



Trustmont Group

February 8, 2024: 1st Quarter Mandatory Webinar

Today's presenters:
Tony ~ President
MaryLynne ~ CCO
Jess ~ Compliance Analyst

Welcome

In order to get credit for attending this webinar you need to be logged in with your Trustmont approved email using a computer or the GoToWebinar app.

If you are in listen only mode it will NOT register your attendance and you would have to view the make-up link.

- If you have an idea of something you want to see featured in our quarterly webinars, monthly newsletter or NEWSFLASH, please send us an email or give us a call.
- If you have any comments or questions, they may be typed in at any time and we will address them as we go or at the end



January's Check and Correspondence Logs
are due **February 15th**

Submitting New Business?

All paperwork **MUST** be submitted to Trustmont for approval prior to being submitted to the fund company

Did you?

- complete the **MOST RECENT** Trustmont Required Disclosures Delivery Confirmation Cover Sheet
- complete all required sections of the **MOST RECENT** CPF (Did you get a Trusted Contact?)
- get a copy of the driver's license
- complete the Rollover Analyzer, required for all IRA-to-IRA transfers, Plan (401K/403B/457/etc) to IRA Transfers and Plan to Plan Transfers
- complete all Fund company paperwork
- get a copy of the prior custodian statement for transfers
- checks made payable to the fund company, if making contribution
- check the Trustmont website for a list of investment specific requirements, not all are noted above

Make sure to check our website for additional important reminders



MANDATORY

Webinar Schedule - 2024

February 8, 2024
May 9, 2024
August 8, 2024
November 7, 2024

All at 2:00-3:00 pm EST

****LINKS to register are on
the Trustmont website SOON!***

Secure



Email

BAE SYSTEMS

Type **Secure:** FIRST in the Subject line

Send	From ▾	mjh@trustmontgroup.com
	To...	ach@trustmontgroup.com;
	Cc...	
	Subject:	Secure: Client info

erado

Type **Secureit** anywhere in the body of the message

 <i>200 Brush Run Road Greensburg, PA 15601 www.trustmontgroup.com 724-468-5665</i>
Secureit
<small>This communication may contain privileged and/or confidential information. If you received this communication in error, please contact the sender immediately. The information contained in this e-mail is not warranted as to completeness.</small>

SECURE portal needs to be set up by you, it **CAN NOT be initiated by the customer*

What do I do if I receive text and/or email instructions from a client?

If you receive move money instructions via email and/or text you should **ALWAYS** call to follow up with the client to confirm verbally that it is the wishes of that client and not someone else that may have access to their texts or emails.

Trade instructions sent via email and/or text should **NEVER** be honored. All trade instructions require speaking directly with the client.



Texting in your business

~Can I text my clients? –the short answer is No...not without making sure that you have the proper app installed on your phone and approval from Trustmont.

~My client texted me, but I don't have an approved texting app, what do I do? –If you receive a business-related text message and have not been approved to communicate through texting, you may respond to the message as follows, however, no further communication is permitted.

Thank you for reaching out to me. I do not have the ability to respond to text messages regarding my securities business. If you wish to discuss your account or confirm/reschedule an appointment, please call _____ or email _____.

Once you have responded, please forward the message string to your Trustmont-approved email account for supervision and archiving purposes.

~If I received approval and have the proper texting app, can I text my staff?

Redtail Speak-there is a "Team" function in Redtail that allows you to set up messages with other redtail users within your office to send group messages. (DO NOT text their personal cell phone number)

MyRepChat-if you have multiple logins set up then you can text under the same number within the apps (DO NOT text their personal cell phone number)

FINRA has imposed significant fines and suspensions over text messaging violations, therefore, please refer to Trustmont's WSPs regarding communications with the public for more information. As always, reach out to us with any questions.



What do I do if I want to open a personal account for myself or someone in my household outside of Trustmont?

1. **Submit your request via the Trustmont website**
2. **Provide address of custodian in the comment section along with any other information needed to approve your request**
3. **WAIT for APPROVAL**
4. **You will be provided with a 3210 letter to submit with your application to authorize you to open the account and request that they send Trustmont duplicate statements**
5. **Once account is open you will be required to provide account number and copies of statements until the time in which the custodian provides directly**

Request for Outside Account

You must receive approval from Trustmont prior to opening any personal outside brokerage account.

