

# Broker-Dealer Membership & Compliance Services



## Membership and Compliance Services Designed Specifically for Broker-Dealers

**DFP Partners provides full-service compliance consulting to broker-dealers seeking:**

- » Membership Application Services for firms seeking FINRA membership
- » Ongoing regulatory compliance, as well as consulting and support
- » A designated Chief Compliance Officer

## Ongoing Regulatory Compliance Services

DFP Partners 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:

### ANNUAL REVIEW OF BUSINESS OPERATIONS

DFP Partners can examine relevant aspects of your broker-dealer's business operations. This assessment is delivered to you in a report outlining summary findings and recommended actions including:

- » 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

### COMMUNICATIONS WITH THE PUBLIC

DFP Partners can guide compliance with rules governing your broker-dealer'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

### CEO CERTIFICATION

DFP Partners 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

## Ongoing Regulatory Compliance Services cont.

### POLICIES & PROCEDURES

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

- » Written Supervisory Procedures, Anti-Money Laundering Program, Business Continuity Plan and the Firm Element Needs Analysis and Training Plan

### WEB CRD ADMINISTRATION

DFP Partners can serve as Web Central Registration Depository administrator or assist another person designated by your broker-dealer to:

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

### ANNUAL COMPLIANCE MEETING

DFP Partners can assist with 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

## Ongoing Regulatory Compliance Services cont.

### DISCLOSURES & CERTIFICATIONS

DFP Partners 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 and personal trading, as well as outside business activities
- » Private securities transactions and Form U4s

### FILE ORGANIZATION

DFP Partners can help your broker-dealer establish and monitor its files based on industry rule and internal policies:

- » Organization chart with registered representatives, certain agreements, and Securities Investor Protection Corporation file
- » FINRA files, including member agreement, Form BD, correspondence, and customer complaints
- » Registered representative files, including Form U4, pre-dispute arbitration forms, and fingerprint cards
- » Registered representative attestation files, including Written Supervisory Procedures and Anti-Money Laundering
- » Registered representative disclosure files, including personal trading files, and Outside Business Activity files
- » Customer account files, including new accounts, Anti-Money Laundering checks, authorized persons, and privacy notices

## FINRA New Membership Application Services

New Membership Application requirements are extensive and exact, and DFP Partners 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 New Membership Application Services:

#### DEVELOPING YOUR BUSINESS PLAN

DFP Partners can build your comprehensive business plan, including:

- » 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

DFP Partners 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 NEW MEMBERSHIP APPLICATION FILING

DFP Partners 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

DFP Partners will draft, refine, and finalize your mandatory applicant manuals, including:

- » Written Supervisory Procedures, Business Continuity Plan
- » Anti-Money Laundering Program, and Continuing Education Program

## FINRA New Membership Application Services cont.

### MANAGING YOUR WEB NEW MEMBERSHIP APPLICATION

DFP Partners can serve as your WEB New Membership Application Administrator:

- » Establishing your WEB New Membership Application Account
- » Uploading all required New Membership Application file forms, manuals, and supporting docs
- » Administering your WEB Central Registration Depository and all mandated FINRA systems

### HANDLING YOUR FINRA REQUESTS

DFP Partners 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

DFP Partners 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 Services

A Continuing Member Application is filed when a FINRA member firm intends to make a material change to its business operations. DFP Partners 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.

## Outsourced Chief Compliance Officer

DFP Partners can also provide a qualified FINRA Series 24 registered consultant to serve as your firm's designated Chief Compliance Officer.

Your DFP Partners Chief Compliance Officer 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



dfppartners.com  
info@dfppartners.com  
(212) 751-4422