

COMPLIANCE SOLUTIONS BROKER-DEALERS

FINRA[®] & SEC Requirements and Global Relay Solutions for
Communications Recordkeeping & Supervision

SEC Rule 17a-4
FINRA Rule 4511
FINRA Rule 3110

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GLOBAL RELAY ARCHIVE

Assisting Broker-Dealers in Meeting their Electronic Recordkeeping, Supervision, and Data Protection Requirements

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FOR MORE INFORMATION

Please refer to the following Global Relay publications detailing how Global Relay addresses the archiving and compliance needs of:

- › SEC Regulated Firms (Investment Advisors, Hedge Funds & Private Equity)
- › CFTC Regulated Firms
- › FCA (UK) Regulated Firms
- › Canadian Financial Firms (IIROC & MFDA)
- › Health Care (HIPAA)
- › EU General Data Protection Regulation (GDPR)

AVAILABLE UPON REQUEST

- SOC 2 report on Global Relay Archive
- SOC 2 reports on Global Relay data centers
- External penetration test report
- ISO 27001 certificate

ALSO REFER TO THE FOLLOWING FINRA AND SEC DOCUMENTS:

- FINRA Manual: <http://finra.complinet.com/>
- Release No. 34-47806 - Electronic Storage of Broker-Dealer Records: <http://www.sec.gov/rules/interp/34-47806.htm>
- FINRA Regulatory Notice 14-10 - Consolidated Supervision Rules: <https://www.finra.org/rules-guidance/notices/14-10>

Welcome, and thank you for your interest in Global Relay's Broker-Dealer compliance archiving, messaging, and information governance services.

Compliance is more than just the preservation of records to ensure your firm can survive regulatory, audit, and evidentiary scrutiny. It's a matter of **reputation, integrity, and control**. The stakes are high, and they are tied to the prosperity of your firm.

Selecting an archiving and supervision solution isn't solely a back office or IT matter. It's an investment in your firm's future, both in terms of risk reduction and overall firm image. It should involve proactive decision-making by senior management to choose a high quality compliance solution that efficiently retains, protects, manages, and ensures authenticity of records and supports efficient, risk-based supervision.

Global Relay technology is engineered to provide a total regulatory solution for firms subject to the regulatory requirements of the SEC, FINRA, CFTC, and SROs such as CHX and the CBOE. We provide reliable, cost-effective, and scalable information governance and compliance solutions that:

- **are implemented quickly**, with no software or hardware requirements or other capital outlays
- **are continuously and seamlessly updated** to meet current technological, legal, and regulatory needs
- **provide role-based tools and workflows** for compliance supervision, eDiscovery, audits, DLP, and other use cases

Your reputation and success are inextricably tied to the performance of your critical vendors. Choosing the right vendor can help you increase efficiency, comply with regulatory obligations, and run a better business. Choosing the wrong vendor can increase risk and decrease efficiency. As a Broker-Dealer, your firm also has regulatory obligations to conduct vendor due diligence. To assist with this process, we offer a comprehensive Due Diligence Package that provides transparency into how we operate our company and protect your critical data. This package includes:

- SOC 2 audits on Global Relay Archive and our private green data center;
- ISO 27001 certificate; and
- an independent penetration testing report on our internet-facing systems.

Our professional team has cross-disciplinary business, technical, and legal expertise. Every day, we help our customers troubleshoot and resolve key IT, compliance, and business issues. You will have access to 24x7x365 live technical support, full-time compliance lawyers, professional Audit & eDiscovery and Data Services teams, and a dedicated Customer Success Specialist. We will provide your firm with a superior balance of technology, service, support, training, and affordability to efficiently assist you in meeting regulatory, audit, and discovery requests, corporate governance requirements, and other business needs.

Your custom solution will be tailored, without extra cost, to fit the needs of your firm - whether it's an independent business with outsourced email or a single server environment, or a multinational enterprise with complex email and messaging systems.

Contact us at +1.866.484.6630 or visit us at www.globalrelay.com and let us demonstrate how our solutions can help you manage, control, and profit from your data.

Yours truly,



Shannon Rogers
President & General Counsel

SERVICES AT-A-GLANCE

GLOBAL RELAY ARCHIVE

Compliant archiving and information governance for electronic communications, voice, and trade data. Global Relay Archive unifies 60+ data types in a secure cloud repository that meets the stringent recordkeeping requirements of the SEC, FINRA, CFTC, and other regulatory authorities. Supported data types include email, IM, social media, text messaging, enterprise social networking, voice, and trade tickets. Contact us if you need to archive a data type that isn't listed here.



All trademarks are the property of their respective owners. Third party trademarks are used to identify supported data types.

GLOBAL RELAY SEARCH & SUPERVISION

Embedded tools and workflows for every employee to search, retrieve, and manage data in Global Relay Archive - whether the employee is a compliance officer conducting daily communications review, in-house counsel conducting eDiscovery, or a business user who needs to locate a critical email to make a decision. Flexible supervision tools include policy-based flagging, intuitive review workflows, and detailed reporting.



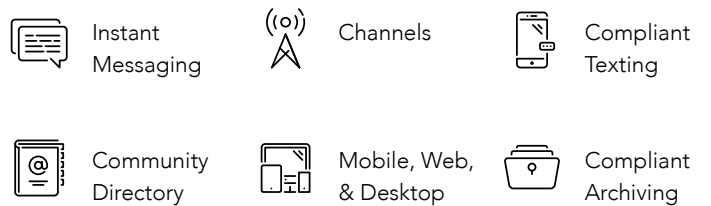
GLOBAL RELAY ANALYZE

Data visualizations, interactive charts, and facet-based filters to help identify trends, detect anomalies, and zero in on relevant information stored in Global Relay Archive.



GLOBAL RELAY MESSAGE

A secure messaging and collaboration platform designed for the financial sector. Built for business and designed for compliance, Global Relay Message provides integrated compliant archiving, compliant texting, and a Community Directory to help your employees communicate with colleagues, counterparties, and industry peers.



RECORDKEEPING REQUIREMENTS

SEC RULES 17A-3 – 17A-4 & FINRA RULE 4011

SIGNIFICANCE OF RULES

The *Securities and Exchange Commission (SEC) Rules 17a-3 and 17a-4* mandate the preservation and retention of all business-related electronic correspondence. *SEC Rule 17a-4(b)(4)* requires preservation of all correspondence of a Broker-Dealer “relating to business as such,” which should include the preservation of all communications for a firm’s registered representatives, as well as all associated persons to the business. *FINRA Rule 4511* cross references *SEC Rule 17a-4* requirements for electronic record format and retention. These requirements are designed to protect investors from misrepresentation and fraud and prevent record tampering.

WHO MUST COMPLY

Generally, these Rules are applicable to all persons engaged in trading securities or acting as a broker, including Broker-Dealer firms and registered representatives subject to the SEC and FINRA.

REQUIREMENTS

In connection with electronic communications, firms must:

(i) SEC Rule 17a-3 and 17a-4

- preserve records of transactions and general securities business, including originals of all communications (incoming, outgoing and internal) related to their “business as such”;
- store electronic records in a non-rewriteable, non-erasable format, the quality of which must be verifiable;
- store original and duplicate copies of records in separate locations;
- create and store original and duplicate indexes of electronic records;
- have an auditing system in place for all electronic records;
- ensure audit results are available for examination by the SEC and applicable self-regulatory organizations;
- retain records for specified periods (three to six years), the first two years in an easily accessible place;
- appoint an independent third party with the ability to access and download electronic records upon the request of regulators; and
- promptly furnish legible, true, complete, and current copies of records to regulators.

