



# **MAINTAINING COMPLIANCE & CONTINUITY IN COVID**

A Member Exclusive  
Presentation

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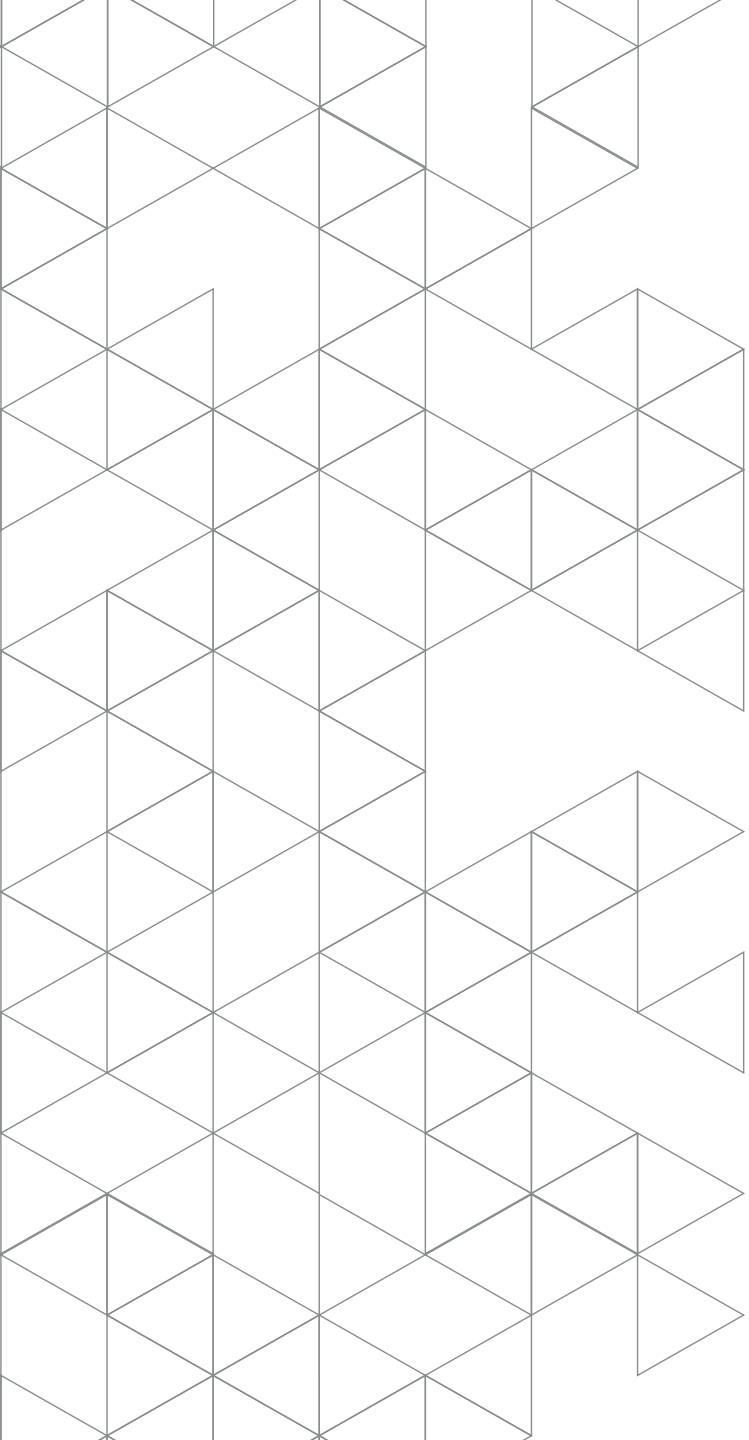
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# Introduction

- The WFH Pivot – Our Current Situation
- Assessing Your Current Compliance
- Health and Continuity



# **KEY COMPLIANCE CONSIDERATIONS**



# Non-Public Information



How are you viewing client information?



Where and how is the information stored and secured?



Who is in your space?



# Communication & Technology

- “Written Communication” Requirements
- Internal vs. External Communications
- Archiving



