

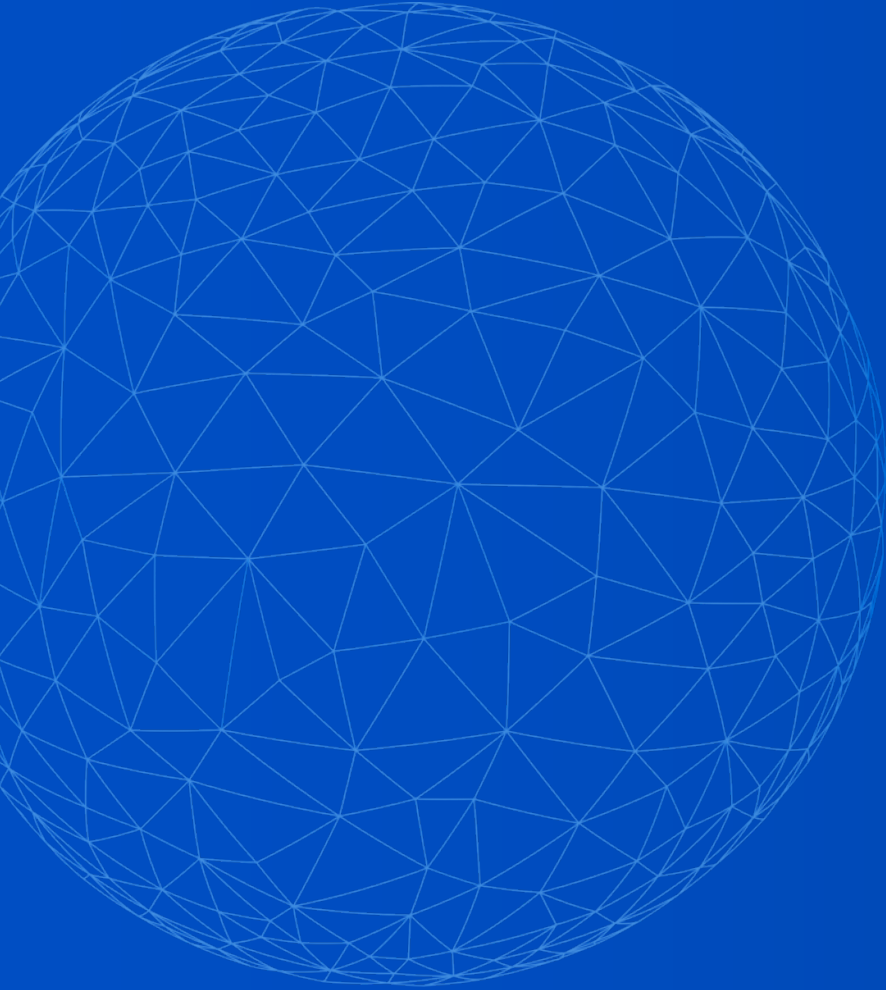


Supervising Your Suddenly Remote BDs and Advisors



Smarsh provides this material for informational purposes only. Smarsh does not provide legal advice or opinions. You must consult your attorney regarding your compliance with applicable laws and regulations.

Agenda



- **Introductions**
 - Regulatory Coronavirus Communications
 - Supervising The Remote Workforce
 - Evaluating Emerging Technology
 - How Smarsh Can Help