(ii) FINRA Rule 4511

- make and preserve books and records as required under FINRA rules, the Securities Exchange Act of 1934, and applicable Exchange Act rules;

- preserve for a period of six years those FINRA books and records for which there is no specified retention period under FINRA or applicable Exchange Act rules; and
- preserve books and records in an SEC 17a-4 compliant format and media.

REPERCUSSIONS OF NON-COMPLIANCE

Firms cannot afford to have a casual attitude toward message management, as the repercussions of non-compliance include internal or regulatory disciplinary actions, civil liability, costly penalties, damaged corporate reputation, and loss of goodwill. Fines for recordkeeping violations can range into the millions.

GLOBAL RELAY SOLUTION

Global Relay services are engineered to meet SEC and FINRA recordkeeping requirements.

Global Relay Archive is a compliant archiving and information governance solution that captures and archives quality, accurate, and complete records of electronic communications, voice calls, and trade tickets in a secure but accessible system.

Global Relay Message is a compliant messaging and collaboration platform designed for the regulated financial sector. It allows your entire organization to collaborate both internally and across the industry, confident that all messages are securely preserved in Global Relay Archive.

SUPERVISION REQUIREMENTS

FINRA RULE 3110

SIGNIFICANCE OF RULES

In response to the ever increasing role of electronic messaging in business, regulators have imposed rules requiring firms to supervise business-related electronic communications. Broker-Dealers were historically subject to *NASD Rule 3010*, which required the supervision and review of incoming and outgoing correspondence. As part of the FINRA rulebook consolidation process, FINRA replaced *NASD Rule 3010* with *FINRA Rule 3110*. This rule and accompanying *FINRA Regulatory Notice 14-10* expand the obligation to supervise and review business-related correspondence to include internal communications. They also incorporate guidance from *FINRA Regulatory Notice 07-59*, including standards for risk-based review of correspondence and internal communications.

WHO MUST COMPLY

Generally, these Rules are applicable to all persons engaged in trading securities or acting as a broker, including Broker-Dealer firms and registered representatives subject to the SEC and FINRA.

REQUIREMENTS

In connection with electronic communications, firms must:

- develop appropriate supervisory policies and procedures for the review of all business-related incoming, outgoing, and internal communications;
- identify, review, and address incoming and outgoing communications (“correspondence”) containing customer complaints, instructions, funds and securities, and content of a subject matter that requires review under FINRA rules and securities laws;
- identify and review internal communications of a subject matter that requires review under FINRA rules and securities laws, including: communications between research and non-research departments, communications with the public that require pre-approval, identification and reporting of customer complaints, and identification and prior written approval of account name changes or designations regarding customer orders;
- conduct risk-based reviews to determine whether additional supervisory policies are necessary for their business;
- capture, acknowledge, and respond to all written customer complaints;
- educate and train employees on procedures governing correspondence, and log such training;

- maintain an audit trail and record of supervisory reviews that includes: (i) what communication was reviewed, (ii) the identity of the reviewer, (iii) the date of review, and (iv) any actions taken;
- monitor and evaluate supervisory procedures to ensure compliance;
- prohibit reviewers from supervising: (i) their own activities, (ii) individuals they report to, and (iii) individuals who determine their compensation or continued employment; and
- ensure supervisory systems are not compromised by conflicts of interest.

Note: *FINRA Rule 2210* includes retail and institutional communications and correspondence in its requirements regarding communications with the public. *FINRA Rule 3130, Annual Certification of Compliance and Supervisory Processes*, requires firms to designate a CCO who, together with the CEO, must annually certify to having a process in place to establish, maintain, review, modify, and test policies and procedures reasonably designed to achieve compliance with applicable rules and laws. Note also that *FINRA Rule 3120* (replacing *NASD Rule 3012*) requires FINRA members to set up a “supervisory control system” to evaluate, test, and modify compliance policies and procedures.

GLOBAL RELAY SOLUTION

Global Relay Archive provides an embedded, turnkey supervisory system with advanced policy, filtering, audit, and eDiscovery features. Our flexible, easy-to-use, multi-tier supervisory system can mirror the supervisory and reporting structure of any firm - no matter how complex. Firms can supervise and review 60+ data types across electronic communications, voice, and trade tickets - including email, IM, Bloomberg®, Refinitiv (formerly Thomson Reuters), social media, and text messaging - in a single unified platform.

LEGAL COMPLIANCE FILINGS & THIRD PARTY DOWNLOADER

SEC RULE 17A-4

Global Relay provides a Broker-Dealer Legal Compliance Documentation package that simplifies and expedites compliance with *SEC Rule 17a-4* and *FINRA Rule 4511*. The package provides:

A. SEC RULE 17A-4(F) DOCUMENTATION AND INSTRUCTIONS

Customized legal documents and corresponding compliance instructions relating to each legal document:

1. Legal Direction and Authorization for Third Party Downloader

(SEC Rule 17a-4(f)(3)(vii)) – Appoints Global Relay as your impartial third party with independent access to, and the ability to download, your electronic records, if requested by the SEC or FINRA (this is the third part of the Regulatory Compliance Letter below).

2. Regulatory Compliance Letters (SEC Rule 17a-4(f)(2)(i)

and 17a-4(f)(3)(vii)) – Provides: (i) the required Notification and Representation attesting to Electronic Storage Media Compliance, and (ii) the required Third Party Downloader Undertaking Letter. The Regulatory Compliance Letters satisfy the following regulatory requirements:

- **Electronic Storage Media Notification** (*SEC Rule 17a-4(f)(2)(i)*) – Notification to the regulators that your firm is using Global Relay Archive for communications compliance;
- **Attestation to Electronic Storage Media Compliance** (*SEC Rule 17a-4(f)(2)(i)*) – Global Relay attests that Global Relay Archive meets the recordkeeping requirements set forth in *SEC Rule 17a-4(f)(2)(ii)(A)-(D)*;
- **Third Party Downloader Undertaking** (*SEC Rule 17a-4(f)(3)(vii)*) – This letter identifies Global Relay as your impartial Third Party Downloader with independent access to, and the ability to download, the archived electronic records of your firm, if required by the SEC or FINRA under *SEC Rule 17a-4*; and
- **Service Provider Undertaking** (*SEC Rule 17a-4(i)*) – Global Relay attests that books and records maintained on behalf of your firm are the property of your firm and will be surrendered promptly on request.

B. GLOBAL RELAY COMPLIANCE SOLUTIONS FOR SEC RULE 17A-4(F)(2)(II)(A)-(D)

In the Representation Letter prepared by Global Relay on your firm's behalf (refer to *section a(2)*), your firm must attest that it is using a recordkeeping system that satisfies the electronic storage media requirements of *SEC Rule 17a-4(f)(2)(ii)*, conditions (A)-(D).

Accordingly, Global Relay provides a technology summary relating to the following:

- *SEC Rule 17a-4(f)(2)(ii)A* - Non-Rewriteable, Non-Erasable Storage;
- *SEC Rule 17a-4(f)(2)(ii)B* - Message Write Quality & Accuracy Verification;
- *SEC Rule 17a-4(f)(2)(ii)C* - Message Serialization of Original and Duplicates; and
- *SEC Rule 17a-4(f)(2)(ii)D* - Index and Record Downloading.

C. FINRA REGULATORY NOTICE 18-31

This notice addresses SEC guidance issued in 2018 regarding the use of third party recordkeeping services by Broker-Dealers. In particular, the notice addresses contractual provisions for the retention of records preserved pursuant to *SEC Rule 17a-4*. Global Relay's *Legal Direction and Authorization for Third Party Downloader* (described in *a(1)* above) and *Master Terms of Service* include provisions to comply with this guidance.

D. ADDITIONAL INFORMATION

The Broker-Dealer Legal Compliance Documentation is prepared by Global Relay's in-house lawyers. Any questions may be directed to legal@globalrelay.net.

