

SEC Examination Priorities for 2019.

The Securities and Exchange Commission's Office of Compliance Inspections and Examinations (OCIE) announced its 2019 examination priorities on December 20, 2018.

This year, OCIE's examination priorities are broken down into six categories: (1) compliance and risk at registrants responsible for critical market infrastructure; (2) matters of importance to retail investors, including seniors and those saving for retirement; (3) FINRA and MSRB; (4) digital assets; (5) cybersecurity; and (6) anti-money laundering programs.

Compliance and Risks in Critical Market Infrastructure – OCIE will continue to examine entities that provide services critical to the proper functioning of capital markets. OCIE will conduct examinations of these firms which include, among others, clearing agencies, national securities exchanges, and transfer agents, focusing on certain aspects of their operations and compliance with recently effective rules.

Retail Investors, Including Seniors and Those Saving for Retirement – Protecting Main Street investors continues to be a priority in 2019. OCIE will focus examinations on the disclosure and calculation of fees, expenses, and other charges investors pay, the supervision of representatives selling products and services to investors, broker-dealers entrusted with customer assets, and portfolio management and trading.

FINRA and MSRB – OCIE will continue its oversight of FINRA by focusing examinations on FINRA's operations and regulatory programs and the quality of FINRA's examinations of broker-dealers and municipal advisors. OCIE will also examine MSRB to evaluate the effectiveness of select operations and internal policies, procedures, and controls.

Digital Assets – As stated in the SEC's 2018 examination priorities, the OCIE will continue to monitor the growth of cryptocurrencies and initial coin offerings and examine firms involved in their offer and sale to ensure that investors receive adequate disclosure about the risks associated with these investments.

Cybersecurity – OCIE's examination programs will focus on cybersecurity with an emphasis proper configuration of network storage devices, information security governance, and policies and procedures related to retail trading information security.



Regulatory Compliance.
Risk. Mock Audit Services.

Anti-Money Laundering Programs – Examiners will review for compliance with applicable anti-money laundering requirements, including whether firms are appropriately adapting their AML programs to address their regulatory obligations.

WB prepares our clients for SEC examinations through our Mock Audit Services team. WB compliance professionals can provide a mock audit of your firm's compliance controls to identify operational, procedural and regulatory issues and propose remedial actions to help manage risk areas that are SEC focus points