Use this form to request approval for a new outside brokerage account. Click "Submit" below when finished.

Once submitted you will receive a confirmation email for your records. If there are any additional questions we will reach out to you, otherwise you will receive an email with approval or reason for decline.

Name:	<input type="text"/>
Email Address:	<input type="text"/>
What type of account do you want to open?	<input type="text"/>
Who will be the Custodian?	<input type="text"/>
Who will be the account owner?	<input type="text"/>
What type of investment(s)?	<input type="text"/>
Is it going to be self directed?	Yes ▾
Is the custodian willing to provide duplicate statements and confirms? If not, you will be required to send quarterly if approved.	Yes ▾
Comments	<input type="text"/>
Attach files/paperwork for review	<input type="button" value="Choose File"/> No file chosen
Additional files/paperwork	<input type="button" value="Choose File"/> No file chosen



Opening a personal account outside Trustmont

FINRA CE...What you need to know?!?!

- *Continuing education requirements are required to be completed EVERY YEAR
- *Trustmont has listed the company wide due date of **10/31/2024**
- *you should have received an email from FINRA, at the email you used when setting up your FINPRO account at the beginning of the year
- *If you CAN NOT remember your log-in information, contact the FINRA Gateway Call Center 240-386-4040 to get your log-in reset
- *it will be up to YOU to complete on your own or risk becoming CE inactive



DO NOT WAIT
UNTIL
LAST MINUTE!



Continuing Education Reminder



FROM THE DESK
of

Tony Hladek

- Trustmont updates
- ...
- ...
- ...

Welcome
to our **Team!**

Jennifer Schneider

Phone: 724-468-5665 ext 114

Email: jes@trustmontgroup.com

*Jennifer is going to be answering phones and is currently learning to process new accounts and 36mo updates.



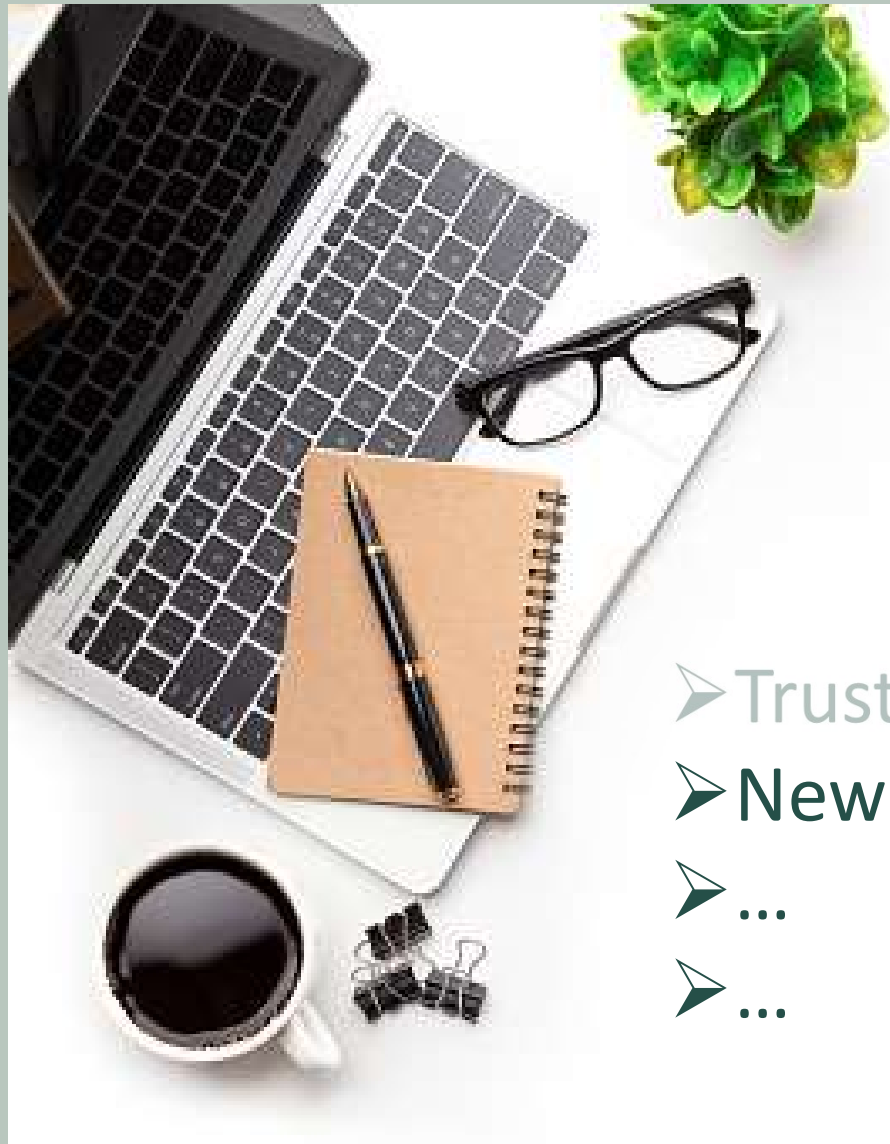
We have created an email address for all new business and 36mo update paperwork to go to:

operations@trustmontgroup.com

IMPORTANT: PASSWORD UPDATED for SECURE ADOBE FILES
as of 1/29/2024



1st Quarter 2024



FROM THE DESK
of

Tony Hladek

- Trustmont updates
- New E&O
- ...
- ...

NEW



As of February 1, 2024,
Trustmont has changed E & O Insurance
providers, new coversheets will be available
soon and the policy will be available on the
Trustmont website.



FROM THE DESK
of

Tony Hladek

- Trustmont updates
- New E&O
- BitCoin ETF
- ...



The U.S. Securities and Exchange Commission (SEC) approved rule changes that allow the launch of spot bitcoin ETFs in the United States. The SEC did not name the ETFs, but *The Wall Street Journal* reported 11 asset managers were "greenlighted" to launch the new product.

The spot market, also known as the cash market, refers to forums where commodities, securities, and other assets can be immediately exchanged between buyers and sellers.

The SEC decision marks a potentially significant shift in how cryptocurrencies are viewed and traded by the investing public. For years, SEC leaders had warned of the risks of the largely unregulated crypto markets, previously turned away numerous crypto-based investment applications, and levied fines on alleged crypto scams.

What is bitcoin?

Bitcoin and other cryptocurrencies, also referred to as coins, are virtual, digital currencies secured through one-way cryptography. Many are based on public technology known as blockchain, a distributed ledger of all transactions that's decentralized and can't be changed under most circumstances. Unlike traditional currencies, such as the U.S. dollar, cryptocurrencies are not controlled by any central government or authority.

Cryptocurrencies enable online payments to be made directly from one party to another through a worldwide payment system, without the need for a central third-party intermediary like a bank. Similar to physical gold, bitcoin's value stems from a combination of its perceived scarcity and the perception that it can be a store of value, an anonymous means of payment, or a hedge against inflation, though none of these characteristics have yet to establish a long-term track record.

As of December 2023, there were some 9,000 cryptocurrencies and tokens worldwide, according to CoinMarketCap. Bitcoin, launched in 2009, is one of the most actively traded cryptocurrencies, with an overall market cap in excess of \$859 billion. Other popular cryptocurrencies include ethereum, tether, and BNB.