TECHNICAL SOLUTION FOR SEC RULE 17A-4

RECORDS TO BE PRESERVED BY CERTAIN EXCHANGE MEMBERS, BROKERS, AND DEALERS

Global Relay Archive is engineered to comply with *SEC Rule 17a-4*, the corresponding *Release No. 34-44992 – Final Rule: Books and Records Requirements for Brokers and Dealers Under the Securities Exchange Act of 1934*, and *Release No. 34-47806 – Electronic Storage of Broker-Dealer Records*, which set out SEC recordkeeping requirements for incoming, internal, and outgoing electronic communications related to a Broker-Dealer’s business. The requirements are met as follows:

RULE 17A-4	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
<p>Preservation Period and Accessibility (a) (b)(4)</p>	<p>Every member, broker and dealer subject to <i>Rule 17a-3</i> shall preserve for a period of not less than <i>six years</i>, the first <i>two years</i> in an easily accessible place, all records required to be made pursuant to <i>Rule 17a-3(a)(1), (a)(2), (a)(3), (a)(5), a(21), a(22)</i>, and analogous records created pursuant to <i>Rule 17a-3(f)</i>.</p> <p>Every such broker and dealer shall preserve for a period of not less than <i>three years</i>, the first <i>two years</i> in an accessible place: [Lists 13 types of records] in particular, <i>Item 4</i>: originals of all communications received and copies of all communications sent (and any approvals thereof) by the member, broker or dealer (including inter-office memoranda and communications) relating to its business as such, including all communications which are subject to rules of a self-regulatory organization of which the member, broker or dealer is a member regarding communications with the public.</p>	<p>Record Preservation – Global Relay Archive is a cloud archiving system for the long-term preservation of, access to, and retrieval of electronic communications, voice calls, and trade tickets. All archived data is preserved in two mirrored, SOC-audited data centers for the length of the retention period specified by the Broker-Dealer firm. Archived data is preserved in a non-rewriteable, non-erasable format with write-verification.</p> <p>Record Access – Global Relay Archive exceeds the SEC access requirement by providing “easily accessible” online access to all archived data for the entire length of the Broker-Dealer’s three to six year retention period (or longer, if determined by the firm).</p> <p>Data Types – Global Relay Archive captures and archives a complete set of a Broker-Dealer’s incoming, internal, and outgoing communications. This ensures compliance with paragraphs (a) and (b)(4) of <i>Rule 17a-4</i>, which require Broker-Dealers to preserve originals of all communications received and copies of all communications sent related to their “business as such.” Global Relay Archive securely captures, indexes, and archives more than 60 data types, including electronic communications, voice, and trade tickets. See <i>Services at a Glance</i> for details on supported data types. Please contact us if you need to archive a data type that isn’t listed.</p>
		(continued)

RULE 17A-4**COMPLIANCE REQUIREMENT****GLOBAL RELAY COMPLIANCE SOLUTIONS****Preservation
Period and
Accessibility****(a)****(b)(4)****OTHER IMPORTANT ITEMS TO NOTE:**

Social Media – In *FINRA Regulatory Notices 10-06 - Social Media Websites* and *11-39 - Social Media Websites and the Use of Personal Devices for Business Communications*, FINRA has stated that social media communications that relate to “business as such” fall under the recordkeeping requirements of *SEC Rule 17a-4*. It is the content of a communication that determines whether it must be retained, not the method or medium by which it is distributed. Global Relay Archive supports social media sites such as LinkedIn, Twitter, Facebook, Instagram, and YouTube. Importantly, our solution preserves the original formatting and contextual metadata of each social media communication. This ensures data integrity and streamlines review.

SMS/Text Message Archiving – Given the increasing use of text messaging for business communications, it is critical to archive texts alongside email and other electronic communications. Text for Global Relay Message allows users to send text messages from any Global Relay Message client (desktop, web, or mobile) to any recipient - with messages securely preserved in Global Relay Archive. Global Relay Archive also supports text message archiving from iOS, Android, and Blackberry devices via third party vendors.

Legacy Data – Global Relay can import your existing messaging data from legacy archiving systems into Global Relay Archive, integrating this legacy data with all new data going forward. Global Relay performs conversion, quality assurance, import, and reconciliation of legacy data in the migration to Global Relay Archive, providing a clean and defensible chain of custody. You simply provide your legacy data in an agreed upon, standard format.

Associated Persons – *SEC Rule 17a-4* requires Broker-Dealers to preserve records relating to their “business as such.” The industry interpretation of this phrase suggests inclusion of not only records of registered representatives, but also of all associated persons to the business. Note as well that *FINRA Rule 3110* requires firms to supervise the business-related activities of “each associated person.”

Spam – The industry interpretation of “relating to business as such” appears to exclude spam. Global Relay Archive can filter spam from search results if it makes it past your email filtering solution. As well, Global Relay offers optional hosted email filtering via partners.

(continued)

TECHNICAL SOLUTION FOR SEC RULE 17A-4 (CONTINUED)

RECORDS TO BE PRESERVED BY CERTAIN EXCHANGE MEMBERS, BROKERS, AND DEALERS

RULE 17A-4

COMPLIANCE REQUIREMENT

GLOBAL RELAY COMPLIANCE SOLUTIONS

Preservation Period and Accessibility

(a)

(b)(4)

Encryption – Global Relay Archive uses end-to-end encryption to protect the privacy and confidentiality of archived data. Data in transit is TLS encrypted. Data at rest is protected with dual AES and RSA encryption. Specifically, Global Relay Archive: (i) encrypts each message with a unique 128-bit AES key, and (ii) encrypts each AES key with a 2048-bit RSA key unique to each customer. All three keys are kept in separate stores. The encryption/decryption process is transparent to users.

Audit Trails – All actions on a message by any user or the system itself are logged in an unalterable audit trail that documents the message’s full lifecycle (e.g. when it was imported, the retention term set, and who viewed it). These audit trails verify the integrity of each message and can be searched and viewed by authorized users.

Storage Media

(f)

The records required to be maintained and preserved pursuant to *Rule 17a-3* and *Rule 17a-4* may be immediately produced or reproduced on “micrographic media” or by means of “electronic storage media” defined in this section) that meet the conditions set forth in this paragraph and be maintained and preserved for the required time in that form.

Global Relay Archive uses electronic storage media that satisfies the applicable conditions set forth in paragraph (f) of *SEC Rule 17a-4* (described in more detail in Global Relay’s solution for paragraph (f)(2)(ii)(A) below). All messages can be produced immediately online, printed, downloaded, or restored to a user’s inbox. Messages can also be exported to a standard format (e.g. PST).

Notification

(f)(2)(i)

The member must notify its designated examining authority (FINRA) prior to employing electronic storage media. If employing any electronic storage media other than optical disk technology (including CD-ROM), the member must notify its designated examining authority at least 90 days prior.

Global Relay’s legal compliance documentation package includes the notification letter to the SEC and FINRA. See *Legal Compliance Filings & Third Party Downloader* for details. Note that the 90-day rule was originally drafted to allow regulators to vet recordkeeping vendors for suitable technology. Today, FINRA typically allows member firms to immediately begin archiving with a new vendor, with the 90-day notice running in parallel with the transition.

