

BROKER-DEALER MEMBERSHIP & COMPLIANCE SERVICES



Membership and Compliance Services Designed Specifically for BDs

SDDco Regulatory Services, LLC (SDDco-RS) provides full-service compliance consulting to broker-dealers (BDs) seeking:

- Membership Application Services for firms seeking FINRA membership
- Ongoing regulatory compliance
- Consulting and support
- A 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 understanding the client business, appropriate responses to FINRA information requests, and full membership interview preparedness. Our consultants are skilled in this meticulous process having represented firms of varied size and structure.

BROKER-DEALER NMA SERVICES

Developing your business plan:

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

- Principal biographies and organizational charts
- Financial Statements and pro-forma projections
- Business activities and marketing plans

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
- Email archiving

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 with you on all FINRA communications
- Responding to all FINRA requests on your behalf

Assisting with your FINRA interview:

SDDco-RS will prepare you for your FINRA pre-membership interview:

- Advising you on the meeting format and content
- Attending the interview with you and drafting responses to post interview information requests



FINRA Continuing Member Application (CMA) Services

A CMA is filed when a FINRA member firm intends to make a material change to its business operations. SDDco-RS can prepare and file on your behalf the 14 standard Rule 1017 Application, respond to FINRA information requests, and work to ensure a timely approval from FINRA.

Ongoing Regulatory Compliance Services

SDDco-RS specializes in ongoing regulatory support via on-site visits, off-site accessibility, and informed guidance. Our consulting team offers a suite of compliance services on a retainer or project basis.

Broker-dealer 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, and privacy notices

POLICIES & PROCEDURES

SDDco-RS can perform periodic reviews of your policies and procedures manuals, author required updates, and ensure proper distribution to, and attestations from, your associated persons.

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



Ongoing Regulatory Compliance Services *Continued*

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 RR's, provide customized disclosure forms as needed, and facilitate fulfillment of the following disclosure requirements:

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



Ongoing Regulatory Compliance Services *Continued*

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 timely completion of the documentation of required activities:

- Prepare a draft CEO Certification Report, 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 and 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 lead in interacting with regulators both prior to, and during, regulatory exams

Written Supervisory Procedures:

- Maintain and 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.**