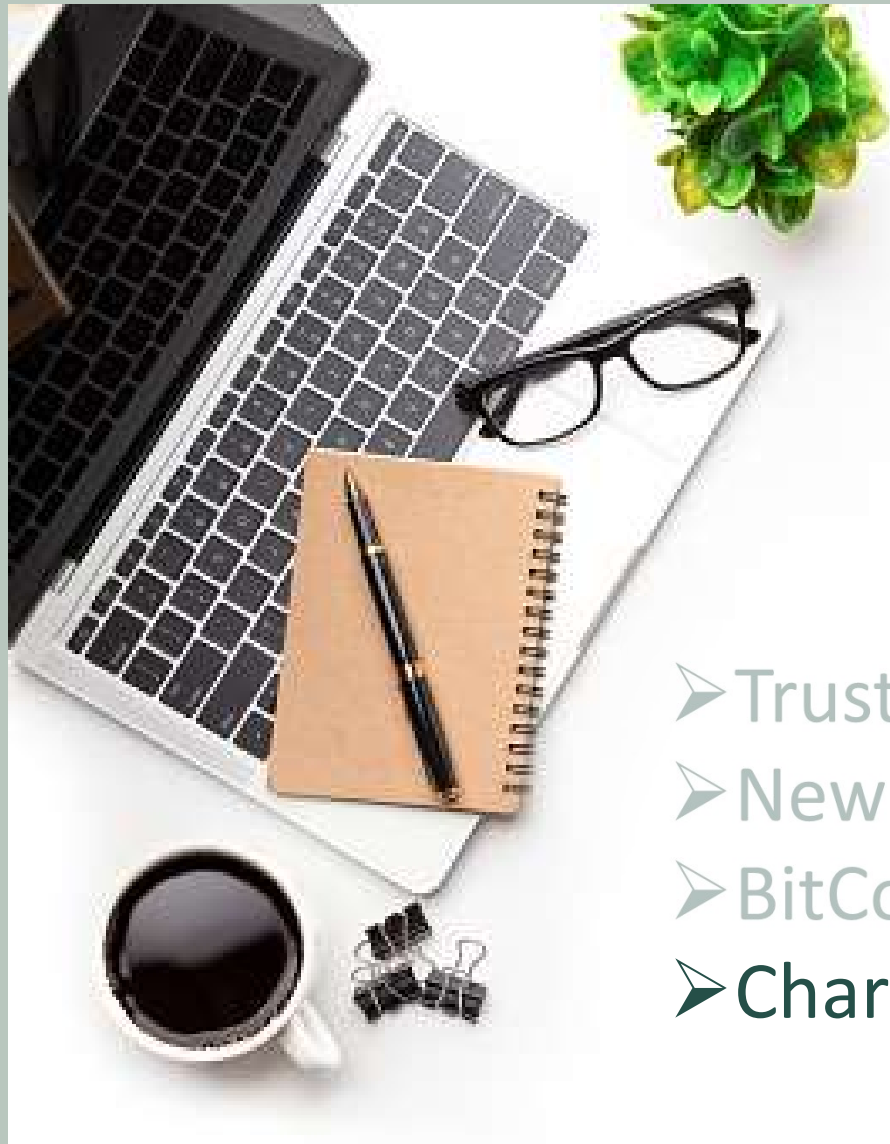
What are the primary risks behind bitcoin and other cryptocurrencies?

Despite the SEC's recent approval of spot bitcoin ETFs, cryptocurrencies still lack a regulatory structure like stocks. Nothing exists yet to backstop investors like the Federal Deposit Insurance Corporation does for U.S. bank customers. That means investors are entirely responsible for the security of any cryptocurrency holdings. In recent years, the SEC noted that with cryptocurrencies, there is "substantially less investor protection than in our traditional securities markets, with correspondingly greater opportunities for fraud and manipulation."

Additionally, cryptocurrency prices and prices for any related securities can be volatile and prone to sharp and unexpected price swings. Prudent investors, as they would before putting money into any asset, should carefully assess their risk tolerance and do their homework and make sure any crypto-based investments are appropriate for them and align with their long-term financial goals. ETFs have their own distinct risks and potential drawbacks as well that investors should carefully consider. Investors should also study any ETF's prospectus and understand its investment objectives.



1st Quarter 2024



FROM THE DESK
of

Tony Hladek

- Trustmont updates
- New E&O
- BitCoin ETF
- Charles Schwab update

Last year Schwab launched a redesigned move money experience that streamlines workflows and makes it easier to transact with your clients. Firms that have been using the new experience since launch have had great results, so over the coming months we are transitioning all firms to default to the new version of move money.

Trustmont's users will default to the new move money homepage on February 28th. Please note that even after this change, users can still access the legacy version via a link at the top right of the window.

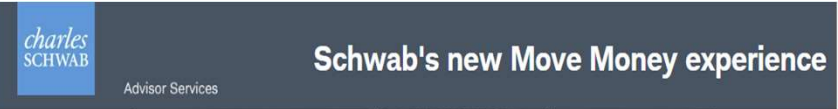
We hope that your team uses this opportunity to explore the new design's enhanced timesaving features:

- Create a recurring ACH (Schwab MoneyLink®) profile based on an existing single-request profile.
- Use a withholding election code for qualified charitable distributions that applies 0% tax withholding without affecting the account-level setting.
- Save wire templates and easily reuse wire details for subsequent transactions.