RULE 17A-4	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
Legal Attestation Letter (f)(2)(i)	The member, broker, or dealer must provide its own representation or one from the storage medium vendor or other third party with appropriate expertise that the selected storage media meets the conditions set forth in this paragraph (f)(2)	Global Relay's legal compliance package includes the required representation letter to the SEC and FINRA attesting that Global Relay Archive assists in meeting the electronic storage media conditions of paragraphs (f)(2)(ii)(A)-(D) of SEC Rule 17a-4. See <i>Legal Compliance Filings & Third Party Downloader</i> for details.
Record Format (f)(2)(ii)(A)	Preserve the records exclusively in a non-rewriteable, non-erasable format.	Global Relay Archive preserves copies of all messages and attachments in a non-rewriteable, non-erasable format.
Message Write Verification (f)(2)(ii)(B)	Verify automatically the quality and accuracy of the storage media recording process.	Global Relay Archive uses multiple controls to automatically verify the quality and accuracy of the storage media recording process. These controls include: (i) enforced quality standards that isolate corrupt/malformed data for investigation and remediation, and (ii) write verification. Global Relay Archive's processing integrity controls are independently verified during annual SOC 2 audits.
Message Serialization (f)(2)(ii)(C)	Serialize the original and, if applicable, duplicate units of storage media, and time-date for the required period of retention the information placed on such electronic storage media.	Global Relay Archive sequentially serializes and time-date stamps each message on import. Any message can be retrieved within seconds by serial number. All messages are replicated in near real time to a secondary data center.
Index & Record Download (f)(2)(ii)(D)	Have the capacity to readily download indexes and records preserved on the electronic storage media to any medium acceptable under this <i>paragraph (f)</i> as required by the Commission or the self-regulatory organizations of which the member, broker, or dealer is a member.	Global Relay Archive full-text indexes all archived messages and preserves both messages and their related indexes for the length of a firm's specified retention period. All archived data is readily available for online access and viewing by authorized users (such as the SEC/FINRA). As well, messages may be exported to PST or EML, printed, and restored to users' inboxes.

TECHNICAL SOLUTION FOR SEC RULE 17A-4 (CONTINUED)

RECORDS TO BE PRESERVED BY CERTAIN EXCHANGE MEMBERS, BROKERS, AND DEALERS

RULE 17A-4	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
Message Availability (f)(3)(i)	At all times have available, for examination by the staffs of the Commission and self-regulatory organizations of which it is a member, facilities for immediate, easily readable projection or production of micrographic media or electronic storage media images and for producing easily readable images.	<p>Message Availability – Global Relay Archive preserves the original metadata and native formatting of each archived message. Using advanced eDiscovery and case management tools, messages can be immediately retrieved, viewed, and organized. Data can be produced online or exported to a standard format, as requested by the regulator.</p> <p>Online Auditor Access – Firms can give auditors or examiners secure online access to a ring- fenced data set. Attorney-client privileged, personal, and other restricted data can be blocked from production, with an optional privilege log. Many of our customers use this option for FINRA, SEC, and other regulatory audits/exams.</p>
Message Facsimile (f)(3)(ii)	Be ready at all times to provide, and immediately provide, any facsimile enlargement which the Commission or its representatives may request.	Using advanced eDiscovery and case management tools, messages can be immediately retrieved, viewed, and organized. Data can be produced online or exported to a standard format, as requested by the regulator. Note that the term “facsimile enlargement” is generally associated with information stored on microfilm or microfiche.
Message Duplication (f)(3)(iii)	Store separately from the original, a duplicate copy of the record stored on any medium acceptable under <i>Rule 17a-4</i> for the time required.	All archived data is replicated in near real time to a secondary data center. All copies are preserved for the length of the firm’s specified retention term.
Index Accuracy (f)(3)(iv)(3)(iii)	Organize and index accurately all information maintained on both original and any duplicate storage media.	Global Relay Archive full-text indexes each message on import, including original and added metadata. Global Relay Archive also supports full-text indexing for the majority of captured attachments, including metadata from image files.
Index Availability (f)(3)(iv)(B)	Each index must be duplicated and the duplicate copies must be stored separately from the original copy of the index.	As within the (f)(3)(iii) solution above, archived data is replicated in near real time to a secondary data center. This replication includes replication of indexes.

RULE 17A-4	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
Audit System (f)(3)(v)	The member, broker, or dealer, must have in place an audit system providing for accountability regarding inputting of records required to be maintained and preserved pursuant to <i>Rules 17a-3</i> and <i>17a-4</i> to electronic storage media and inputting of any changes made to every original and duplicate record maintained and preserved thereby.	<p>All messages are captured automatically, with no user intervention. All actions on an archived message are logged in an unalterable audit trail that documents the message's full lifecycle. This includes an 'Import' event that documents when the message was imported into Global Relay Archive. This audit trail event is separate from the original time-date stamp on the message. Audit trails are retained for the life of the message to which they relate. They are appended to each message and can be search and viewed by authorized users.</p> <p>Note: The original message (including metadata and any attachments) can't be modified. Global Relay's security, availability, processing integrity, and confidentiality controls are annually validated during SOC 2 audits by Ernst & Young. The SOC 2 report on Global Relay Archive is available upon request.</p>
Audit Availability (f)(3)(v)(A)	At all times, a member, broker, or dealer must be able to have the results of such audit system available for examination by the staffs of the Commission and the self-regulatory organizations of which the broker or dealer is a member.	Global Relay Archive immediately provides a full, unalterable audit trail accessible to any authorized user. Annual SOC 2 audits also provide valuable proof of Global Relay's internal controls.
Audit Lifecycle (f)(3)(v)(B)	The audit results must be preserved for the time required for the audited records.	Audit trails are retained for the life of the applicable message. The SEC three and six year retention requirement for records set out in paragraphs (a) and (b) of this <i>Rule 17a-4</i> can be applied to data in Global Relay Archive, including audit trails.

TECHNICAL SOLUTION FOR SEC RULE 17A-4 (CONTINUED)

RECORDS TO BE PRESERVED BY CERTAIN EXCHANGE MEMBERS, BROKERS, AND DEALERS

RULE 17A-4

COMPLIANCE REQUIREMENT

GLOBAL RELAY COMPLIANCE SOLUTIONS

Legal Third Party Download Provider (f)(3)(vii)

For every member, broker or dealer exclusively using electronic storage media for some or all of its record preservation under this section, at least one third party (“the undersigned”), who has access to and the ability to download information from the member’s, broker’s, or dealer’s electronic storage media to any acceptable medium under this section, shall file with the designated examining authority for the member, broker or dealer the following undertakings with respect to such records.

This is an extremely important, yet undervalued, requirement. In addition to the Notification Letter and Representation Letter in accordance with paragraph (f)(2)(i) of this *SEC Rule 17a-4*, Global Relay’s legal compliance package includes the documentation for Global Relay, as the member firm’s electronic storage vendor, to serve as the impartial “third party downloader” for SEC purposes. Member firms grant Global Relay the specific legal rights pursuant to a Direction and Authorization to be signed by the Broker Dealer firm in order for Global Relay to access the member firm’s messages via Global Relay Archive, if requested by the SEC or FINRA. Upon receipt by Global Relay of the signed Direction and Legal Authorization, Global Relay files a third party downloader undertaking to the SEC or FINRA.

Service Provider Undertaking (i)

If the records required to be maintained and preserved pursuant to the provisions of §§240.17a-3 and 240.17a-4 are prepared or maintained by an outside service bureau, depository, bank which does not operate pursuant to §240.17a-3(b)(2), or other recordkeeping service on behalf of the member, broker or dealer required to maintain and preserve such records, such outside entity shall file with the Commission a written undertaking in a form acceptable to the Commission, signed by a duly authorized person, to the effect that such records are the property of the member, broker or dealer required to maintain and preserve such records and will be surrendered promptly on request of the member, broker or dealer and including the following provision...

Global Relay’s legal compliance package includes the written undertaking attesting that the records maintained on behalf of a member firm are the property of that firm and will be surrendered promptly on request. The undertaking includes the required provision provided in *SEC Rule 17a-4(i)* regarding production of records to the SEC. See *SEC Rule 17a-4(j)* for details on record production.

