

Compliance Brief: SEC 17

EfficiencyNOW! ControlNOW! MoneyNOW! ECMNOW!



Applicability

The U.S. Securities and Exchange Commission (SEC) Rules 17a-3, 17a-4 and 17ad-7 were implemented under the Securities Exchange Act of 1934 and outline record archiving rules for the securities industry. Originally meant for paper records, they now also include electronic information. Members of the national securities exchange, brokers, dealers and businesses in the securities industry must comply with SEC 17. The regulations specify which documents should be stored, including securities sales records, ledgers reflecting assets and liabilities, securities borrowed or loaned, dividends and interest received and retention schedules.

Securities Industry Impact

Originals of all business communications and copies, whether by paper, email or through audit reporting, must be indexed, easily searchable for three years from origination and stored on unalterable media. Securities companies are required to ensure the accessibility, security and integrity of their records. Violators of SEC compliance can face penalties, which can include millions of dollars in fines. As a result, companies need systems that:

- Efficiently store, locate and distribute information.
- Maintain control over documents to achieve compliance.
- Save money by reducing document management costs.



“In response to a cited email archiving violation of SEC 17a-4, five of the largest investment banks in the world (Goldman, Sachs & Co., Citigroup Inc.’s Salomon Smith Barney, Morgan Stanley & Co., Deutsche Bank Securities Inc. and U.S. Bancorp Piper Jaffray Inc.) have agreed to pay a fine of more than \$8 million.”

~Wall Street Journal

ECMNOW! Enables SEC 17 Compliance

Enterprise Content Management (ECM) technology provides comprehensive document storage and management capabilities that enable SEC 17 compliance and operational efficiency. ECMNOW! gives you the choice between ImageSilo®, the cloud ECM service and PaperVision® Enterprise, on-premise ECM, to address SEC 17 regulations, reduce records management costs and increase productivity.

Compliance Brief: SEC 17



Efficiently Store and Distribute Information

Rule 17a-4 requires clear, legible images, searchable index values and readily retrievable documents. *ECMNOW!* empowers brokers and dealers with state-of-the-art imaging technologies and **efficient** search capabilities that simplify records retrieval.

- Use high-performance scanning, indexing and quality controls to ensure good quality, readable images.
- Search across multiple index fields or projects to quickly pinpoint the information you need.

Maintain Control to Achieve Compliance

Rule 17ad-7 includes expectations for how data must be stored and requires securities companies to validate the quality and accuracy of both the storage system and process. PaperVision® Enterprise and ImageSilo® can boost **control** and implement audit tracking while preserving data integrity.

- Track different document versions for each change or addition to a report and ensure personal and team accountability using check-in and check-out functions.
- Store information on any non-rewritable and non-erasable media, including Write Once Read Many (WORM) media.



Save Money with Comprehensive Records Archiving

SEC Rule 17a-3 establishes requirements to maintain specific electronic records, and rule 17a-4 states that brokers and dealers must index and preserve all business records in a location where they cannot be erased or changed, which can become expensive. *ECMNOW!* accommodates all types of storage media and supplies comprehensive document capture and management capabilities, while saving **money**.

- Preserve all records in a single system using non-rewritable, non-erasable media to protect your business from SEC violation fines.
- Cut costs with the cloud ECM, ImageSilo, by avoiding capital investments in hardware, software, or IT resources.

● ● ● ● ●
SOUTHWESTSOLUTIONSGROUP

document and information efficiency

www.southwestsolutions.com/jms

Toll Free: 1-800-803-1083