Our available tools and training make this a smooth transition for your team:

- Because your firm already has access, encourage operations staff to explore the new experience now by clicking the banner at the top of the current Move Money tab.
- All move money users can [register today](#) for a live demo and Q&A webcast.
- We've created an [interactive guide](#) that users can use to familiarize themselves with the new features and workflows.

We're excited for your firm to start using this modern streamlined experience, and we hope you'll find that it makes transacting for your clients even easier and more efficient.



Get ready for Schwab's new Move Money experience: an overview of the refreshed look and features

Last year, we rolled out a new move money experience incorporating everything we've learned from years of listening to advisor feedback into an intuitive, streamlined workflow that makes it easier than ever before to securely transact for your clients.

Now that we're gradually transitioning all firms to default to the new version, we want to invite you to join us for a session where we'll walk through the new look and feel, the enhanced features, and some tips and tricks to help you get the most out of the tool. We'll also take time to answer your questions, and to walk through the planned enhancements on our product roadmap.

Webcast times are at noon Eastern time (9:00 am Pacific time). Please click a date below to register:

- [Tuesday, February 20](#)
- [Thursday, February 22](#)
- [Tuesday, February 27](#)
- [Thursday, February 29](#)
- [Tuesday, March 5](#)
- [Thursday, March 7](#)

Webinar link:

https://asmkto.schwab.com/OTE2LVNTVS0yMzYAAAGQ_6c8mRn3pcFbNV7yd6c2Los2bdNSmf24kF2YThcAGGZiUbfob_w7mthAGN0iHR4ubsuizc0=



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MaryLynne's Compliance Bulletin

- ✓ Vault Sharing
- ✓ ...
- ✓ ...



It has been brought to our attention that Intelliflo (Portfolio Pathway) as well as E-Money and many other Financial Planning Programs offer a vault-sharing option with users. The use of this vault is prohibited, because the documents being transferred through the vault cannot be supervised and archived according to the requirements set forth in FINRA and SEC rules and regulations regarding correspondence.

Therefore, we are asking representatives that have used the vault in the past with your client(s) to discontinue using it and to notify the client that you are no longer able to share documents through this system.

Moving forward, you will be asked to certify on the Annual Rep Questionnaire that you are not using the vault feature of Intelliflo or any other provider's system.



1st Quarter 2024



MaryLynne's - Compliance Bulletin

- ✓ Vault Sharing
- ✓ Gifts, Entertainment, & Charitable Contributions
- ✓ ...

Gift & Gratuity



What is considered a gift? Anything of value that is given or received.

FINRA Rule 3220 is the Gift Rule-- It states: No member or person associated with the firm shall, directly or indirectly, give or permit to be given anything of value, including gratuities, in excess of \$100 per individual per year to any person.

The purpose of the rule is to address improprieties that may arise through the giving and receiving of gifts and to uphold the obligation to act in the best interest of a customer or client.

The rule also requires members to keep separate records regarding gifts and gratuities. We meet this requirement through the submission of the quarterly gift log.

Gifts received over the \$100

Limit: When an Associated Person receives a gift that exceeds the \$100 limitation, either alone or when aggregated with other gifts from the same product sponsor within the calendar year, the associated person must immediately report the gift to Compliance and return the gift. Evidence of the gift's return must be maintained

Note:

*No gifts can be given in return for a referral, endorsement or testimonial unless approval has been given from Compliance.

*Gifts from associated persons to Trustmont office staff must have pre-approval from Compliance.

What gifts must be reported?

1. Gifts Received: A logo'd pen or notebook received at a conference with the intention of it being used during the conference—those types of nominal value items can be excluded from reporting on your quarterly gift log. However, if you receive a gift or win a drawing where you received a \$10 Starbucks gift card for example—that must be reported on the gift log.
2. Gifts given: Items of nominal value, such as a logo'd pen, notepad, key chain/lanyard, refrigerator magnet, etc., do not need to be reported on the quarterly gift log. But... just because an item carries your logo does not exclude the item from having to be reported as a gift. A backpack, blanket, or golf shirt, for instance, that carries your logo are considered gifts that must be reported. Holiday treats, vouchers for pies, gift cards are all gifts that must be reported and are subject to the \$100 per person per calendar year limit.

A word about gift cards: Gift cards are permissible to be given as long as the gift card is not convertible into cash (e.g., American Express gift card) and is directly associated with a service provider or retailer such as Amazon, Walmart, Olive Garden, etc.