RULE 17A-4**COMPLIANCE REQUIREMENT****GLOBAL RELAY COMPLIANCE SOLUTIONS****Record
Production
(j)**

Every member, broker and dealer subject to this section shall furnish promptly to a representative of the Commission legible, true, complete, and current copies of those records of the member, broker or dealer that are required to be preserved under this section, or any other records of the member, broker or dealer subject to examination under section 17(b) of the Act (15 U.S.C. 78q(b)) that are requested by the representative of the Commission.

Online Auditor Access – See Global Relay solution for 17a-4(f)(3)(i).

Data Export – Firms can have records exported to a standard format (e.g. PST or EML). Exported data can be made available via SFTP/HTTPS, hard drive, or DVD. Global Relay's professional Audit & eDiscovery team has a 24-hour turnaround time for data exported for audits or litigation.

Legible, True, Complete, and Current – As explained in paragraph (f)(3)(v), Global Relay Archive's security, availability, processing integrity, and confidentiality controls are annually validated by Ernst & Young. The SOC 2 report on Global Relay Archive is available upon request.

Annual Review

An annual review may be performed by the member firm with the assistance of Global Relay's in-house legal counsel to ensure that the member firm maintains best practices compliance in connection with SEC regulations.

TECHNICAL SOLUTION FOR FINRA RULE 4511

BOOKS AND RECORDS GENERAL REQUIREMENTS

FINRA Rule 4511 requires member firms to implement a recordkeeping system for records for which there is no specified retention period under FINRA or SEC rules. Global Relay Archive is specifically engineered to comply with *FINRA Rule 4511* to provide a unified recordkeeping solution for all incoming, outgoing, and internal electronic and voice communications relating to a member firm’s business. The *FINRA Rule 4511* requirements are met as follows:

RULE 4511	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
General Books and Records (a)	Each member shall make and preserve books and records as required under the FINRA rules, the Exchange Act and the applicable Exchange Act rules.	FINRA Rule 4511 requires that records be preserved in accordance with all applicable legislation. In particular, the format, medium, and retention period for recordkeeping must comply with the standards set out in <i>SEC Rule 17a-4</i> . Global Relay Archive is a best practice solution for the recordkeeping requirements in <i>SEC Rule 17a-4</i> . See <i>Technical Solution for SEC Rule 17a-4</i> for a complete description.
Preservation Period (b)	Members shall preserve for a period of six years those FINRA books and records for which there is no specified period under the FINRA rules or applicable Exchange Act rules.	Global Relay Archive enforces a firm’s retention policies, ensuring compliance preservation periods are met. The SEC Rules 17a-3 and 17a-4 six year and three-year respective retention requirements can be met (or extended as required). Global Relay Archive provides “easily accessible” online access to data for the entire length of the specified retention term.
Format and Media Requirements (c)	All books and records required to be made pursuant to the FINRA rules shall be preserved in a format and media that complies with <i>SEC Rule 17a-4</i> .	Global Relay Archive stores all archived data in a non-rewriteable, non-erasable format with write-verification in accordance with <i>SEC Rule 17a-4</i> .

TECHNICAL SOLUTION FOR FINRA RULE 3110

SUPERVISION

Global Relay Archive's embedded supervision tools and workflows are specifically engineered to enable firms to build compliant supervisory systems for the review of electronic communications under *FINRA Rule 3110* and *FINRA Regulatory Notice 14-10 – Consolidated Supervision Rules*, which require the review of incoming, outgoing, and internal communications related to a member firm's business. The requirements are met as follows:

RULE 3110	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
Supervisory System (a)	<p>Each member shall establish and maintain a system to supervise the activities of each associated person that is reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules. A member's supervisory system shall provide, at a minimum, for the following:</p> <p>(1) The establishment and maintenance of written procedures as required by this Rule...</p> <p>(5) The assignment of each registered person to an appropriately registered representative(s) or principal(s) who shall be responsible for supervising that person's activities.</p>	<p>Supervisory System – Global Relay Archive's embedded supervision tools and workflows allow Broker-Dealers of any nature, size, structure, and customer base to develop, implement, and maintain a flexible supervisory system to monitor the communications of associated persons.</p> <p>Establishment & Maintenance of Procedures – The first step for member firms is to develop written policies and procedures for supervising communications. Global Relay Archive's embedded supervision tools and workflows allow compliance staff to efficiently enforce and monitor these policies and procedures. Global Relay's Training team is available to assist firms in implementing appropriate policies and workflows within Global Relay Archive.</p> <p>Assignment – Global Relay Archive provides configurable user roles and granular access rights that can be used to route the messages of associated persons to appropriate Reviewers. For example, a Reviewer who is responsible for monitoring the messages of a specific office can be given access only to the messages of those users they are assigned to review. This can be done across the firm to divide supervisory responsibilities. Conversely, a CCO or other senior Reviewer(s) can be given access to the firm's entire Archive in order to supervise the activities of junior reviewers.</p>
Review of Correspondence and Internal Communications (b)(1) (b)(4)	<p>Each member shall establish, maintain, and enforce written procedures to supervise the types of business in which it engages and the activities of its associated persons that are reasonably designed to achieve compliance with applicable securities laws and regulations, and with applicable FINRA rules.</p> <p>(continued)</p>	<p>Member firms are required to establish supervisory procedures for the review of each associated person's incoming, outgoing, and internal written communications related to their investment banking and securities business. Global Relay Archive enables firms to:</p> <p>(continued)</p>

TECHNICAL SOLUTION FOR FINRA RULE 3110 (CONTINUED)

SUPERVISION

RULE 3110	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
<p>Review of Correspondence and Internal Communications (b)(1) (b)(4)</p>	<p>The supervisory procedures required by this paragraph (b) shall include procedures for the review of incoming and outgoing written (including electronic) correspondence and internal communications relating to the member’s investment banking or securities business. The supervisory procedures must be appropriate for the member’s business, size, structure, and customers.</p> <p>Reviews of correspondence and internal communications must be conducted by a registered principal and must be evidenced in writing, either electronically or on paper.</p>	<p>1. Implement Procedures – Firms can cost-effectively implement procedures to detect and prevent compliance violations through a policy-based system that can be customized to meet the written supervisory policies of firms of all business lines, sizes, and structures. This may include a multi-tier supervisory system that allows senior compliance personnel to supervise the activities of junior Reviewers. Firms can “reasonably supervise” the communications of associated persons by implementing context-aware flagging policies based on content, metadata, user groups, and random sampling to identify messages that may violate FINRA rules or internal policies. Reviewers can also use advanced search and case management features to conduct targeted investigations. See <i>Section 1(d) of Global Relay Supervision: Controls and Features</i> for details.</p> <p>2. Identify Reviewers – Member firms can appoint any number of Reviewers to monitor communications. Each Reviewer is assigned specific users or groups to monitor in order to ensure each associated person is supervised by an appropriate registered representative or principal. This division of supervisory responsibilities ensures confidentiality by preventing inappropriate viewing of messages.</p> <p>3. Electronically Supervise – Reviewers tag messages to document supervisory activities (e.g. Reviewed, Non-Compliant, Escalated). Reviewers may also add comments to messages to justify the assigned tag or record actions taken. The date of the Reviewer’s action and their username is recorded. A first-level Reviewer may escalate any non-compliant message to a senior compliance officer for further evaluation.</p> <p>4. Review Time Frames – A schedule for automatic message flagging and review may be implemented and customized to enforce deadlines for review. Senior compliance personnel can review supervisory reports to ensure junior Reviewers are completing reviews within appropriate time frames.</p>

(continued)

RULE 3110

COMPLIANCE REQUIREMENT

GLOBAL RELAY COMPLIANCE SOLUTIONS

**Review of
Correspondence
and Internal
Communications
(b)(1)
(b)(4)**

5. Monitor and Evaluate Procedures – Detailed supervisory reports provide statistics on supervision activity that can be used for audits and periodic re-evaluations by member firms. Compliance personnel have the flexibility to make 24x7x365 online adjustments to flagging rules and review structures in order to continuously update and improve monitoring procedures. As well, Global Relay provides tools and resources to assist firms in refining supervision policies and reducing false positives. These include the ability to calculate the number of hits against each policy and unlimited access to Global Relay's in-house Training team.