Today's Presenters



Elin Cherry

Founder and CEO, Elinphant, LLC



Marianna Shafir

Regulatory Advisor, Smarsh



Robert Cruz

Vice President, Information Governance, Smarsh

Quick facts



>3 Billion
Conversations Managed Daily



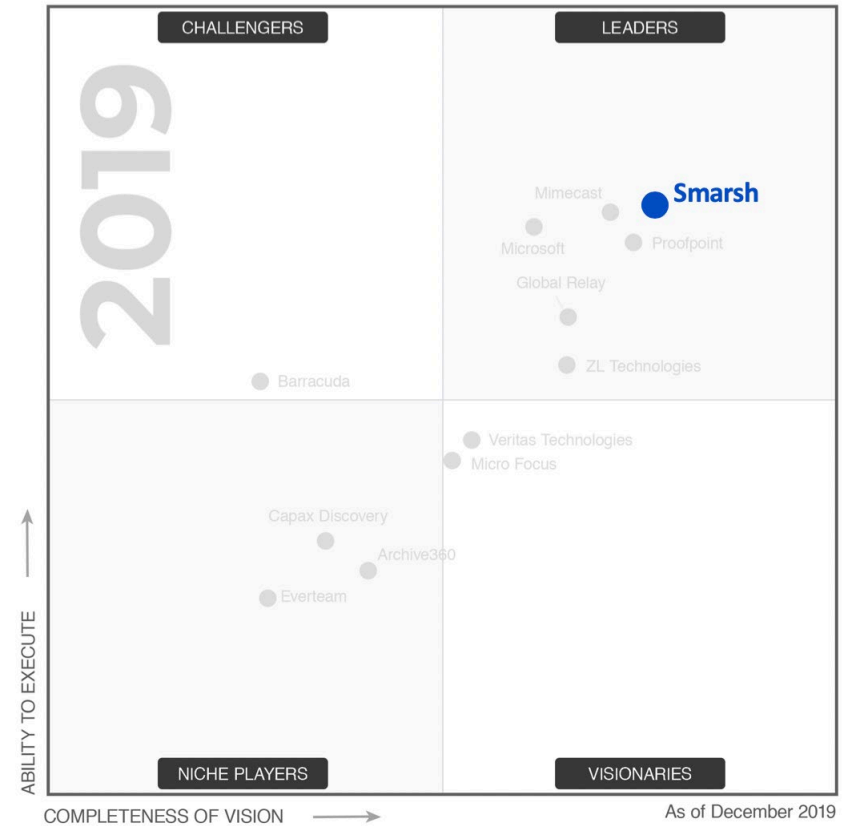
80+ Channels
UC, Email, Social, Web Voice, Video



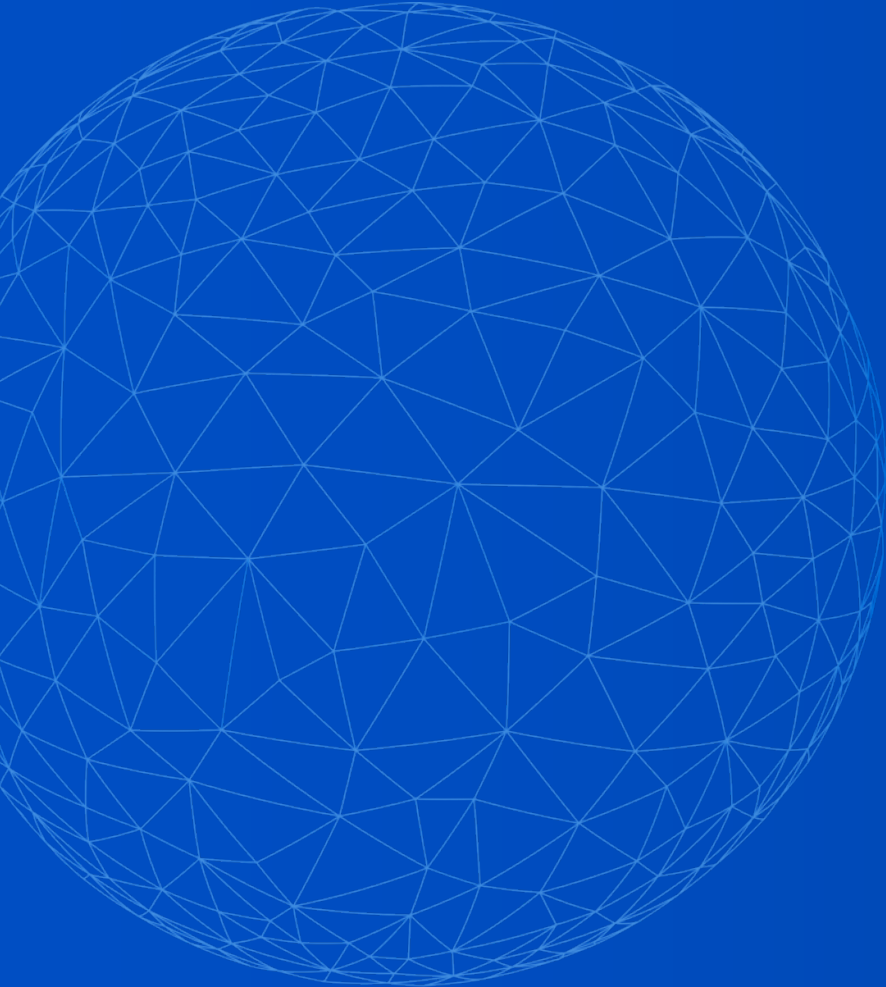
600+ Employees
One Unified Team

- Founded in 2001
- Combined with Actiance in Spring 2018
- Deep industry expertise in Financial Services and Public Sector; momentum in all public and large private companies
- Gartner MQ Leader and Forrester Wave Leader
- Single “search-ready” repository for all channels
- Specialized supervision and e-discovery workflows