Gifts to friends and family who are

also clients: Holiday gifts, wedding gifts, special occasion gifts to clients who were friends and family prior to your business relationship do not need to be reported on your gift log. However, the gift must not violate any other FINRA or SEC rules and regulations. For example, a gift cannot represent a rebate of commissions.

How is value determined? Value is what an item is worth, not necessarily what a representative has paid for an item. For instance, let's say you purchase a sports ticket at a discount price of \$50, but the face value of the ticket is priced at \$100. The value of the ticket is \$100, not the \$50 that you paid for it.



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The distinction between “gifts” and “entertainment” can be a source of confusion. Here’s a good example that might help explain the difference: Tickets to a concert or basketball game when there is nobody from the firm “hosting” the event would be a gift. However, those same tickets given when the recipient will be accompanied by a representative from the firm is entertainment.

Entertainment is not subject to the gift limitations, however, entertainment must not be so frequent nor so extensive as to raise any question of propriety.

Entertainment must be reported on the gift log. Records of entertainment must include details of who was entertained and the nature of entertainment.

A step further:

What if an event is held where clients are invited and we talk about securities products or promote the business itself as part of a dinner or other outing? This is now considered a seminar and all content to be discussed and materials to be given would need to be approved prior to the event. If a door prize, drawing or memento is given during the event that would need to be disclosed on the quarterly gift log.

The SEC Marketing Rule and Entertainment as it relates to testimonials and endorsements

Gifts and entertainment could be considered indirect compensation under the SEC Marketing Rule. For example: An IAR is golfing with a client who brings along a guest for the purpose of the IAR soliciting new advisory business from the prospective client. The entertainment expense that the IAR pays for the client and prospective client to golf (e.g. golf course fee, meals, beverages, etc.) may be considered by the SEC as indirect compensation to the client for referring the prospective client. At this point, certain disclosures would be required to be made.



1st Quarter 2024

Can I make a donation to a charity on behalf of my business?

Consult Compliance prior to engaging in any transaction. These are evaluated on a case-by-case basis.

Information needed:

1. Charity chosen
2. Amount you want to give
3. Why this charity?
4. Are any clients involved in that charity?

Funeral flowers are not gifts that need to be reported, however, if a donation to a charity or organization is made in lieu of flowers, approval must be received from Compliance.

To receive approval: send an email to compliance@trustmontgroup.com with a copy of obituary and amount you want to give. Also advise if you are aware of any client being involved with the charity as well.





MaryLynne's - Compliance Bulletin

- ✓ Vault Sharing
- ✓ Gifts, Entertainment, & Charitable Contributions
- ✓ Non-Cash Compensation

NON-CASH COMPENSATION

Non-cash compensation includes any form of compensation, including but not limited to merchandise, gifts and prizes, travel expenses, meals and lodging. The Non-Cash Compensation Rules prohibit a member firm or associated person from directly or indirectly accepting non-cash compensation, subject to certain exceptions.

The exceptions permit:

- Gifts that do not exceed an annual amount per person (currently \$100) and are not preconditioned on achievement of a sales target;
- An occasional meal, a ticket to a sporting event or the theater or comparable entertainment which is neither so frequent nor so extensive as to raise any question of propriety and is not preconditioned on achievement of a sales target;
- Payment or reimbursement by a third-party product sponsor in connection with training or education meetings with certain limitations. Associated persons must obtain prior approval to attend these meetings.

Cash and Non-Cash Compensation Log

Associated persons are required to maintain a log of all cash and non-cash compensation (including travel expenses, meals, lodging, prizes, and awards)

Payments by a third-party product sponsor in whole or in part to cover expenses of educational meetings, seminars, client events, etc. in which the associated person hosts, is not permitted.

Please note: Registered Representatives may NOT receive any cash compensation or reimbursements directly from outside firms or persons. This would include Marketing Reimbursements preconditioned on achievement of a sales target (Advisors Excel, for example).

To request approval of "Non-Cash Compensation" you will need to complete the form located on the Trustmont website (located at Compliance Requirements-Potentially required forms) and submit to compliance@trustmontgroup.com along with any invite you received and/or details that may assist in granting approval.



1st Quarter 2024

ANY
QUESTIONS





Thank you for
Attending!

Have a wonderful rest of your week!