6. Document Review Process – All review activities related to a message – including viewing, tagging (as Reviewed, Non-Compliant, etc.), escalation, and Reviewer comments – are documented in the unalterable audit trail appended to each message. As well, detailed supervisory reports provide valuable “proof of review” during audits.

**Incoming &
Outgoing
Correspondence
(b)(4)(A)**

The supervisory procedures must require the member's review of incoming and outgoing written (including electronic) correspondence to properly identify and handle in accordance with firm procedures, customer complaints, instructions, funds and securities, and communications that are of a subject matter that require review under FINRA rules and federal securities laws.

Global Relay Archive provides customizable flagging policies that allow member firms to identify and handle correspondence of the types listed in *Rule 3110(b)(4)(A)*. Firms can create multiple specialized policies tailored to identify messages containing specific types of content requiring review under FINRA rules and federal securities laws. For example, a policy may be created to target messages that contain customer complaints. Another may be created to target messages that contain customer instructions. Policies can be tailored to meet the unique supervision requirements of different groups or departments.

**Internal
Communications
(b)(4)(B)**

The supervisory procedures must require the member's review of internal communications to properly identify those communications that are of a subject matter that require review under FINRA rules and federal securities laws.

Global Relay provides customizable supervision policies to identify internal communications of the types listed in *(b)(4)(B)* to *Rule 3110(b)(4)(B)*. As explained in paragraph *(b)(4)(A)* above, firms can create multiple specialized policies, including separate policies for internal communications and incoming/outgoing correspondence. For example, a policy can be created to target messages between a firm's research department and its traders.

TECHNICAL SOLUTION FOR FINRA RULE 3110 (CONTINUED)

SUPERVISION

RULE 3110	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
Customer Complaints (b)(5)	The supervisory procedures required by this paragraph (b) shall include procedures to capture, acknowledge, and respond to all written (including electronic) customer complaints.	Firms can identify customer complaints through targeted, context-aware policies. A record of such complaints submitted can thereby be created and maintained (either by the name of the registered representative or other associated person, or by matter). Messages can be produced on demand for FINRA, as well as forwarded to the registered representative or staff member listed in the complaint.
Transaction Review (d)	Each member shall include in its supervisory procedures a process for the review of securities transactions that are reasonably designed to identify trades that may violate the provisions of the Exchange Act, the rules thereunder, or FINRA rules prohibiting insider trading and manipulative and deceptive device...	Many transactions are conducted using electronic messaging systems such as Bloomberg® and Refinitiv (formerly Thomson Reuters). These messages may be original source documents or contain correspondence relating to transactions. Global Relay Archive’s customizable supervision policies can be configured to assist firms in identifying messages that may indicate a transaction violates Exchange Act or FINRA rules (e.g. insider trading). Global Relay Archive can also preserve trade tickets alongside electronic and voice communications to support transaction reconstruction and review.
Risk-Based Review of Correspondence Supplementary Material .06(a)(b)	By employing risk-based principles, a member must decide the extent to which additional policies and procedures for the review of: (a) incoming and outgoing written (including electronic) correspondence that falls outside of the subject matters listed in <i>Rule 3110(b)</i> (b) internal communications that are not of a subject matter that require review under FINRA rules and federal securities laws (but) are necessary for its business and structure.	Global Relay Archive allows member firms to employ risk-based principles to efficiently supervise the large volumes of electronic communications sent and received every day. Supervision policies are fully customizable to allow firms to effectively review incoming, outgoing, and internal communications of any subject matter, including those that fall outside of FINRA regulations (e.g. subject matter that may violate internal HR policies).

RULE 3110**COMPLIANCE REQUIREMENT****GLOBAL RELAY COMPLIANCE SOLUTIONS****Training & Documentation Supplementary Material .06(a)(1-3)**

If a member's procedures do not require that all correspondence be reviewed before use or distribution, the procedures must provide for:

- (1) the education and training of associated persons regarding the firm's procedures governing correspondence;
- (2) the documentation of such education and training; and
- (3) surveillance and follow-up to ensure that such procedures are implemented and followed.

Due to the large volume of messages sent and received every day and the importance of timely communication with customers and counterparties, most firms will not require that all correspondence be reviewed before use or distribution. Firms must therefore:

- 1. Train Employees** – Member firms must educate and train associated persons on their procedures governing correspondence. Global Relay will assist in this process by providing support for employee education and training with respect to Global Relay Archive. As well, Global Relay Archive's user interface is intuitive and simple, virtually eliminating any learning curve.
- 2. Document Training** – Global Relay Archive provides an audit trail of all Reviewer actions, whether the employee is being trained or is carrying out an actual review. In addition to documenting all system actions and surveillance, evidence of any training is automatically logged and available as required.
- 3. Conduct Surveillance and Follow-Ups** – As explained in *Rule 3110(b)(4)*, member firms can appoint appropriate Reviewers to monitor employee communications based on customizable supervision policies. Senior compliance personnel or other administrators may then monitor Reviewer actions to ensure reviews are executed according to policy.

Evidence of Review Supplementary Material .07

The evidence of review required in *Rule 3110(b)(4)* must be chronicled either electronically or on paper and must clearly identify the reviewer, the internal communication or correspondence that was reviewed, the date of review, and the actions taken by the member as a result of any significant regulatory issues identified during the review. Merely opening a communication is not sufficient review.

For every message review, the Reviewer, date of review, and review status (e.g. Reviewed, Non-Compliant) are documented in the unalterable audit trail appended to the message. Actions taken by the member firm as a result of any identified regulatory issues (e.g. escalating the message to senior management for review.) are also documented. Reviewers may also include comments when reviewing a message to justify any actions taken. As well, if a Reviewer does a "bulk review" on messages (i.e. tags multiple messages as reviewed without reading the entire message), this will be documented as a "Header Review" in the applicable audit trails.

TECHNICAL SOLUTION FOR FINRA RULE 3110 (CONTINUED)

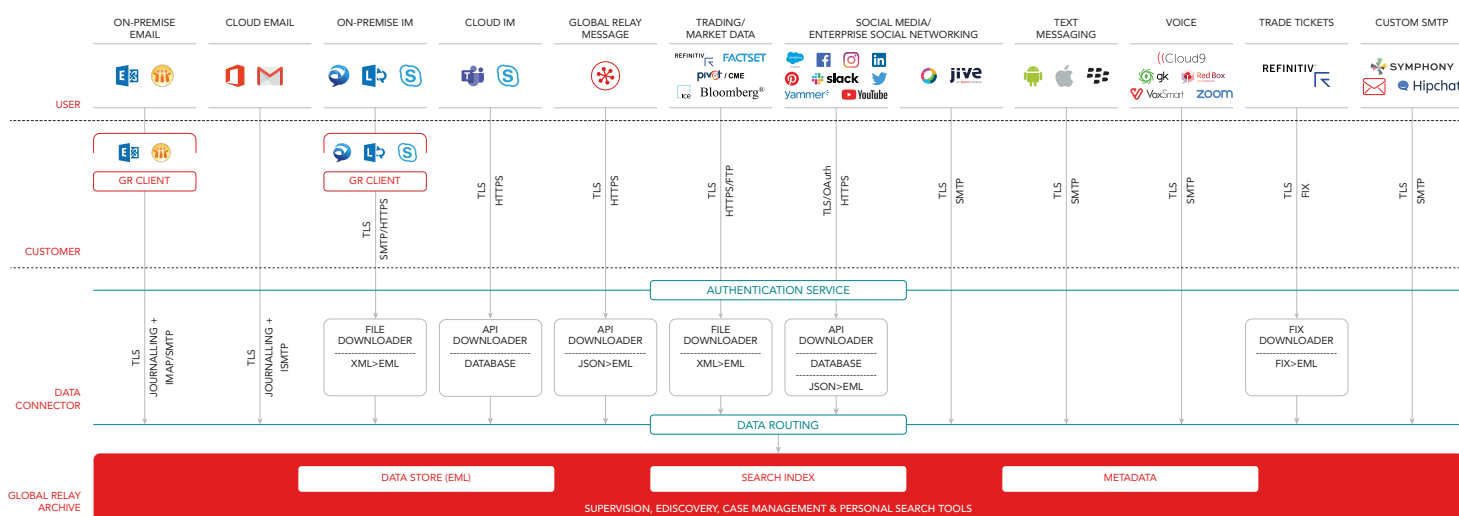
SUPERVISION

RULE 3110	COMPLIANCE REQUIREMENT	GLOBAL RELAY COMPLIANCE SOLUTIONS
<p>Delegation of Correspondence and Internal Communication Review Functions Supplementary Material .08</p>	<p>In the course of the supervision and review of correspondence and internal communications required by <i>Rule 3110(b)(4)</i>, a supervisor/principal may delegate certain functions to persons who need not be registered. However, the supervisor/principal remains ultimately responsible for the performance of all necessary supervisory reviews, irrespective of whether he or she delegates functions related to the review. Accordingly, supervisors/principals must take reasonable and appropriate action to ensure delegated functions are properly executed and should evidence performance of their procedures sufficiently to demonstrate overall supervisory control.</p>	<p>Global Relay Archive provides multiple supervisory roles to accommodate member firms who wish to delegate supervisory responsibilities while still complying with FINRA regulations that require supervisors and principals to ensure that delegated functions are properly executed. Personnel to whom first-level reviews are delegated are assigned the Reviewer role, while supervisors and principals are assigned the Super Reviewer role, which allows them to supervise and report on their delegates' activities to ensure reviews are carried out in compliance with the firm's policies and procedures. All actions on messages by both Reviewers and Super Reviewers are documented in each message's audit trail, providing evidence of overall supervisory control.</p>
<p>Retention of Correspondence and Internal Communications Supplementary Material .09</p>	<p>Each member shall retain the internal communications and correspondence of associated persons relating to the member's investment banking or securities business for the period of time and accessibility specified in <i>SEC Rule 17a-4(b)</i>. The names of the persons who prepared outgoing correspondence and who reviewed the correspondence shall be ascertainable from the retained records, and the retained records shall be readily available to FINRA, upon request.</p>	<p>Retention – Global Relay Archive enforces a firm's retention policies for all archived messages. The SEC three and six year retention requirements for records set out in <i>SEC Rule 17a-4(b)</i> can be accommodated. All retention terms can be extended and Legal Holds can be applied.</p> <p>Availability – All messages are "readily available" online 24x7x365 for the entire length of the retention term and can be produced for FINRA both online and in a standard format (e.g. PST or EML).</p> <p>Documentation of Authors & Reviewers – The names of both the person who prepared outgoing correspondence and the person who reviewed the correspondence are documented in each message's metadata and audit trail. Global Relay Archive's supervisory reports also provide documentation of review.</p>

GLOBAL RELAY ARCHIVE

CONTROLS AND FEATURES

A UNIFIED ARCHIVE FOR ANY DATA TYPE



1. OVERVIEW

Global Relay Archive is a compliant archiving and information governance solution for electronic communications, voice, and trade tickets. Designed to meet the strict recordkeeping requirements of the global financial sector, Global Relay Archive stores a 'gold' copy of every corporate communication in a unified cloud repository. On top of this cloud repository, Global Relay Archive's embedded tools, workflows, and role-based access controls allow any employee to search, manage, and analyze archived data. Firms can configure these tools and workflows to accommodate almost any use case - from compliance supervision, to eDiscovery, to DLP, to personal archives for all employees.

2. DATA TYPES

Global Relay Archive securely captures, indexes, and archives more than 60 data types in a single repository. We use proprietary data connectors to turn raw feeds into clean, structured data backed by strong quality controls and detailed reporting. All data types are stored in an EML format that preserves their original context, formatting, and metadata.

An overview of the methods used to process specific data types is shown above. Note that Global Relay Archive supports data types not listed here. Please contact us to determine whether a specific data type is supported.

3. ARCHIVING PROCESS AND CONTROLS

a. Data Capture & Delivery – Data is captured from the source system (e.g. an Exchange server or LinkedIn) and delivered to Global Relay Archive via authenticated, TLS encrypted connections. The methods used to capture and deliver data vary by data type. The most common capture methods are envelope journaling, API pull, and batch file download. The most common delivery methods are HTTPS and SMTP over TLS.

b. Data Processing – Data is typically processed and imported within minutes of receipt by Global Relay servers. Processing includes:

- Identification and remediation of malformed or corrupt data
- Normalization to EML using proprietary software (preserving original metadata and formatting)
- Data integrity checking (including write-verification)
- Data segregation and classification (as applicable)
- Full-text indexing of message body, metadata, and attachments
- Data de-duplication
- Scanning of each message against configured supervision/flagging policies (as applicable)
- Serialization
- Near real time replication of each processed message to a secondary data center

GLOBAL RELAY ARCHIVE (CONTINUED)

CONTROLS AND FEATURES

c. Data Storage – Global Relay Archive uses an integrated system of hard disks and software control codes for long-term data storage. Enforced application logic preserves archived data in a non-rewriteable, non-erasable format for the length of the specified retention term(s).

d. Data Retention – Global Relay Archive preserves archived data for the length of the firm’s specified retention terms. Retention terms typically range from three to seven years. Firm administrators can also place legal holds on archived data as needed.

e. Data Deletion – Firms can optionally implement ‘rolling deletion’ to automatically delete expired data. Any deletion of archived data, including implementation of rolling deletion, must be approved in writing by an authorized firm representative. To be eligible for deletion, data must be: (i) expired, and (ii) not on Legal Hold.

4. GLOBAL RELAY SEARCH

a. Embedded Tools & Workflows – Global Relay Search provides embedded tools and workflows for every employee to search, retrieve, and manage data in Global Relay Archive. Each team or function can configure and combine tools to accommodate their unique needs and preferred workflows. Available tools include:

- Advanced Search
- Flagging/supervision policies
- Cases/review queues
- Legal hold
- Analytics and data visualization
- Data export/download

b. Use Cases – From a compliance officer conducting daily communications review, to in-house counsel conducting eDiscovery, to a business user who needs to locate a critical email to make a decision, Global Relay Archive offers every employee a tailored workflow and intuitive UI to help them work more efficiently. Common use cases include:

i. Supervision – Comply with regulatory requirements and identify potential risks through proactive supervision of all corporate communications. See *Global Relay Supervision: Controls and Features* for details.

ii. eDiscovery – Simplify eDiscovery through proactive information governance and scalable search.

iii. Case Management – Organize, review, and share data for investigations, litigation, and audits.

iv. Audit – Give internal and external auditors controlled access to the tools and data they need to assess compliance.

v. Privacy – Identify, organize, review, and produce communications related to a data subject; defensibly address a ‘request to be forgotten.’

vi. Data Loss Prevention (DLP) – Monitor communications to identify any confidential information leaving the firm.

vi. Personal Search – Help all employees find critical information and make decisions with access to their own communications.