Figure 1. Magic Quadrant for Enterprise Information Archiving



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Specific Topics Addressed on COVID 19 and BCP



THIRD PARTY
VENDOR
CAPACITY AND
RISK



WIFI
BANDWIDTH
OF
EMPLOYEES



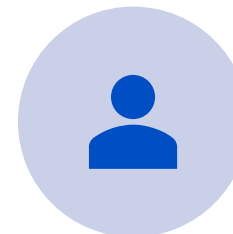
CYBER
SECURITY
ATTACKS



PHISHING
ATTACKS



MARKET
VOLATILITY



UPDATING
BCP

FINRA: Business Continuity & Regulatory Relief

- Review firm's Business Continuity Plans to consider pandemic preparedness
- Ensure supervisory system works for remote workers
- Test broad use of remote office arrangements prior to activating BCP
- Consider cybersecurity risks
- On-site branch inspections & annual review obligations may be re-evaluated
- Communications with clients and FINRA
- <https://www.finra.org/rules-guidance/guidance/faqs/coronavirus>

Regulatory Notice	20-08
Business Continuity Planning Pandemic-Related Business Continuity Planning, Guidance and Regulatory Relief	March 9, 2020
Summary Due to the recent outbreak of coronavirus disease (COVID-19), FINRA reminds member firms to consider pandemic-related business continuity planning, including whether their business continuity plans (BCPs) are sufficiently flexible to address a wide range of possible effects in the event of a pandemic in the United States. Each member firm is also encouraged to review its BCP to consider pandemic preparedness and to review its emergency contacts to ensure that FINRA has a reliable means of contacting the firm. This Notice also provides pandemic-related guidance and regulatory relief to member firms from some requirements. As coronavirus-related risks decrease, member firms should expect to return to meeting any regulatory obligations for which relief has been provided.	Notice Type ► Guidance
Questions regarding this Notice should be directed to: ► Bill Wollman, Executive Vice President, Head of Office of Financial and Operational Risk Policy, at (646) 315-8496 or William.Wollman@finra.org ; ► Jeanette Wingler, Associate General Counsel, Office of General Counsel, at (202) 728-8013 or jeanette.wingler@finra.org ; or ► the FINRA Call Center at (301) 590-6500.	Suggested Routing ► Compliance ► Executive Representative ► Finance ► Legal ► Operations ► Registration ► Regulatory Reporting ► Senior Management ► Systems
Background and Discussion Rule Requirements Rule 4370 (Business Continuity Plans and Emergency Contact Information) requires a member firm to create, maintain, review at least annually and update upon any material change, a BCP identifying procedures relating to an emergency or significant business disruption. BCPs should be reasonably designed to enable a member firm to meet its existing obligations to customers and address existing relationships with other broker-dealers and counterparties. Each member firm needs to conduct its own risk analysis to determine where critical impact points and exposures exist within the firm and with its counterparties and suppliers.	Key Topics ► Annual Audited Reports ► Business Continuity Plans ► Communicating with Customers ► Communicating with FINRA ► Continuing Education ► Emergency Contact Information ► Emergency Office Relocation ► FOCUS Reporting ► Form BR ► Form U4 ► Military Personnel and National Guard ► Regulatory Filings and Inquiries ► Supervision
	Referenced Rules & Notices ► Exchange Act Rule 15c3-3 ► FINRA Rule 1210 ► FINRA Rule 3110 ► FINRA Rule 4370 ► FINRA Rule 4524 ► Regulatory Notice 09-59

SEC: Order for Relief Related to Funds and Advisors

- SEC takes targeted action to assist funds and advisers, permits virtual board meetings and provides conditional relief from certain filing procedures.
- SEC Is Closely Monitoring the Impact of the Coronavirus on Investors, Funds, and Advisers
- Relief is designed to enable funds and advisers to meet those obligations and to continue their operations, while recognizing that there may be temporary disruptions outside of their control.

