervision and all activities are being conducted within the bounds of applicable securities laws and regulations. In order to maintain compliance, broker-dealers must regularly evaluate their supervisory practices and devote sufficient time to reviewing the adequacy of their audit plan. For some firms, this challenge is exacerbated by regular increases in the number of annual branch office exams and the time-consuming audit processes. Effective management of the aggregate demands, efficient processes and the automated capture of deficient activities must be fully addressed to remediate compliance failures on a timely basis and reduce risk exposure.

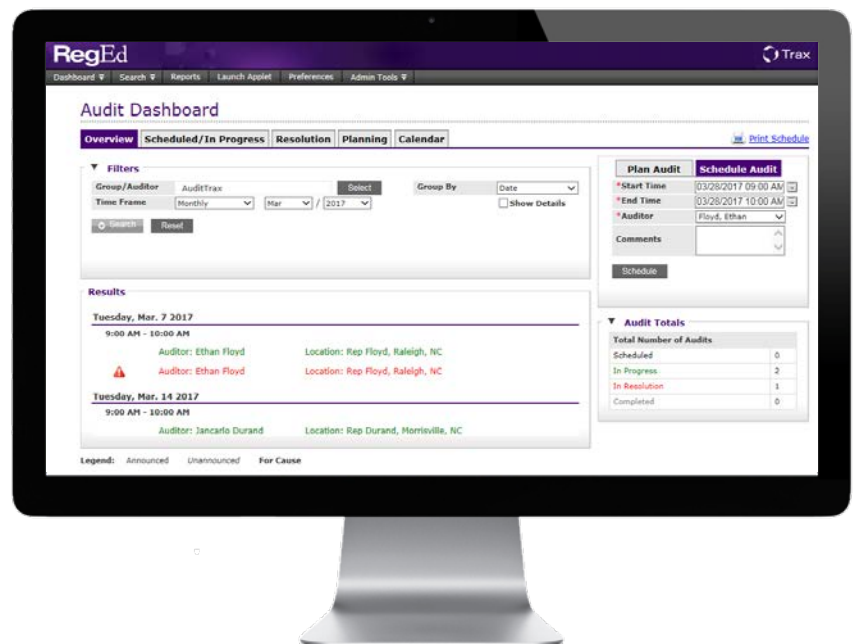
RegEd Solution

RegEd's industry-leading audit management solution enables firms to fully plan, schedule, conduct, resolve and report on branch audits. Proven over scores of implementations, *Audit Management* significantly reduces manual processes, creating a seamless, efficient, end-to-end process for branch audit reviews.

The solution's robust capabilities enable effective oversight and efficient administration of the branch audit program while facilitating the ability of administrators, supervisors, auditors and auditees to readily participate in the process at all appropriate junctures.

Audit Management can be configured to reflect the firm's specific organizational hierarchy and business processes, including the ability to conduct audits online or offline, customize audit modules and automate specific tasks based on findings.

A comprehensive data repository stores all completed audits that can be accessed 24/7 for review. *Audit Management* maintains full audit trails and secure storage for audit data, uploaded attachments and communications, providing strong documentation for the firm's Audit Committee and Regulators. The standardization of intake, remediation and reporting conventions drives consistency across elements of an audit program, ensuring that the program is being executed within company and regulatory guidelines.



Distinguishing Capabilities

Streamline the Audit Process and Increase the Efficiency of the Firm's Audit Program

- Audit dashboards provide insight into individual audit status as well as the firm's overall audit program to identify bottlenecks and reallocate audit schedules where required.
- Configurable audit cycles provide automatic due date calculation for precise audit program management.
- Fully customizable audit content with an extensive set of answer types for flexibility and consistency in data capture. Branching technology, question help and notes, hyperlinking, definitions and formatting highlight critical information and guide users through the audit process.
- HTML5 offline applet delivers the flexibility to perform audits with or without an internet connection
- Fully configurable workflow facilitates post audit review according to the firm's business processes.
- Pre-populate data into audits to eliminate duplicate entries and reduce resolution time.

Improve Speed and Effectiveness of Issue Resolution to Reduce Risk of Non-Compliance

- Integrated remediation and resolution capabilities enable auditors to efficiently follow-up and allow users to respond to identified deficiencies in a single, intuitive online interface.
- Auto-generated, firm-customized findings letters with live editing capabilities to reduce post-audit work, increase auditor efficiency and ensure consistency.
- Real-time identification of repeat deficiencies while conducting an audit, enables the firm to isolate negative trends and quickly address issues at the time of finding.
- Notifications and alerts identify outstanding tasks and audit tracking capabilities enable views of current status across all tasks to ensure their timely completion.
- Configurable audit scoring allows firms to easily assign ratings identify and monitor risk.

About RegEd

RegEd, Inc. is a leading provider of enterprise compliance technology solutions with relationships with more than 400 enterprise clients, including 80% of the top 25 broker-dealers and top 25 insurance companies. Established in 1994 by former regulators, the company is a recognized industry authority and has created the standard of excellence for rule-based and content-driven compliance automation for broker-dealers, insurers and other financial services firms.