

2024 / Investment Adviser Compliance Conference

MARCH 6-8 / WASHINGTON, DC

EFFECTIVE STRATEGIES & BEST PRACTICES

Smaller Advisers: Making the Most of Compliance

Bliss Bernal, CCO / Crestone Capital LLC

Patrick Hayes, Chair, Investment Management / Calfee, Halter & Griswold LLP

Katie McGinley, CCO, Investment Counselor / Mitchell McLeod Pugh & Williams, Inc.

Erik Olsen, CCO / Vident Asset Management

1



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Agenda – Best Practices for Smaller Advisers

- Risk Assessment
- Compliance Testing
- Disclosures
- Annual Review
- Technology and Resources

2



Risk Assessment

- Review the firm's prior annual review and any material red flags identified in compliance testing
- Identify new regulations and impact to firm
- Identify new business initiatives, key personnel changes, and firm response
- Develop, enhance, and update the firm's risk assessment in real time—should be considered a living document

3



Compliance Testing

- Establish frequency and timing based on firm needs
- Common Areas Tested:
 - Fees and Billing
 - Electronic Communications Review
 - Valuation
 - Marketing and Advertising (including Social Media)
 - Portfolio Management and Trading
 - Performance
 - Personal Trading
 - Custody | SLOAs
 - Private Funds: Side Letters | Expense Allocation

4



Disclosures

- Review Process:
 - Establish a process tailored to your business
 - Engage all relevant business lines
 - Incorporate new business initiatives
- Areas of Review:
 - Form ADV
 - Marketing and Advertising (including websites and social media platforms)

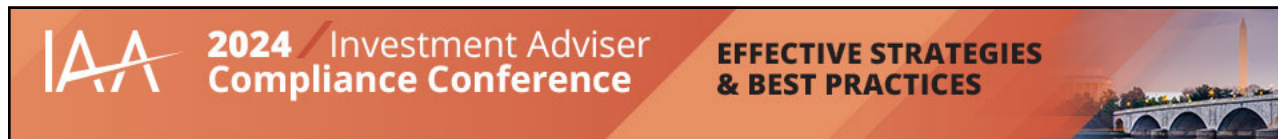
5



Annual Review

- Reexamine the annual review completed from the prior year
- Review compliance testing completed and related findings
- Summarize new regulations and impact to firm
- Identify new business initiatives, key personnel changes, and firm response
- Diagnose key issues and escalation protocols where applicable

6



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Technology and Resources

- How to maximize compliance technology on a budget (or just get a budget)
- Identify mission-critical resources and vendors
- Understand where the CCO and existing compliance resources are being spent
 - What can the Compliance Department own?
 - Where does the firm need to rely on internal or external resources?

7



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8