



2022 Annual Conference

May 16 –18 | Washington, DC | Hybrid Event

Alternative Investments and Complex Products

Monday, May 16, 2022

3:00 p.m. – 4:00 p.m.

This session addresses developments related to alternative investments and complex products. The session emphasizes the importance of understanding product features, characteristics, and their supervisory challenges.

Moderator: Joseph Price
Senior Vice President, Corporate Financing & Advertising Regulation
FINRA Corporate Financing & Advertising Regulation

Panelists: Brad Anderson
Chief Compliance Officer
DFPG Investments, LLC

Kelly Rock, Esq.
Senior Counsel, Complex Financial Instruments Unit
U.S. Securities and Exchange Commission (SEC)

Thomas Selman, CFA
Founder
Scopus Financial Group

Alternative Investments and Complex Products Panelists Bios:

Moderator:



Joseph E. Price is Senior Vice President, Regulatory Analysis. He oversees FINRA's Corporate Financing and Advertising Regulation Departments. The Corporate Financing Department regulates capital-raising activities of broker/dealers; including equity, debt, REIT, closed-end fund, limited partnership offerings and private placements. The Advertising Regulation Department regulates broker/dealer sales materials, mutual fund advertisements, social media and other communications with the public. Mr. Price previously worked in various capacities at the Securities and Exchange Commission. He was an Assistant General Counsel and a Special Counsel

in the Office of General Counsel and he was the Deputy Chief of the Office of Disclosure and Investment Adviser Regulation in the Division of Investment Management. Prior to working at the SEC, he was a litigator in the Bureau of Competition at the Federal Trade Commission. Mr. Price also worked as a Compliance Investigator at the Coffee, Sugar & Cocoa Exchange. He was an Adjunct Professor at Georgetown University Law Center from 1994 to 2002, where he taught "Current Issues in Securities Regulation" and "Disclosure under the Federal Securities Laws." He earned a degree in Economics from the University of Wisconsin and received his J.D. from Fordham University.

Panelists:



Brad Anderson is the Chief Compliance Officer at DFPG Investments, a small retail dual-registrant headquartered in Salt Lake City, UT. DFPG is known within the industry for expertise in alternative investments. Mr. Anderson is the co-founder of the SLC Compliance Roundtable and an advocate for professional development within the securities compliance industry. Mr. Anderson serves on the editorial board of the NSCP Publications Committee, in addition is FINRA's West Region District 3 representative. Over the course of his career including compliance and supervision roles at Fidelity and a tour in the United States Marine Corps. Mr. Anderson has taken what he has learned and applied to become a more effective compliance

professional. In particular, Mr. Anderson has a keen appreciation for the human element in compliance.



Kelly Rock, Esq. has nearly 18 years in regulatory enforcement and brings expertise and powerful insight into complex financial products and emerging products and risk areas. Ms. Rock serves as Senior Counsel in CFI, the Complex Financial Instruments Unit of the Division of Enforcement, at the Securities and Exchange Commission. Ms. Rock has spent the past decade in CFI, investigating and recommending Enforcement actions related to, among others, TRS, RMBS, ETFs, ETNs, Leveraged Loans, Investment Adviser Funds, Pooled Investment Vehicles, Opportunity Zone Funds, and structured and complex products involving digital assets. Ms. Rock is an ongoing contributor to the Division of Enforcement's training program. She authored

and presented on a variety of topics, both agency and division-wide, including leveraging technology and data analytics to support investigations, the use and implementation of Artificial Intelligence platforms, and the use of complex products and trading strategies. Mr. Rock has recommended dozens of Enforcement recommendations over her career, including matters arising from CFI's broader case initiatives involving RMBS and volatility linked ETPs. She has been named in numerous press and litigation releases. During her tenure at the SEC, in addition to Division Director's awards, Ms. Rock received the Enforcement Award for Excellence in Information Technology, and she was also commended with the SEC's Award for Community Service. Prior to joining the SEC, Ms. Rock was a commercial litigator with the law firm Milbank, Tweed, Hadley and McCloy. She graduated from the University of Texas School of Law with distinction, she has a masters from Columbia University, and is a proud alum of St. John's College in Annapolis, Maryland.



Thomas M. Selman, CFA is Founder of Scopus Financial Group, the premier source for customized research and professional services to asset management companies, broker-dealers, investment advisers, trade associations and other clients. Scopus develops a thorough understanding of each client's business and guides the client in a manner tailored to its needs. Before his retirement in 2020, Mr. Selman was Executive Vice President, Regulatory Policy, and Legal Compliance Officer of FINRA. He oversaw the departments of Corporate Financing and Advertising Regulation, the Office of Financial Innovation, and the Corporate Office of the General Counsel. Mr. Selman joined FINRA in 1996. Mr. Selman also holds the

Chartered Financial Analyst® designation.

Alternative Investments and Complex Products

Panelists

○ Moderator

- Joseph Price, Senior Vice President, Corporate Financing & Advertising Regulation, FINRA Corporate Financing & Advertising Regulation

○ Panelists

- Brad Anderson, Chief Compliance Officer, DFPG Investments, LLC
- Kelly Rock, Esq., Senior Counsel, Complex Financial Instruments Unit, U.S. Securities and Exchange Commission (SEC)
- Thomas Selman, CFA, Founder, Scopus Financial Group



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Resources:

- FINRA *Regulatory Notice 22-08, FINRA Reminds Members of Their Sales Practice Obligations for Complex Products and Options and Solicits Comment on Effective Practices and Rule Enhancements* (March 2022)

www.finra.org/rules-guidance/notices/22-08

- FINRA *Regulatory Notice 12-03, Heightened Supervision of Complex Products* (January 2012)

www.finra.org/rules-guidance/notices/12-03

- NASD *Notice to Members 05-26, NASD Recommends Best Practices for Reviewing New Products* (April 2005)

www.finra.org/rules-guidance/notices/05-26