SEC Takes Targeted Action to Assist Funds and Advisers, Permits Virtual Board Meetings and Provides Conditional Relief from Certain Filing Procedures

SEC Is Closely Monitoring the Impact of the Coronavirus on Investors, Funds, and Advisers

FOR IMMEDIATE RELEASE
020-63

Washington D.C., March 13, 2020 — The Securities and Exchange Commission today announced regulatory relief for funds and investment advisers whose operations may be affected by the coronavirus. The relief provided today covers in-person board meetings and certain filing and delivery requirements for certain investment funds and investment advisers. The impacts of the coronavirus may delay or prevent funds and advisers operating in affected areas from meeting certain regulatory obligations due to restrictions on large gatherings, travel and access to facilities, the potential limited availability of personnel and similar disruptions. Today's relief is designed to enable funds and advisers to meet those obligations and to continue their operations, while recognizing that there may be temporary disruptions outside of their control.

FCA(UK): Statement on Covid-19

“We expect all firms to have **contingency plans** in place to deal with major events... We expect firms to take all reasonable steps to meet their regulatory obligations. For example, we would expect firms to be able to enter orders and transactions promptly into the relevant systems, **use recorded lines** when trading and give staff access to the compliance support they need...”

<https://www.fca.org.uk/news/statements/covid-19-coronavirus>

Regulatory Resources

Fed <https://www.federalreserve.gov/covid-19.htm>

SEC <https://www.sec.gov/sec-coronavirus-covid-19-response>

NFA-CFTC

<https://www.nfa.futures.org/news/newsNotice.asp?ArticleID=5208>

FCA <https://www.fca.org.uk/news/statements/covid-19-coronavirus>

MSRB <http://msrb.org/~media/Files/Regulatory-Notices/Announcements/2020-07.ashx??n=1>

FINRA <https://www.finra.org/rules-guidance/key-topics/covid-19>

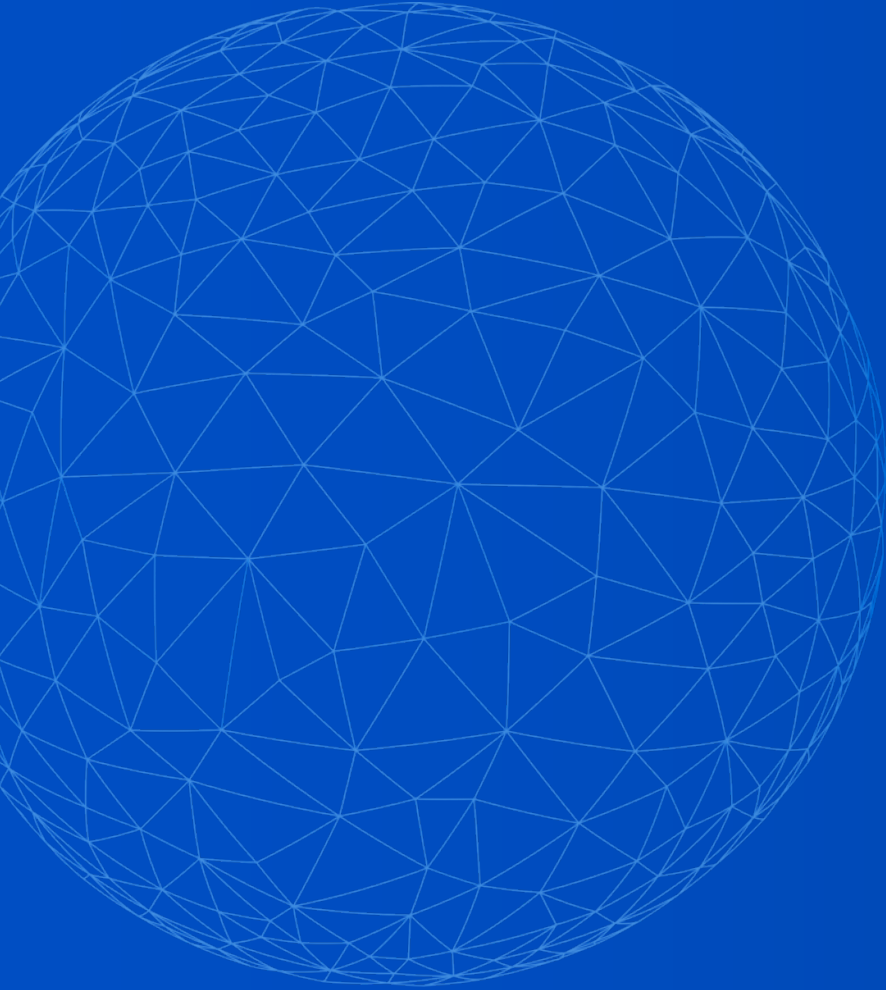
SIFMA <https://www.sifma.org/resources/general/bcp/>

