

Solution Overview

Best Execution



Many compliance departments struggle with how to verify and document best execution. Conducting random sampling during post-trade analysis is ineffective at best. Recognizing this, firms are increasingly moving toward technology that automates best execution reviews. By providing timely execution reporting and automating the otherwise labor-intensive process of analyzing equity trade data against market data, ComplySci's Best Execution solution enables firms to:

- Easily aggregate multiple data sources to analyze transactions.
- Identify exceptions to your firm's pre-defined guidelines, allowing you to spot and address potential issues.

Mitigate Risk and Ensure the Business is Meeting Industry Standards/Regulations

The SEC's July 11, 2018 National Exam Program Risk Alert¹ highlighted that firms find themselves facing regulatory sanctions not necessarily because they failed to achieve best execution for their clients, but because of inadequate internal controls. In some cases, firms were sanctioned simply because they failed to conduct required best execution reviews.

ComplySci's Best Execution solution can help firms lower the risk of regulatory actions and monetary fines. The solution also protect firms from the unwanted publicity and potential reputational harm that comes with any type of regulatory scrutiny. Intended to comply with FINRA Rule 5310 and the fiduciary standard under the Investment Advisers Act of 1940, the ComplySci solution makes it easier for firms to adhere to these requirements.

Features include:

- **Frequent Analytics.** With ComplySci's Best Execution solution, firms can generate intra-day or end-of-day shortfall analysis.
- **Powerful Analysis Tools.** Regulators expect firms to adequately analyze and compare broker-dealers when determining best execution. ComplySci's solution provides broker-dealer analysis to help monitor trade allocation and price on a broker-by-broker basis.

- **Commissions Analysis.** The Best Execution solution analyzes commission information for transactions, helping firms see the whole picture so they can make reasonable best execution determinations.
- **Flexible Reporting.** ComplySci customers can generate best execution reports on a daily, monthly, and quarterly basis, providing greater control and oversight.

Improve Efficiency by Automating Processes

The power of ComplySci's Best Execution solution lies in its ability to aggregate transaction data from disparate sources and automate equity transaction best execution reviews. By easily consolidating data sets from multiple sources, ComplySci's Best Execution solution enables firms to define their own parameters for reporting, and produces reports that firms can export in a variety of data file types. With greater process insight and efficiencies, ComplySci's Best Execution solution helps firms meet their regulatory requirements, mitigate risks and provides valuable peace of mind.

¹Compliance Issues Related to Best Execution by Investment Advisers, July 11, 2018