

## STREAMLINE PERSONAL SECURITIES ACCOUNT MANAGEMENT AND REDUCE NON-COMPLIANCE RISK

### Industry Challenge

---

FINRA Rule 3210 requires firms to develop effective processes for supervision of the trading activities of their associated persons. This includes notification to the member firm of the existence of securities accounts maintained by the associated person and written notification to the member firm and the executing firm prior to opening a securities account or placing an initial order for the purchase or sale of securities.

Timely personal trade supervision can represent a daunting challenge. Firms must track and review requests for approval from associated persons, as well as trading confirm and statements from executing firms. Additionally, some firms require periodic attestation of trades and holdings to ensure adherence to the SEC code of ethics. Manual processes, email communications and spreadsheet-based tools fall far short of embedding the compliance best practice in this critical area of supervision. Firms that rely on suboptimal processes and tools are often handicapped in their ability to readily produce the reports and documentation requested by internal stakeholders and regulatory examiners. This creates significant non-compliance risk exposure for the firm along with the potential for reputational harm and financial consequences.

FINRA continues to make the supervision of personal trading a top priority. To ensure compliance, member firms must identify technology and processes that enable the efficient management of personal trading submissions, supervisory review, approval / response, status tracking, registered representative attestation, documentation and reporting processes.

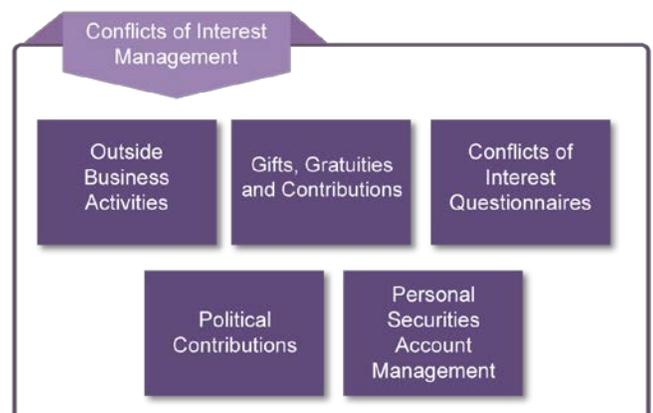
### RegEd Solution

---

*Personal Securities Account Management* is part of RegEd's *Conflicts of Interest Solution Suite*, which comprises five modules that can be implemented individually or together. By automating the management of personal trading activities, firms can have confidence they are embedding best-practices in their compliance program.

*Personal Securities Account Management* provides robust capabilities to effectively capture, monitor and report on employee personal trading activities. Capabilities include the ability to track pre-clearance requests, restricted lists, employee accounts, employee trading activity and employee securities holdings. *Personal Securities Account Management* integrates a robust surveillance module, powered by *MyComplianceOffice*, which integrates direct feeds from top brokerage firms to verify trading activity.

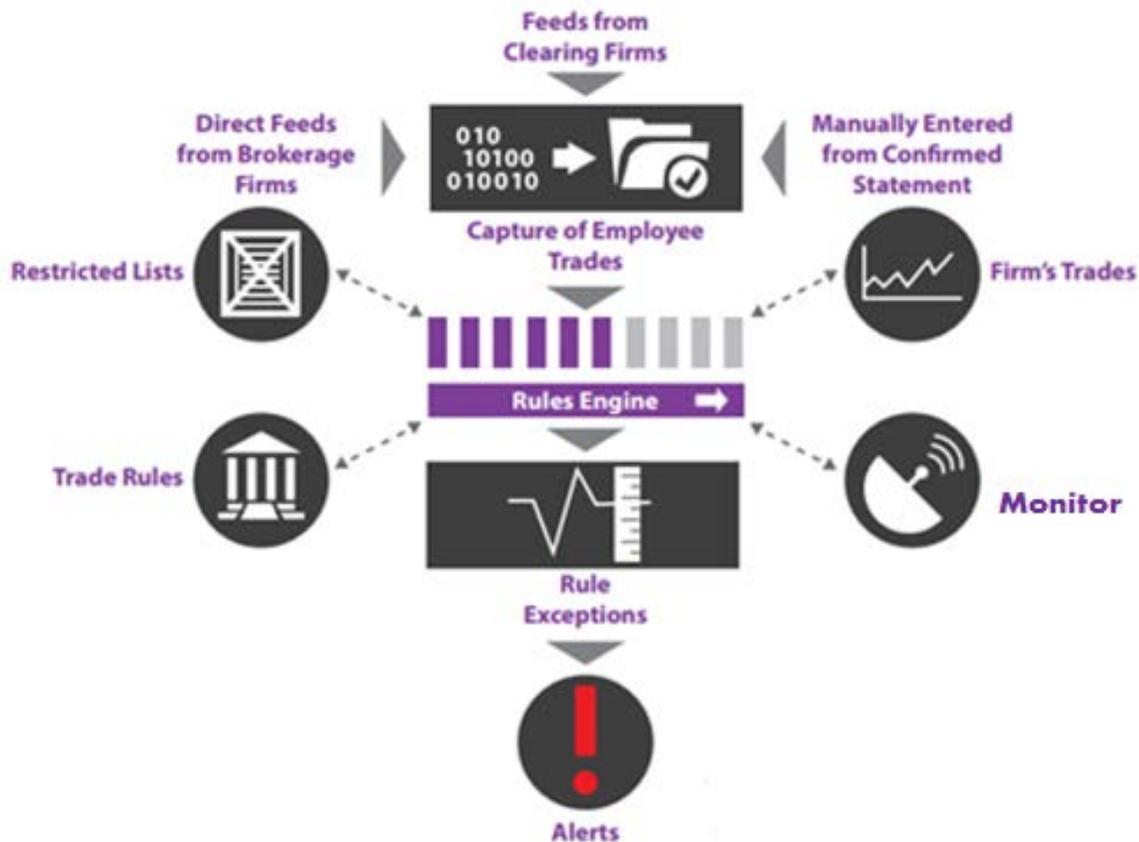
*Personal Securities Account Management* captures requests, approvals, exceptions, audit trails and other information. Reports can be generated on-demand or by using pre-defined report formats. *Personal Securities Account Management* delivers extraordinary efficiency and enhances the quality of supervision while dramatically reducing the risk of non-compliance and related consequences.