IIROC

<https://docs.iiroc.ca/DisplayDocument.aspx?DocumentID=DC3BDC3BC912402D8C8B97D5258590B4&Language=en>



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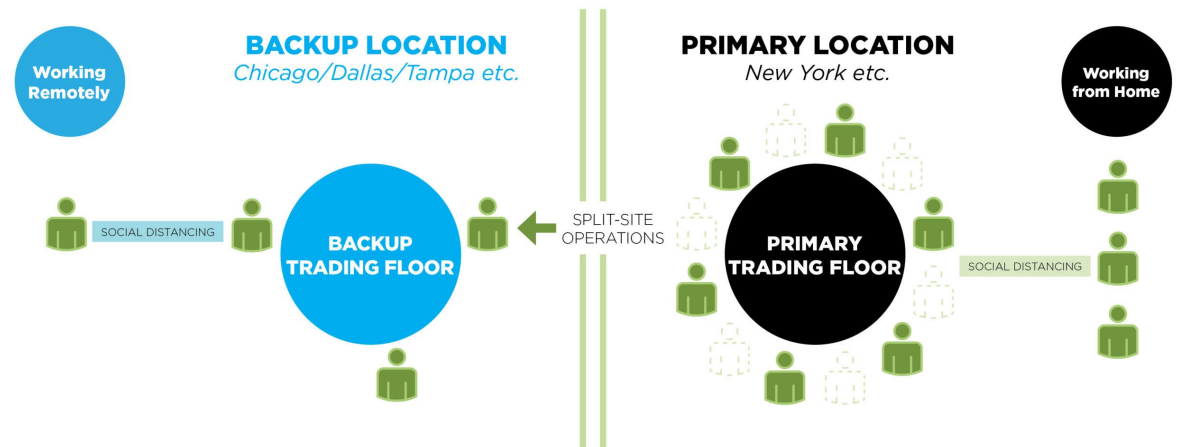
Activating Your Contingency Plan

- Update lists of each remote worker location
- All work-related electronic communications must be transmitted through your approved electronic systems
- BDs & advisors must notify a registered supervisor and receive approval when working from the remote location
- Technology Governance Plan should address new applications possibly overlooked in communication review and archiving processes
- Consider your vendors capacity in current market volatility