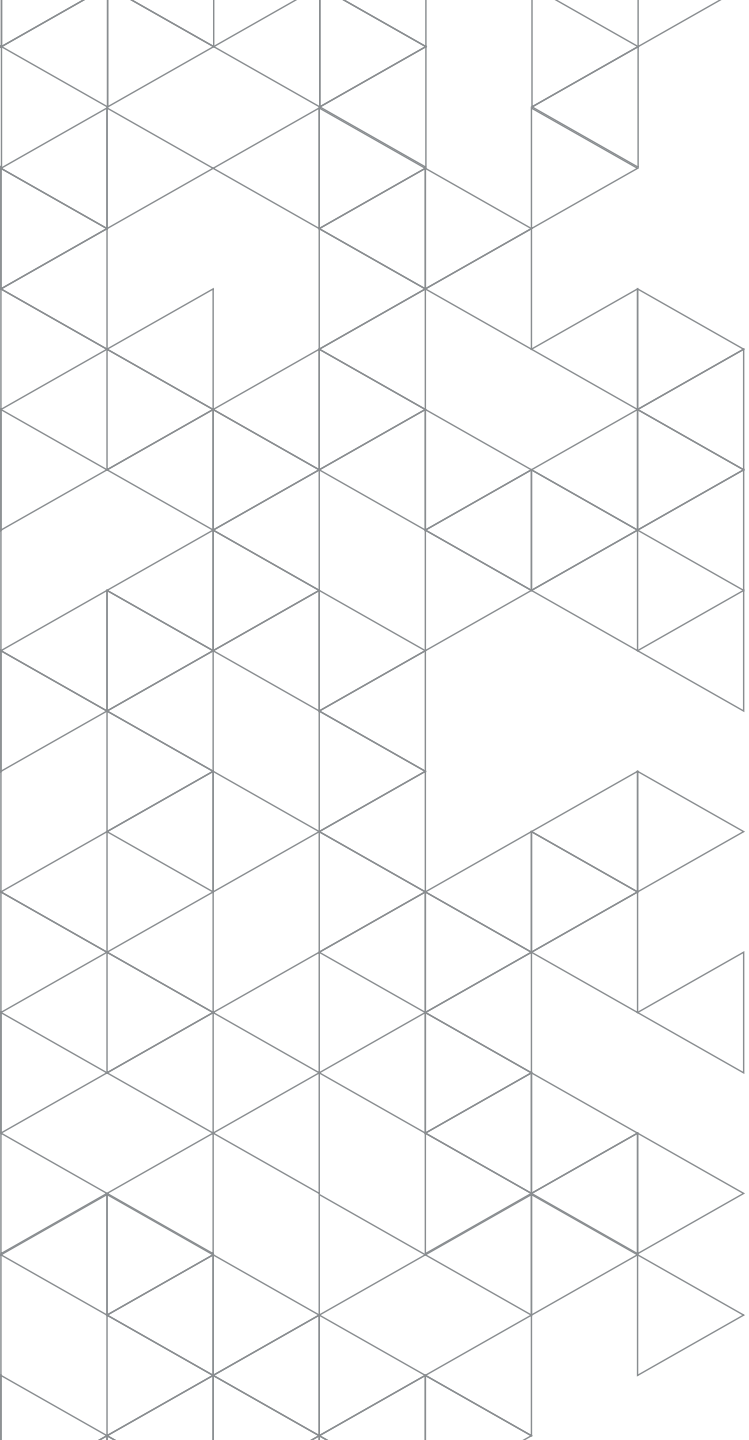
# Extensions and Deadlines

- No Current Extensions
- Renewal Deadlines
  - Nov 16<sup>th</sup> - Preliminary Statements Available
  - Dec 14<sup>th</sup> – Renewal Payments due
  - Nov 2020 and Feb 2021 – Form 13F
  - March 31<sup>st</sup> - ADV Parts 1 and 2A
- Electronic Delivery



# Office Reviews

- SEC and State Examinations
- State Review of Remote Workers
- FINRA Extended Branch Office Reviews
- Self-monitoring of WFH Staff



# **CONTINUITY AND PROTECTING YOUR BUSINESS**





## Controlling What You Can

- Creating Proper Compliance
- Planning for Continuity of Business Operations
- Planning for Continuity of Client Service

**15%** of advisors know business value

**10%** of advisors have continuity document

**90%** of clients want to know their advisor has a plan to protect their assets



# Importance of Continuity – Especially Now

- Protecting Your Clients and Their Futures
- Protecting Your Team
- Protecting Your Value



# PAVE Your Way to Success

## PARTNER

- Choose a qualified and licensed partner who can service your clients and monetize your asset for your estate.

## ASSURE

- Formalize continuity document in writing.
- Define trigger events in document.
- Define terms “temporary” and “permanent” disability.
- Clarify deal terms if agreement is triggered.

## VALUE

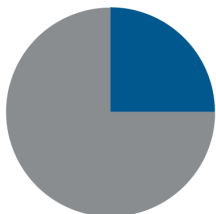
- Formally value your business.
- Document value and expected price in continuity agreement.
- Determine how the transition will be financed if triggered.

## ENGAGE

- Understand where you are and how you can best prepare for the future.
- Review and update your valuation and continuity documents annually.
- Communicate your protection measures with your clients and stakeholders.

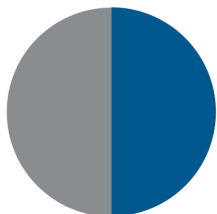


# How Well Are You Protected? – Levels of Continuity



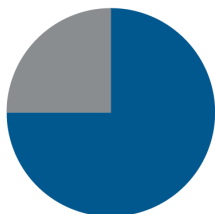
## Practice Emergency Plan (PEP)

Contingent listing with FP Transitions on Open Market to a qualified buyer (average 95% client retention).



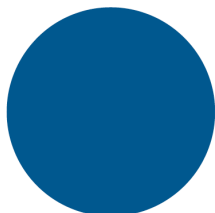
## Guardian Agreement

Assigns a guardian to run business and service clients for a set period of time while estate can secure a buyer.



## Buy-Sell Agreement

Defines deal terms of sale to a qualified and licensed partner to purchase business if triggering event occurs.



## Internal Succession

Builds multi-owner, business sustainability with built-in continuity processes in corporate governance documents.



# Next Steps

## 1. Evaluate Your Compliance

- How is information displayed, stored, & secured?
- Who's in your space?
- Are you archiving appropriately?

## 2. Evaluate Your Continuity

- Is your continuity plan formalized?
- What level of protection does your continuity plan provide?

## 3. What Steps Can You Take Now to Improve Both?

- Do an assessment of your space and technology
- Review your existing continuity plan
- Download Compliance Checklist
- Download Continuity Checklist

## 4. Leverage the Experts

- Contact FP Transitions and your membership team  
[www.fptransitions.com/EMSSchedule](http://www.fptransitions.com/EMSSchedule) | 800.934.3303
- Contact Ellen and Compliance Advisor Professionals  
[www.complianceadv.com](http://www.complianceadv.com) | 508.828.1410



# THANK YOU

**Additional Resources +  
Presentation Materials**

[www.fptransitions.com/compliance](http://www.fptransitions.com/compliance)

**FP Transitions**

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