

SDDCO Regulatory Services LLC

485 MADISON AVE., 15TH FLOOR, NEW YORK, NY 10022
TEL: 212-751-4422 ▲ FAX: 212-751-4035

The logo for The SDDCO Group, featuring the text "The SDDCO Group" in white on a dark blue rectangular background.

BROKER-DEALER MEMBERSHIP & COMPLIANCE SERVICES

SDDCO Regulatory Services LLC (SDDCO-RS) of The SDDCO Group provides full-service compliance consulting to broker-dealers (BDs): membership with the Financial Industry Regulatory Authority (FINRA), ongoing regulatory compliance, and acting as your designated Chief Compliance Officer.

FINRA New Membership Application (NMA) Services

NMA requirements are extensive and exact, and SDDCO-RS pilots the entire process. Success hinges on our filing partnership in timely data collection, proper FINRA responses, and full interview preparedness. Our consultants are skilled in this meticulous process for firms of varied size and structure. [Broker-Dealer NMA services include the following.](#)

Servicing your business plan:

SDDCO-RS can build your comprehensive business plan, including:

- Principal biographies and organizational chart
- Financial Statements and pro-forma projections
- Business activities and marketing plan

SDDCO-RS can assist with the selection of critical third party relationships, including:

- Outside legal counsel, auditor, and FinOp
- Clearing firm and fidelity bond provider

Preparing for your FINRA NMA filing:

SDDCO-RS will assist with preparing and editing required documents, including:

- Form NMA, Form BD, and Form BR, and accountant designation form
- FINRA Entitlement Program Agreement and entitlement forms
- Form U4 for each principal and fingerprint cards
- The New Member Assessment Report

Drafting your policies & procedures:

SDDCO-RS will draft, refine, and finalize your mandatory applicant manuals:

- Written Supervisory Procedures (WSP); Business Continuity Plan (BCP)
- Anti-Money Laundering Program (AML); and Continuing Education Program (CEP)

Managing your WEB NMA:

SDDCO-RS can serve as your WEB NMA Administrator:

- Establishing your WEB NMA Account
- Uploading all required NMA file forms, manuals, and supporting docs
- Administering your WEB CRD and all mandated FINRA systems

Handling your FINRA requests:

SDDCO-RS can serve as your Appointed Representative:

- Receiving, interpreting, and consulting you on all FINRA communications
- Responding to all FINRA requests on your behalf

Assisting your FINRA interview:

SDDCO-RS can prepare for your FINRA pre-membership interview:

- Advising you on the meeting format and content
- Attending the interview with you and responding to follow-up requests

FINRA Continuing Member Application (CMA) Services

A CMA outlines your BD's compliance with fourteen standards of membership after effecting a change in ownership and/or a material change in your business. SDDCO-RS can create and file on your behalf a Rule 1017 CMA with FINRA; respond to FINRA requests; and guide you through your CMA interview.

Ongoing Regulatory Compliance Services

SDDCO-RS specializes in ongoing regulatory support via onsite visits, offsite accessibility, and informed guidance. Our consulting team offers a suite of compliance services on a retainer or project basis. Broker-dealer regulatory compliance services include the following.

File Organization:

SDDCO-RS can help your BD establish and monitor its files based on industry rule and internal policies:

- Organization chart with registered representatives (RRs), certain agreements, and SIPC file
- FINRA files, including member agreement, Form BD, correspondence, and customer complaints
- RR files, including Form U4, pre-dispute arbitration forms, and fingerprint cards
- RR attestation files, including WSP and AML
- RR disclosure files, including personal trading files, and OBA files
- Customer account files, including new accounts, AML checks, authorized persons, privacy notices

Policies & Procedures

SDDCO-RS can review, revise and assist your BD to abide the policy and procedure manuals, including:

- WSP, AML, BCP, and the Firm Element Needs Analysis and Training Plan

WEB CRD Administration:

SDDCO-RS can serve as Web CRD administrator or assist another person designated by your BD to:

- File electronic forms, including U4, U5, BD, BR and amendments
- Facilitate exam scheduling, fingerprint cards, and other CRD administrative requirements
- Advise designated parties of relevant CRD requirements and monitor regulatory element training
- Perform required quarterly review of WEB CRD and the FINRA Contact System
- Assist with Blue Sky filings

Annual Compliance Meeting:

SDDCO-RS can assist development, delivery, and documentation of the annual compliance meeting:

- Prepare tailored draft meeting agenda, content, and materials
- Assist in delivery of the meeting in collaboration with management
- Provide follow up support for representatives who do not attend the scheduled meeting

Disclosures & Certifications:

SDDCO-RS can assist in obtaining disclosures from your registered representatives, provide customized disclosure forms as needed, and facilitate fulfillment of the following disclosure requirements:

- Outside accounts & personal trading, outside business activities
- Private securities transactions and Form U4s

CEO Certification:

SDDCO-RS can guide the CEO certification process required by FINRA Rule 3130 and work closely with the CEO and senior team to ensure the timely completion of the documentation of required activities:

- Prepare a draft CEO report, then modify and update based upon your review
- Prepare a draft CEO Annual Compliance and Supervision Certification

Annual Review of Business Operations:

SDDCO-RS can examine relevant aspects of your BD's business operations. This assessment is delivered to you in a report outlining summary findings and recommended actions regarding:

- Compliance and Supervision of supervisory personnel, structure, controls and employee files
- FINRA Web CRD and Regulation Filing Administration
- WSP, AML procedures and CEP.

Communications with the Public:

SDDCO-RS can guide compliance with rules governing your BD's communications with the public. SDDCO-RS can review samples of firm communications and documentation and guide your staff per:

- Email, instant-messaging, social media; written correspondence; and sales literature/advertising.

Outsourced Chief Compliance Officer

SDDCO-RS can also provide a qualified FINRA Series 24 registered consultant to serve as your firm's designated Chief Compliance Officer ("CCO"). Your SDDCO-RS CCO will accept responsibility for the following compliance duties:

Compliance Oversight:

- Assume responsibility for the oversight of your compliance program

Regulatory Examinations:

- Take a lead role in interacting with regulators both prior to, and during, regulatory exams

Written Supervisory Procedures:

- Maintain & Update
- Obtain Representative Certifications

Supervisory Control Procedures:

- Conduct 3120 Testing
- Produce Annual Supervisory Controls Report

Outside Business Activities:

- Review/Approve Outside Activities
- Monitor Outside Activities

Outside Accounts & Personal Trading:

- Approve outside brokerage accounts
- Review outside account statements

Email Supervision:

- Conduct Monthly, Random Reviews
- Heightened Supervision

Advertising:

- Review & Approve
- File with FINRA Advertising Regulation

Contact Us

Contact SDDCO Regulatory Services LLC for an introductory consultation regarding any of these broker-dealer services: 212-751-4422 or info@sddco.com.

About Us

Formed 1952, The SDDCO Group of accountants and consultants delivers outsourced professional support to the financial services and technology sectors. We provide onsite and remote support to investment advisers, broker-dealers, and privately held funds, as well as technology and fintech firms. Our menu of services includes startup assistance, accounting and bookkeeping, tax and regulatory compliance, AML effectiveness testing, brokerage hosting, and the FinOp, CFO, and CCO roles.