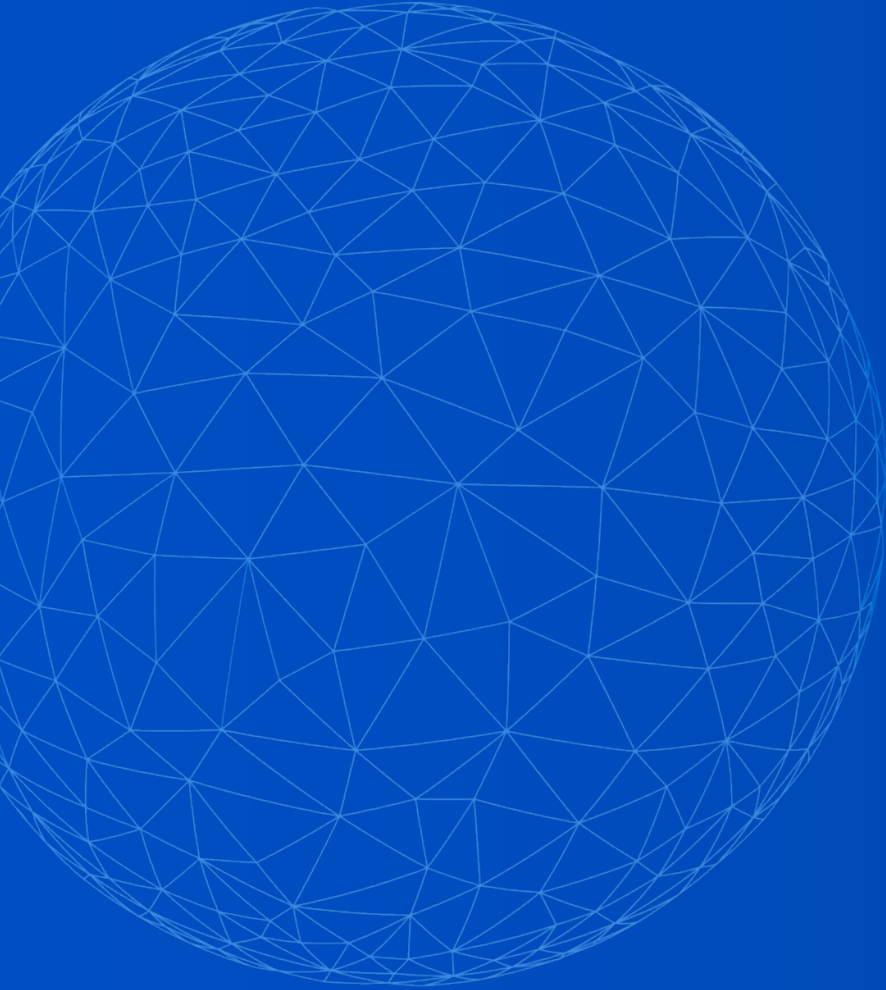
Supervisory Considerations

- Review your supervisory procedures and checklists and ensure that they reflect the current situation
- Update training to reflect remotely used technology
- Conduct periodic audits to test for vulnerabilities
- Implement restrictions for those with disciplinary history
- Supervise your supervisors



Graphic Source: SIFMA

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Being Strategic About Collaboration & Conferencing Technology Choices

- Start with the benefit-risk analysis
- Beware the freeware
- Evaluate capture and storage capabilities
- Anticipate new features & modalities
- Update communications policies
- Specific training for remote users



Key Take-Aways and Q&A



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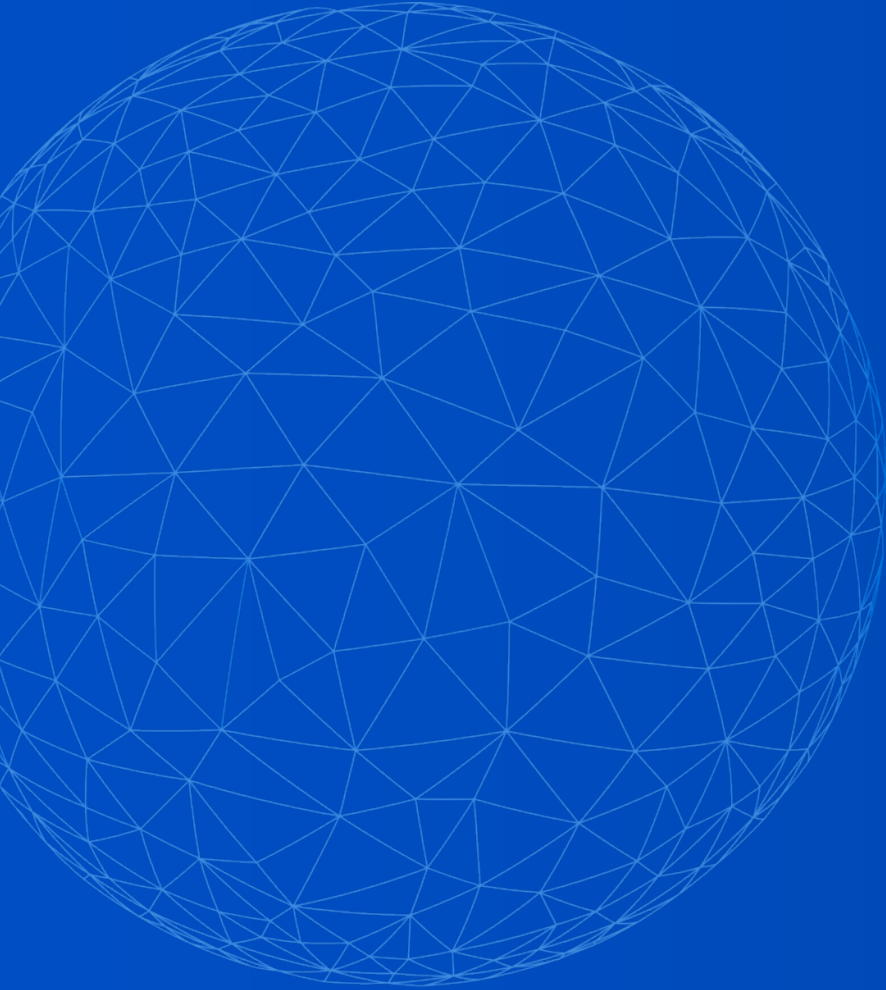
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Connected Suite

