



Please make sure to submit all final responses via the online version of the RCA.

Commission-Based Brokerage Business

This section is intended to help us better understand the customer and product mix associated with your commission-based brokerage business. Please respond to this section if your firm reported revenue in fiscal year 2013 in the "Commissions" section of the Supplemental Statement of Income (line item 13940) and/or if this represents a material aspect of your overall business.

For additional guidance on materiality, please see the [FAQs](#).

***Please indicate which of the following businesses you engage in within your commission-based brokerage business (select all that apply):**

- Full-service retail brokerage
- Discount retail brokerage
- High-net-worth retail brokerage
- Institutional brokerage
- Wholesale brokerage
- Other (please specify)

Optional comments:

Commission-Based Brokerage Business

Through which of the following distribution channels do you interact with your customers in each of your commission-based brokerage businesses?

	Branch	Phone	Web	Integrated voice response (IVR)	N/A
Full-service retail brokerage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Discount retail brokerage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
High-net-worth retail brokerage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Institutional brokerage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wholesale brokerage	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Optional comments:

*What approximate percentage of your firm's **gross commission revenue** (rounded to the nearest whole number between -100 and 100) did each of the following business lines contribute?

For additional guidance on this question, please see the [Instructions](#).

Full-service retail brokerage	<input type="text"/>
Discount retail brokerage	<input type="text"/>
High-net-worth retail brokerage	<input type="text"/>
Institutional brokerage	<input type="text"/>
Wholesale brokerage	<input type="text"/>
Other	<input type="text"/>
Total:	0/100

(e.g., credit card receivables, student loan receivables)

Optional comments:

***Derivatives**

	Full-service retail customers	Discount brokerage retail customer	High-net-worth retail customer	Institutional customers	Wholesale customers	N/A
*Commodity swaps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Credit default swaps (CDS)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Currency swaps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Forex (options, forwards or futures)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Interest rate swaps	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Futures	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Listed options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Over-the-counter options	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Optional comments:

***Alternative Investment**

	Full-service retail customers	Discount brokerage retail customer	High-net-worth retail customer	Institutional customers	Wholesale customers	N/A
*Alternative mutual fund	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Fund of funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Hedge funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Precious metals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Private equity funds - affiliated	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Private equity funds - non-affiliated	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Optional comments:

***Insurance Products and Annuities**

	Full-service retail customers	Discount brokerage retail customer	High-net-worth retail customer	Institutional customers	Wholesale customers	N/A
*Equity-indexed annuities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Fixed annuities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Variable annuities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Life settlement / viaticals	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Optional comments:

***Structured Products**

	Full-service retail customers	Discount brokerage retail customer	High-net-worth retail customer	Institutional customers	Wholesale customers	N/A
*Commodity-linked notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Credit-linked notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Equity-linked notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Foreign exchange-linked notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Interest rate-linked notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Inverse exchange-traded funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Market-linked notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Principal-protected notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Reverse convertible securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Optional comments:

***Proprietary Products**

	Full-service retail customers	Discount brokerage retail customer	High-net-worth retail customer	Institutional customers	Wholesale customers	N/A
*Affiliated hedge funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Closed-end mutual Funds (CEF)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Direct participation plans (DPPs)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Promissory notes	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Proprietary mutual funds	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
*Real estate investment vehicle	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Optional comments:

This section is required if your firm engages in "full-service retail brokerage."

Retail Full-Service Brokerage Business

This section is intended to help us better understand the risks and mitigating controls associated with your commission-based retail full-service brokerage business.

***Are all registered representatives who interact with retail investors required to conduct all work related activities from company facilities?**

- Yes, in all cases
- Yes, in some cases
- No

Optional comments:

***How often does your firm reassess the investment objectives, risk tolerance and liquidity needs of retail customers beyond the initial account-setup process?**

Note: We recognize that SEA Rule 17a-3 requires firms to attempt to update certain account information every 36 months. This question, however, is not intended to gauge compliance with SEA Rule 17a-3.

- Monthly
- Quarterly
- Annually
- Other (please specify)

***Are transactions monitored in customer accounts for deviations from stated investment objectives?**

- Yes, in all cases
- Yes, in some cases
- No

***Are cash balances from your client accounts swept nightly into an affiliated bank?**

- Yes
- No

Optional comments:

***Does your firm buy, sell or liquidate unregistered penny stocks/low-priced securities on behalf of its retail customers?**

- Yes
- No

Optional comments:

***How does your firm receive its penny stocks/low-priced securities (select all that apply)?**

- Via physical certificates
- DWAC (Deposit/Withdrawal at the Custodian)
- Other (please specify)

- N/A

Does your firm require customers engaging in unsolicited penny stocks/low-priced securities transactions to fill out a questionnaire regarding the source and nature of the shares?

- Yes
- No
- N/A

Optional comments:

***Who prepares and distributes your firm's customer statements (select all that apply)?**

- The firm prepares and distributes its own customer statements.
- An affiliate of the firm prepares and distributes customer statements on behalf of the firm.
- The firm's non-affiliated clearing agent prepares and distributes its customer statements on behalf of the firm.
- Other (please specify)

***Does your firm provide consolidated statements to its customers?**

- Yes
- No
- N/A

Optional comments:

***Does your firm allow its retail-facing registered representatives to engage in [investment related outside business activities](#)?**

- Yes
- No

Optional comments

***Does your firm employ an [automated investment advice solution](#) to assist its registered representatives with investment recommendations to retail customers?**

- Yes
- No

Optional comments:

***Are managers of the sales platform compensated based on a percentage of the revenue the registered representatives under their supervision generate?**

- Yes, in all cases
- Yes, in some cases
- No

Optional comments:

***Does the supervisor of the sales platform independently contact a representative sample of the retail customers of registered representatives under their supervision to periodically validate that customers are aware and approve of transactions executed on their behalf?**

- Yes
- No

Optional comments:

Please only respond to the following questions if your firm has at least two branches or at least 10 registered representatives.

***Does someone independent of the sales channel (e.g., audit, compliance) periodically contact a sample of retail customers of the firm to validate that customers are aware and approve of transactions executed on their behalf?**

- Yes
- No

Optional comments:

***What is the ratio of registered representatives to supervisory personnel?**

Note: Enter the number of registered representatives in the top input box and the number of supervisory personnel who are responsible for managing them in the bottom input box.

*Registered Representatives

*Supervisory Personnel

***Are the supervisors who oversee the sales activity of retail customer facing registered representatives located in the same facility as those registered representatives under their supervision?**

- Yes, in all cases
 Yes, in some cases
 No

Optional comments:

***Does your firm have “producing managers” who are responsible for supervising registered representatives who interact with the retail public?**

- Yes
 No

Optional comments:

***Are the investment objectives of your firm's retail customers independently reviewed during the account-opening process (e.g., by someone other than the registered representative who handles the account)?**

- Yes, in all cases
 Yes, in some cases
 No

Optional comments:

***Can registered representatives update customer account profile information (e.g., contact information, home address, investment objectives) in the system of record without additional approval or confirmation processes?**

- Yes
- No

Optional comments:

***Does your firm obtain [positive affirmation](#) of customer address or other account profile changes?**

- Yes
- No

Optional comments: