

J&J Enhances Compliance Offering with Market Surveillance Risk Assessments and Investment Adviser Compliance Assessments

July 10, 2018, NY, NY - Jordan & Jordan (“J&J”) is pleased to announce the further enhancement to our Regulatory Compliance offering with the addition of market surveillance risk assessments as well as Investment Adviser (’40 Act) compliance assessments. Leveraging the depth of surveillance and regulatory experience of J&J staff, we can perform an extensive review of your current surveillance model, whether it is proprietary or vendor-based, to validate that the appropriate business risks are addressed within the surveillance models. We can also provide insight into the efficacy of the surveillance output, yield analysis, case management recommendations and assist with reduction of false positives for more valuable alerts. During 2018, FINRA settled a number of matters with broker-dealers which entailed inadequacies with surveillance reports or the review of surveillance exceptions. Below are the links to the recent matters:

- [FINRA noted deficiencies with a firm’s ability to detect certain potentially suspicious activity](#)
- [FINRA sanctioned a firm for failing to include certain transactions in its surveillance analysis due to a faulty configuration in their system](#)
- [FINRA cited firm whose surveillance improperly excluded certain transactions and failed to have procedures for the review of exceptions stemming from a third-party monitoring system](#)

J&J can assist firms with the types of issues noted in the matters above as well as offer recommendations to improve the overall efficiency of your firm’s surveillance program.

J&J can also provide assistance to buy-side firms and investment advisers with their compliance obligations under SEC Rule 206(4)-7. We can perform annual or quarterly reviews of the policies and procedures as well as testing of associated controls. J&J can also assist with the annual update of the Form ADV and related brochures. Alternatively, we can provide ongoing consulting advice in respect of marketing materials, email review, employee trade review or annual/quarterly attestations.

These new offerings supplement the ongoing support we provide our broker-dealer and advisory clients. Over the past year, we have assisted firms with multiple assessments including annual controls testing for FINRA Rule 3120, Electronic Blue Sheet (“EBS) reviews and testing, Market Access Rule (SEC Rule 15c3-5) reviews, Reg SCI assessments and trade surveillance gap analyses. Additionally, Jordan & Jordan’s proprietary surveillance platform covers spoofing/layering, marking the close, wash sales and best execution for equity NMS and OTC securities. There will be continued development in 2018 with the rollout of options monitoring and cross-market manipulation.

Please visit our homepage for a summary of the [services](#) that Jordan & Jordan can provide to assist with your firm’s compliance obligations.

Contact

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About Jordan & Jordan

Jordan & Jordan is a FinTech company with domain expertise in information, processes and technologies applied to the securities industry. Keeping pace with market practice and regulatory change, J&J provides business, technology and compliance solutions to meet the challenges of accelerating regulation, evolving technology and increasing cost pressures. J&J leverages knowledge of the financial markets across three core practices: Management Consulting and Regulatory Compliance, Market Data Services, and Industry Solutions. Jordan & Jordan has offices in New York, Chicago, and London. To learn more, visit our web site at www.jandj.com.