



2022 Annual Conference

May 16 –18 | Washington, DC | Hybrid Event

Branch Office Inspections

Tuesday, May 17, 2022

4:15 p.m. – 5:15 p.m.

Join FINRA staff and industry panelists as they share how they implemented their remote branch inspection plan using Zoom, electronic documentation review and other technological tools. During the session, panelists discuss red flags, and how they prioritize their inspections.

Moderator: Erin Vocke
Vice President, Retail Firm Examinations
FINRA Member Supervision

Panelists: Brooks Brown
Senior Director, High Risk Registered Representative Program
FINRA Member Supervision

Samantha Larew
Chief Compliance Officer
Manning & Napier Investor Services, Inc.

Daniel Wright
First Vice President and Chief Compliance Officer
Cambridge Investment Research, Inc.

Branch Office Inspections Panelists Bios:

Moderator:



Erin C. Vocke is Vice President, Firm Group Examinations located in the New Orleans Office. Ms. Vocke began her career in 1995 as an examiner in the New Orleans District Office. During this time, she conducted routine and cause examinations of member firms and focused examinations in the areas of variable products and mutual funds. Ms. Vocke became Supervisor of Examiners and relocated to the Florida Office. She assumed responsibilities for supervising Continuing Membership Applications and financial surveillance of member firms, in addition to routine and cause examinations. Ms. Vocke was promoted to Associate District Director of the Dallas Office and assumed responsibility of overseeing the

District cycle, cause, financial surveillance and Membership Application Programs. She served as the District Director of the Dallas District Office for approximately five years and the District Director for both the Dallas and New Orleans District Offices for approximately six years. In her new role, she will be responsible for examinations of retail member firms across Member Supervision.

Panelists:



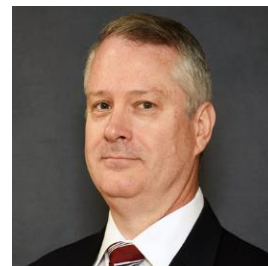
Brooks Brown is Senior Director, National Cause and Financial Crimes in FINRA's Atlanta Office. Mr. Brown has been with FINRA since 2001 and currently oversees the High-Risk Representative Program. Mr. Brown is responsible for directing the identification and examination efforts related to registered representatives exhibiting elevated risk to investors. Previously, Mr. Brown served as an Associate District Director and Examination Manager as part of the Atlanta Office's firm examination program, overseeing examiners who conducted cycle examinations for compliance with FINRA and SEC rules. Prior to joining FINRA, Mr. Brown worked with Trustmark National Bank in Jackson, Mississippi as an equity analyst in Trustmark's

Trust Department. Mr. Brown is a graduate of Millsaps College in Jackson, Mississippi, and has a Master of Business Administration Degree from Millsaps College's Else School of Management. Mr. Brown also earned the Certified Regulatory and Compliance Professional designation from the Wharton School in 2013.



Samantha Larew is Chief Compliance Officer and AML Compliance Officer for Manning & Napier Investor Services, Inc., a mutual fund distributor and retailer, located in Fairport, New York. Ms. Larew also serves as Chief Compliance Officer and AML Compliance Officer for the Manning & Napier Fund, Inc. Ms. Larew has over 17 years of experience in the financial services industry, 15 of which have been with Manning & Napier. As CCO for a broker-dealer and registered investment company she oversees all aspects of regulatory compliance, including the development and maintenance of Compliance Programs, branch office inspections, AML policies and procedures, and sales practice supervision, among other matters.

As co-Director of Compliance, Ms. Larew supervises a team of four who conduct day-to-day compliance and supervision functions such as licensing and registration, advertising reviews, and regulatory gap analysis. Most importantly, across her roles, Ms. Larew focuses on building a strong culture of compliance and fostering positive and lasting working relationships with the business. Ms. Larew earned her BS in Political Science from the State University of New York College at Brockport. She currently holds FINRA's Certified Regulatory and Compliance Professional (CRCP)[®] designation, along with the Series 6, 7, 24, 26, 63, and 66 licenses. Additionally, Ms. Larew is presently serving on the FINRA North Region Committee.



Daniel Wright joined Cambridge in 2020 and has more than 25 years of experience in the financial services industry, with a background in compliance and operations. In his current role as First Vice President of Compliance and Chief Compliance Officer, Mr. Wright provides compliance oversight for Cambridge's broker-dealer activities while identifying and working to mitigate potential risks for the firm and its independent financial professionals. He is also responsible for implementing the firm's broker-dealer compliance policies and ensuring the firm complies with all applicable rules and regulations. Mr. Wright earned a Bachelor of Arts degree from

Oklahoma State University. He is a Certified Regulatory and Compliance Professional (CRCP)[®]. Additionally, he holds the FINRA Series 4, 7, 8, 24, 27, 53, 57, 63, 65, and 99 licenses.