 **Connected Capture™**



 **Connected Archive™**













 **Connected Apps™**



80+ supported communications channels


























Email

-  SMTP
-  Microsoft Exchange
-  Microsoft Office 365
-  G-suite Business Mail
-  Bloomberg Mail
-  IBM Domino / Notes
-  IBM Domino / Notes on-prem
-  Salesforce Email
-  Redtail Email
-  GroupWise

EMAIL MARKETING











-  SendGrid
-  Constant Contact
-  Salesforce Marketing Cloud
-  Pardot

IM & Collaboration












-  Microsoft Teams
 -  Workplace by Facebook
 -  Slack
 -  Skype for Business
 -  Cisco UCM / Jabber
 -  Webex Teams
 -  SharePoint
 -  Bloomberg
 -  Symphony
 -  Salesforce Chatter
 -  Thomson Reuters
 -  IBM Sametime
 -  HCL Connections
 -  HCL Connections Social Cloud
 -  Microsoft Yammer
-  Skype
 -  Citrix Sharefile
 -  ICE Chat IM
 -  Brosix
 -  Factset
 -  HipChat
 -  Jive
 -  Zoom.us
 -  OneDrive
 -  QQ Messenger

(additional content available via API/SDK)

Social

-  LinkedIn
-  Facebook
-  LinkedIn Sales Navigator
-  Twitter
-  YouTube
-  Instagram
-  Hootsuite
-  Vimeo
-  Pinterest
-  Flickr

Mobile Text

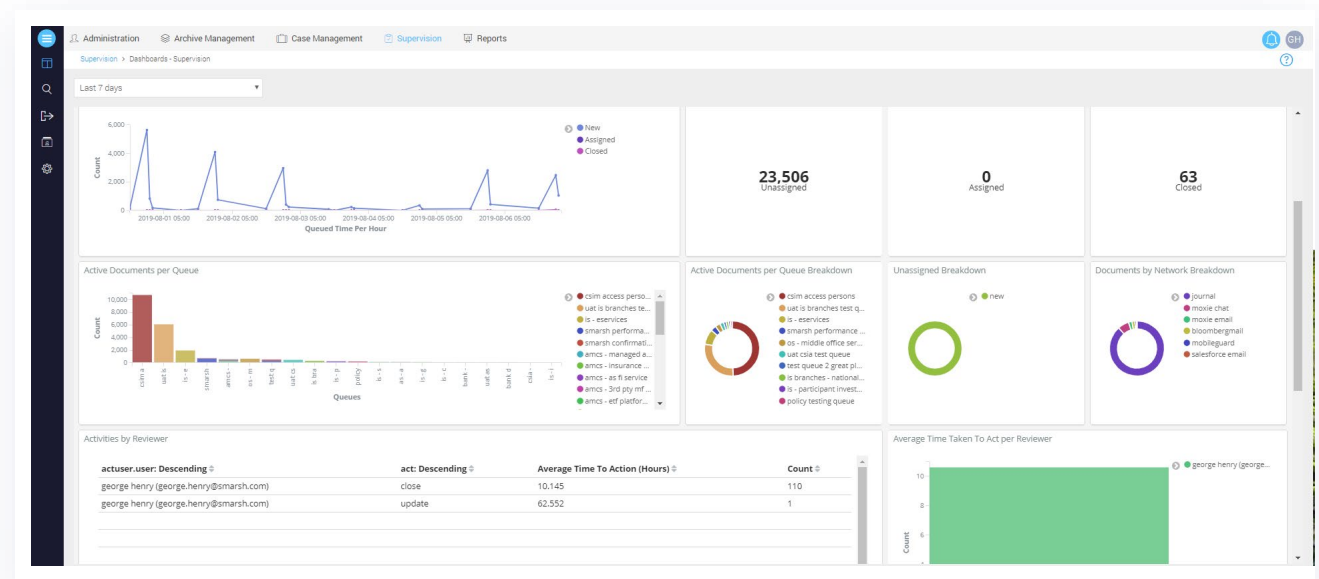
-  AT&T
-  Verizon
-  US Cellular
-  Rogers
-  Vodafone
-  CellTrust
-  My Rep Chat
-  Redtail Speak
-  Hearsay
-  Captivated
-  BlackBerry