## Distinguishing Capabilities

*Personal Securities Account Management* leverages RegEd's powerful platform capabilities to automate and streamline the time consuming supervision and reporting of personal trading accounts.

- Intuitive, online completion of periodic account, trade and holding attestations.
- Customizable trade rules, submission forms, approval routing, email notifications and 407 letters.
- Verifies trading activity and issue alerts to enable ready identification and resolution of exceptions.
- Outsourced trade entry from confirms and statements.
- Ability to search and export trades.
- Accounts, trades, and holdings reports.
- Robust surveillance tools that monitor for activities such as front-running and restricted stock trading.



## Direct Brokerage Feeds *Powered by MyComplianceOffice*

*Personal Securities Account Management* integrates electronic feeds from top brokerage firms including:

- Alliance Bernstein
- Alliance Trust Savings UK\*\*
- Ameriprise Financial
- Barclays<sup>1</sup>
- Bell Potter Securities (Australia)
- Charles Schwab<sup>3</sup>
- Chase Investment Services
- Citi Smith Barney
- Credit Suisse
- E\*Trade Securities
- Edward Jones
- Fidelity Investments
- First Clearing
- FOLIOfn
- Goldman Sachs
- Hargreaves Lansdowne (UK)
- HDFC Securities India<sup>4</sup>
- Huaxin China
- Interactive Brokers
- Interactive Brokers (UK)
- JP Morgan Chase
- JP Morgan Private (Includes ex Bear Stearns)
- JP Morgan Securities
- Kotak Securities
- Merrill Lynch
- Morgan Stanley Dean Witter
- Morgan Stanley Private Wealth Management
- Morgan Stanley Smith Barney
- Motif Investing
- NFS
- OCBC Securities (Singapore)
- Oppenheimer
- OptionsXpress
- Pershing (and all firms that clear through Pershing)
- Phillip Securities(Singapore)
- Raymond James
- Royal Bank of Canada (RBC) Private Wealth
- Royal Bank of Canada (RBC) Capital Markets
- Saxo Bank
- Scottrade
- Self Trade/Equiniti UK
- Stifel, Nicolaus & Company
- T Rowe
- TD Ameritrade<sup>3</sup>
- TD Direct Investing (UK)
- Think or Swim
- Thomas Weisel Partners
- UOB Kay Hian Pte Ltd (Singapore)
- UBS
- USAA
- Vanguard
- Wells Fargo Advisors / Wachovia Securities<sup>2</sup>

<sup>1</sup> Barclays will provide feeds only at their discretion.

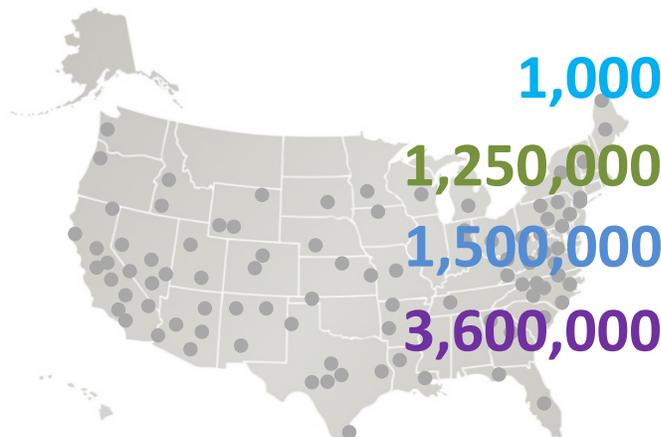
<sup>2</sup> Wells Fargo only make feeds available for firms registered with FINRA, MSRB or the NYSE.

<sup>3</sup> Charles Schwab and TD Ameritrade may charge additional setup fees for their feeds.

<sup>4</sup> HDFC Securities India only provide feeds of data to their corporate clients.

## Why Choose RegEd?

RegEd is the leading provider of compliance management, licensing and registration and compliance and product education solutions to the financial services industry. Our solutions deliver unparalleled levels of operational efficiency and enable firms to cost-effectively comply and manage risk associated with state, FINRA and SEC regulation.



**Clients, including 400 enterprise clients, encompassing the nation's top financial services firms**

**CE courses and insurance certs delivered annually**

**End users in broker-dealers, insurance companies and brokers**

**Insurance and securities transactions processed annually**