Branch Office Inspections

Panelists

○ Moderator

- Erin Vocke, Vice President, Retail Firm Examinations, FINRA Member Supervision

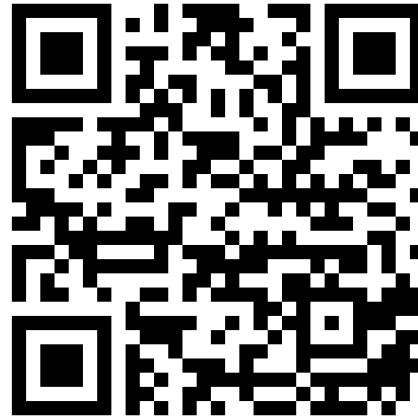
○ Panelists

- Brooks Brown, Senior Director, High Risk Registered Representative Program, FINRA Member Supervision
- Samantha Larew, Chief Compliance Officer, Manning & Napier Investor Services, Inc.
- Daniel Wright, First Vice President and Chief Compliance Officer, Cambridge Investment Research, Inc.

To Access Polling

- **Please get your devices out:**

- Type the polling address, <https://finra.cnf.io/sessions/z1bf> into the browser or scan the QR code with your camera.



- Select your polling answers.

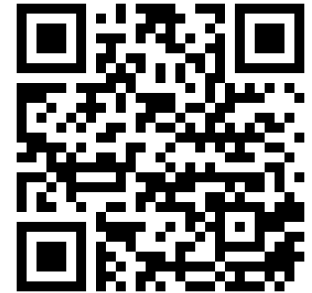
Agenda

- | Introduction
- | Key Techniques and Lessons Learned
- | Identifying “Red Flags” of Misconduct
- | Technology Used in Branch Inspections
- | Case Examples
- | Q & A

1 | Introduction

Polling Question 1

1. For 2022, what percentage of your branch inspections do you anticipate will be conducted on-site?
 - a. Less than 25%
 - b. 25% to 50%
 - c. 50% to 75%
 - d. 75% to 100%



Polling address: <https://finra.cnf.io/sessions/z1bf>

2

Key Techniques and Lessons Learned

3 | Identifying “Red Flags” of Misconduct

4

Technology Used in Branch Inspections

5 | Case Examples

6 | Q & A



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Resources:

- FINRA Regulatory Notice 20-16, *FINRA Shares Practices Implemented by Firms to Transition to, and Supervise in, a Remote Work Environment During the COVID-19 Pandemic* (May 2020)

www.finra.org/rules-guidance/notices/20-16

- FINRA Regulatory Notice 20-13, *FINRA Reminds Firms to Beware of Fraud During the Coronavirus (COVID-19) Pandemic* (May 2020)

www.finra.org/rules-guidance/notices/20-13

- FINRA Regulatory Notice 20-08, *Pandemic-Related Business Continuity Planning, Guidance and Regulatory Relief* (March 2020)

www.finra.org/rules-guidance/notices/20-08

- FINRA Regulatory Notice 17-38, *FINRA Requests Comment on a Proposal to Amend Rule 3110 (Supervision) to Provide Firms the Option to Conduct Remote Inspections of Offices and Locations That Meet Specified Criteria Comment Period* (November 2017)

www.finra.org/rules-guidance/notices/17-38

- 2022 Report on FINRA's Examination and Risk Monitoring Program

www.finra.org/sites/default/files/2022-02/2022-report-finras-examination-risk-monitoring-program.pdf

- 2021 Report on FINRA's Examination and Risk Monitoring Program

www.finra.org/sites/default/files/2021-02/2021-report-finras-examination-risk-monitoring-program.pdf

- FINRA Proposed Rule Change to Extend the Effectiveness of Temporary FINRA Rule 3110.17 to December 31, 2022

[www.finra.org/rules-guidance/rule-filings/sr-finra-2022-001#:~:text=The%20proposed%20additional%20six%2Dmonth,component%20of%20Rule%203110\(c](http://www.finra.org/rules-guidance/rule-filings/sr-finra-2022-001#:~:text=The%20proposed%20additional%20six%2Dmonth,component%20of%20Rule%203110(c)

- FINRA Rule change to extend temporary Supplementary Material .17 (Temporary Relief to Allow Remote Inspections for Calendar Years 2020 and 2021, and Through June 30 of Calendar Year 2022) under FINRA Rule 3110 (Supervision) to include calendar year 2022 inspection obligations through December 31, 2022 within the scope of the supplementary material.

www.tools.finra.org/rule_filings/#:~:text=Details-,SR%2DFINRA%2D2022%2D001,-Rule%20change%20to