Voice

-  Skype for Business
 -  Avaya
 -  Cisco
 -  Mitel
 -  IPC
 -  IP Trade
 -  Speakerbus
 -  Vodafone
 -  CellTrust
 -  Microsoft Teams (coming soon)
- (plus voice content from virtually any recording system)*

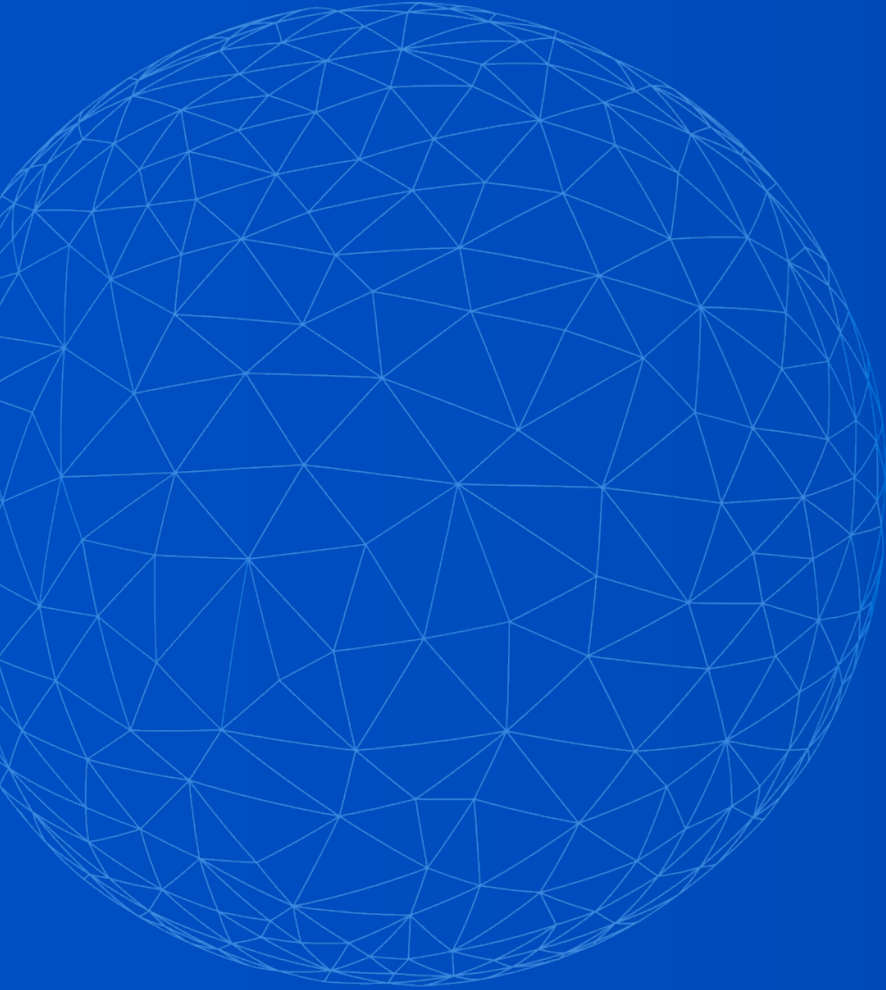


- Improve effectiveness in identification, review, and mitigating risk
- Transforms complex policies from other supervision systems
- Configurable, automated queue-driven processes to drive efficiency and track progress
- Seamlessly integrated with the Smarsh Enterprise Archive



<https://www.smarsh.com/solutions/business-need/supervision>

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