

Intermediary compliance manager

A PROVEN SOLUTION FOR INTERMEDIARIES TO MANAGE COMPLIANCE RELATED ACTIVITIES:

- Fulfill SDR and non-SDR data requests
- Evaluate all requests for validity against the data sharing agreements with the fund
- Provide fund access through a restricted portal to request account trading restrictions and/or non-SDR requests manually
- Review, accept, reject and monitor account trading restrictions and notification of expiring restrictions
- Monitor shareholder trading activity for market timing
- Provides analytical tools to create market timing patterns for monitoring trading activity for violation of fund trading rules
- Create account watch lists and ignore lists to increase effectiveness of market timing monitoring

A PROVEN SOLUTION

As a solution to SEC rules 38a-1 and 22c-2 within the Investment Company Act of 1940, the Broadridge Intermediary Compliance Manager was created to provide intermediaries with the ability to manage compliance related activity. Trading activity is collected nightly from multiple platforms allowing daily trade monitoring and request fulfillment. Data requests received from fund partners are automatically reviewed and fulfilled by the system. Analytical tools are provided to monitor shareholder account trading activity to detect trading exceptions and identify shareholders engaged in market timing and other types of short-term transactions. Restrictions requested by funds or resulting from internal monitoring can be managed from within the module.

FULFILLING FUND DATA REQUESTS FOR UNDERLYING TRADING ACTIVITY

Data requests can be received through an SDR request or by a non-SDR request made by the fund. SDR requests are received daily from the DTCC. Non-SDR requests are received directly from the fund by providing a restricted, secure login for a fund company to directly enter the data requests in the module.

An automated process reviews all requests against the status of the sharing agreement with that fund company. The process also checks to ensure that the requested level of data matches the fund company's sharing agreement. If the request is in order, the system then generates a response file of the underlying trade detail on the specified account. If no agreement is in place, or the request is invalid, the system will provide a rejection message to the fund company.

Users may log into the system to monitor requests, request status, and report on the request fulfillments.

INTERNAL MONITORING OF TRADING ACTIVITY

The Intermediary Compliance Manager provides analytical tools for intermediaries to monitor trading activity for market timers. The system uses the collected trading activity across all platforms to identify trading violations. The configured analytical tools are run nightly and the results are immediately available in the module. For each trading exception found, a workflow is created allowing the user to review and take action on the exception. The workflow capability maintains a queue of pending work that can be prioritized and assigned. The system provides the ability for the workflows to be broken into manageable steps.

Through this feature, the users can detect suspect accounts for market timing record research information and track each action taken to resolve any Intermediary compliance concerns.

MANAGING TRADING RESTRICTIONS

Trading restrictions can be managed within the system which tracks all restriction requests. Fund companies that are set up to directly log into the system can request a new trading restriction or view existing restriction request statuses. The intermediary accepts or rejects a restriction submitted by the fund company, and enters any reasons why it was rejected. Restriction information available for review include the account number, the CUSIP, the request date, either the duration or the end date of the restriction, if it is a permanent restriction, and the restriction status (Submitted, Confirmed, Rejected, or Completed). For accepted restrictions, the system will automatically notify the users when a restriction is expiring.

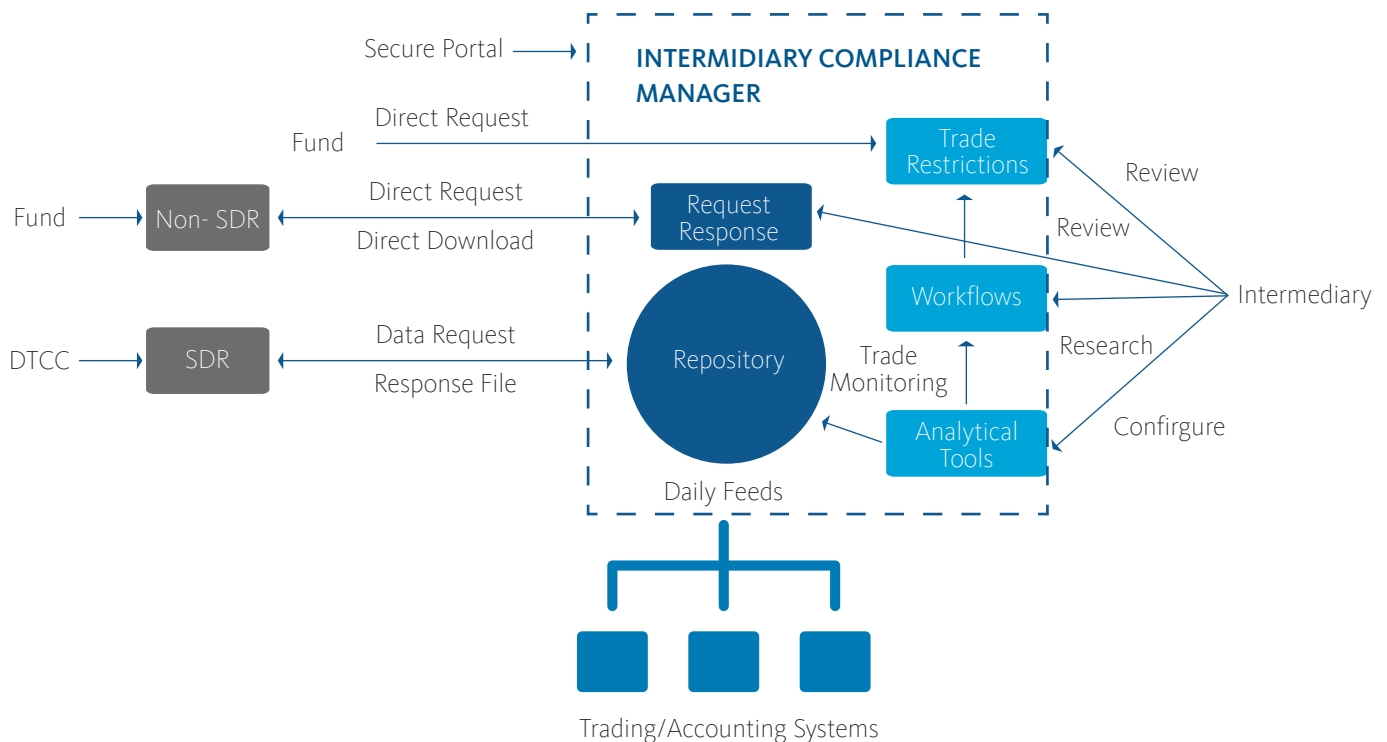
A SECURE TECHNOLOGY SOLUTION

Broadridge Intermediary Compliance Manager’s design combines industry specific ETL tools with a web native JAVA based

analytical engine to provide access to secure, detailed, accurate, and timely information based on your firm’s specific business requirements. The system provides a comprehensive and secure solution to storage and analytics based on a common, scalable architecture and view of critical transaction information derived from multiple sources.

Broadridge supports straight-through processing for clients by facilitating the movement of detailed Intermediary data from industry data source systems to the client’s instance of the Intermediary Compliance Manager system. All categories of intermediaries are supported including:

- Mutual Fund Supermarket Portals
- Broker Dealer Platforms
- Retirement and Trust Platforms
- Variable Annuity Platforms
- Transfer Agency Systems
- DTCC/NSCC Standard Data
- Custom feeds



Broadridge, a global fintech leader with over \$4 billion in annual revenue listed on the S&P 500 index, provides communications, technology, data and analytics. We help drive business transformation for our clients with solutions for enriching client engagement, navigating risk, optimizing efficiency and generating revenue growth.

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