

# SEC Risk Alert: Advisers With Multiple Office Locations

In a recent SEC Examination initiative, OCIE conducted a series of examinations this year of Investment Advisers with multiple branch office locations. Their recent **risk alert** outlined the most common deficiencies observed during this sweep which included failures related to compliance and supervision and processes related to investment advice.

During the examinations OCIE cites many of the compliance and supervision issues noted stem from policies and procedures that were inaccurate, not consistently applied, inadequately implemented, or simply not enforced. Key program areas noted included Custody of Client Assets, Fees and Expenses, Oversight and Supervision, Advertising and the perennial issues surrounding Code of Ethics.

As firm's embark once again on their annual planning, risk assessment and annual review cycles, this alert should serve as a guidepost to navigate areas of focus for the SEC and common pitfalls. Not surprisingly, lack of documentation, process, and an inability to produce records contributed to the observed compliance failures.

**All of those issues can be remediated with proper policy design and program implementation using a fully integrated compliance technology platform.**