5. SECURITY CONTROLS

a. Encryption – Data is TLS encrypted in transit. Archived data is encrypted at rest with AES and RSA keys. Specifically, Global Relay Archive: (i) encrypts each message with a unique 128-bit AES key, and (ii) encrypts each AES key with a 2048-bit RSA key unique to each customer. Each RSA private key is password protected. All three keys are kept in separate stores. The encryption (and decryption) process is transparent to users.

b. Audit Trails – All actions on a message are logged in an unalterable audit trail that documents the message’s full lifecycle (e.g. when it was imported, the retention term set, by whom it was viewed and when). Audit trails are retained for the life of the message to which they relate. They are appended to each message and can be searched and viewed by authorized users.

c. Backup and Disaster Recovery – Global Relay services operate out of two mirrored, SOC-audited data centers. The systems are fully redundant within each data center and can take failures on every component without interruption. All archived data is replicated in near real time to the secondary data center. If the primary data center is lost, services fail over to the secondary data center. We can also fail over individual service components to the secondary data center.

d. Independent Validation – Ernst & Young performs annual SOC 2 audits on: (i) Global Relay Archive, and (ii) our private data center. An independent auditor performs annual penetration testing on our internet-facing systems. We are also ISO 27001 certified.

GLOBAL RELAY SUPERVISION CONTROLS AND FEATURES

All electronic communications deemed to be official business records should be subject to the provisions of a Broker-Dealer's electronic records management and supervisory review policies and procedures. As discussed in Global Relay's Technical Solution to *FINRA Rule 3110*, Global Relay Archive's embedded supervision tools and workflows can be configured to meet any firm's unique supervisory requirements.

1. OVERVIEW OF SUPERVISION CONTROLS AND FEATURES

Once a Broker-Dealer's written supervisory compliance policies and procedures for electronic communications have been established, Global Relay Archive can simplify enforcement of these policies by enabling the firm to:

a. Implement Procedures – A member firm can cost-effectively implement procedures to detect and prevent compliance violations in accordance with the firm's written supervisory policies. This may include a multi-tier reviewer hierarchy, if applicable, and customized supervision and monitoring privileges to match each firm's policies regarding review and use of electronic communications.

b. Supervise Communications – Global Relay Archive allows a Broker-Dealer's designated Compliance Officer(s) and other reviewers to supervise firm employees. For details, refer to *Section 2 - Custom Supervision Solution*.

c. Schedule Review Time Frames – A schedule for automatic message flagging and review may be implemented and customized to enforce policy time deadlines for review. Senior compliance personnel can monitor supervision activity to ensure junior reviewers are completing reviews within appropriate time frames.

d. Configure Review Workflows – Global Relay Archive provides a variety of workflow tools for reviewers, including:

i. Review Queues – Each reviewer can access a queue of all messages they are required to review. After making a review decision, reviewers are automatically advanced to the next message in their queue.

ii. One-Click Review – Reviewers tag messages to document review (e.g. Reviewed, Non-compliant, Escalated, Closed, etc.). A freeform comment field allow reviewers to add issue-specific notes (e.g. "False or Misleading Information"; "Unjustified Promise of Results"; "Unwarranted Conclusions"; "Future Forecast"; "Inadequate Description of Risks").

iii. Compliance Dashboards – Intuitive Compliance Dashboards facilitate management of the compliance workflow, providing statistics and calculations on flagged and reviewed messages.

iv. Escalations – If a front-line reviewer can't resolve an issue, they can escalate the applicable communication to the appropriate person. The escalation workflow is configurable. Global Relay's Training team is available to assist with identifying and implementing the appropriate escalation workflow.

v. Bulk Review – Reviewers can view header information for multiple messages and review in bulk. Header information includes date/time, participants, subject, and keywords that caused the message to be flagged. Message audit trails document that the reviewer performed a 'Header Review.'

vi. Ad Hoc Search – Authorized reviewers can run complex searches across all messages - regardless of whether they've been flagged (subject to access rights).

vii. Case Management – Compliance staff and reviewers can organize, review, and share data for targeted investigations and audits.

e. Train Employees – Broker-Dealers must train registered and approved persons in firm policies and procedures governing compliance and supervision, as well as conduct follow-up reviews to ensure that policies and procedures are properly implemented and followed. Global Relay will assist in this process by providing support for employee education and training with respect to Global Relay Archive. The intuitive user interface is simple, virtually eliminating any learning curve. An audit trail of all Reviewer actions, whether the employee is having a training session or is carrying out an actual review, is automatically logged and available, if required for proof of training.

f. Document Activity – Each action in the supervision process is tracked in the audit trail appended to each archived message. This includes:

- Why the message was flagged (e.g. for possible violation of a Gifts and Entertainment policy or by random sample)
- When the reviewer viewed the message
- The action the reviewer took (e.g. tagging the message as Reviewed)
- Any notes provided by the reviewer
- Any other actions taken on the message (e.g. adding the message to a case)

GLOBAL RELAY SUPERVISION (CONTINUED)

CONTROLS AND FEATURES

2. CUSTOM SUPERVISION SOLUTION

Global Relay Archive's flexible supervision tools and workflows can be configured to accommodate any firm. The Global Relay Training team works with each firm to configure policies and workflows appropriate for their size, business lines, risks, and internal policies.

a. Reviewer Hierarchy – Hierarchies can be as simple or complex as needed, based on firm size, business lines, and internal policies. Role-based access controls enforce segregation of duties. Global Relay Archive can support everything from a small firm where a central Compliance team conducts all daily reviews to multinational organizations with a complex three lines of defense structure across multiple entities, regions, and countries.

b. Supervised Groups – Firms can organize regulated users into supervised groups by branch, office, or other criteria. These groups can be leveraged for policy enforcement, reporting, and routing of flagged communications to appropriate reviewers.

c. Data Routing – Firms can route flagged communications to appropriate reviewers based on user groups and other criteria. To meet privacy and confidentiality requirements, reviewers cannot search or review communications outside of their defined access rights.

d. Functionality Access Control – Global Relay Archive provides flexible tools for policy management, search, reporting, and other activities. Assigned user roles control access to these tools.

e. Context-Aware Supervision Policies – Global Relay Archive's context-aware supervision policies allow firms to automatically flag messages that may violate regulations or internal policies. Configurable criteria such as lexicons, metadata, user groups, and random sampling ensure each policy is targeted on the communications and employees that represent the most risk. For example, firms can apply a Customer Complaints policy to incoming communications only.

f. Policy Management – Firms can leverage Global Relay's Policy Catalog to quickly implement policies such as Anti-Money Laundering, Front Running, Fair and Balanced Advice, Customer Complaints, and Offensive Language. The Global Relay Training team helps each firm configure these policies to meet their specific needs. Compliance staff can also create custom policies in an intuitive UI.

Authorized users can test and refine policies 24x7 - no IT knowledge or assistance required.

g. Reporting – Detailed supervision reports and dashboards help compliance teams provide proof of review, monitor the activities of compliance staff and other reviewers, and assess the effectiveness of supervision policies.

ABOUT GLOBAL RELAY

OUR SERVICES

We help organizations manage, control, and profit from their communications data. Whether you want to meet regulatory requirements, streamline your eDiscovery process, or improve employee productivity, we can help you achieve your goals. Our services provide all employees with the tools and data they need - helping them make decisions and your organization stay competitive.

20 YEARS IN THE CLOUD

In 1999, we developed one of the first cloud computing services to address the growing need to manage corporate email. Since then, we have continued to innovate to help our customers manage new methods of communication, exponential data growth, and increasingly strict regulatory and legal requirements. Today we manage petabytes of mission-critical data for some of the world's largest and most influential organizations, including 22 of the top 25 global banks in our secure private cloud. We deliver services to 23,000+ customers, with a focus on financial services and other highly regulated industries.



