



NEW REPRESENTATIVE INFORMATIONAL SLIDES

# Trustmont Website

www.trustmontgroup.com

## How to find compliance forms...

- ▶ Forms Library
- ▼ Compliance Requirements
  - Request for Approval of Public Communications >>
  - Request for Approval of Position of Trust or Beneficiary >>
  - Request for Outside Account >>
  - Pre-Clearance Request Form >>
  - Check Register >>
  - Correspondence Report >>
  - Gift Certainty Log >>
  - Potentially Required Forms >>**
  - Office Requirements >>
- ▶ Representative / Advisor Resources
- ▶ Policies & Procedures
- ▶ Join Trustmont Group

LOG OUT

### Potentially Required Forms

MOST forms below need pre-approval, email completed forms from this section to [compliance@trustmont.com](mailto:compliance@trustmont.com) 724-468-5675, or mail to the home office attention compliance department.

- **Cash & Non-Cash Compensation Log**  
Required when you wish to attend a meeting, seminar, training that will be paid for by a third-party product (including travel expenses, meals, lodging, prizes, awards, etc). Also required if/when a third party pays. In w educational meeting, seminar, event you host. Payments must be pre-approved and recorded in this log. Plt Representatives may NOT receive any cash compensation directly from outside firms or persons.
- **Intent to Use Social Media Sites**  
Required for making a change to any already approved social media or when you want to use any new socia personal use. You must receive approval prior to using.
- **Outside Business Activities**  
Upon being hired by Trustmont, you were required to disclose all outside business activities for which you a principal, president, partner, etc, as well as other entities you are employed by or doing business as. This in you receive compensation for (nonprofits, board appointments, rental properties, notary public, etc). After y this information, additional outside business activities or any change in existing outside business activities a pre-approval from Compliance. See FINRA rule 3270 for more information.
- **Private Securities Transactions**  
Registered individual are strictly prohibited from engaging in private securities transactions (any transaction approved by an authorized principal of this broker-dealer) without pre-approval.
- **Political Contributions Quarterly Log**  
Required quarterly for all reps that are making political contributions to any government entity, official, or c, but is not limited to state representatives, school board candidates, political action committees, presidentia should be emailed to [compliance@trustmontgroup.com](mailto:compliance@trustmontgroup.com) or faxed directly to Trustmont on no less than a qu and registered representatives **MUST** have all political contributions of \$250 or more per individual per elec firm's compliance department prior to making the donation. These requests should be emailed to compliar with the subject line of "political contribution for approval". Please include the amount and receiving party i any other details.
- **Cyber Security & Electronic Device Disclosure**  
Required if you make a change to your cyber security or electronic devices within your office.
- **Certification of Outside Brokerage Account**  
Required quarterly for any outside personal account in which the custodian does not provide statements di
- **Personnel Disclosure**  
Required to disclose all office personnel/staff members and if/when employment is terminated
- **Negative Response Letter (on Trustmont letterhead)**  
To be mailed to your client with a copy of most recent CPF when completing a 36-month update if in person the letter and accompanying CPF should be submitted to the operations department just as you would a ne response to the letter should also be submitted to operations.
- **Negative Response Letter (without Trustmont letterhead - to be put on your own PREAPPROVED letterhead must use other letter)**  
To be mailed to you client with a copy of most recent CPF when completing a 36-month update if in person t the letter and accompanying CPF should be submitted to the operations department just as you would a ne response to the letter should also be submitted to operations.

## How to find webinar recordings...

- ▶ Forms Library
- ▶ Compliance Requirements
- ▼ Representative / Advisor Resources
- ▶ Policies &

### Trustmont Video Library

#### 2021 Compliance Webinars

- 8-12-2021 3rd Quarter Mandatory Webinar (Staying the course thr
- 5-13-2021 2nd Quarter Mandatory Webinar (Mid-Year Check-in & I
- 2-18-2021 1st Quarter Mandatory Webinar (Goodby 2020, Hello 20

#### 2020 Compliance Webinars

- 11-12-2020 4th Quarter Mandatory Webinar (End of the year wrap
- 8-13-2020 3rd Quarter Mandatory Webinar (Industry News & Train
- 6-25-2020 2nd Quarter Mandatory Webinar (Regulation Best Inter
- 2-13-2020 1st Quarter Mandatory Webinar (Start the new year on t

#### 2019 National Conference - Videos

- Welcome & President's message
- Peter Dochinez, State of the Industry
- Brad Kasper (LSA Portfolio Analytics), Managed Portfolios
- Mike Ingenito (Retirement Plan Advisory Services), Regulation BI
- Jim Renitsky (Blackrock), Building Your Business for the Future
- Compliance & Operations Part 1
- Compliance & Operations Part 2

#### 2019 Compliance Webinars

- 11-14-2019 November Webinar: Inverse & Leveraged ETF's (Firm E)
- 10-10-2019 October Webinar: Conference Follow Up & Industry Ne
- 8-8-2019 3rd Quarter Mandatory Webinar
- 5-9-2019 2nd Quarter Mandatory Webinar
- 2-14-2019 1st Quarter Mandatory Webinar

#### 2018 Compliance Webinars



# Email

- ✓ **YOUR Signature and Trustmont's disclosures are REQUIRED on all outgoing emails and should be the same for initiated emails, replies and forwards, instructions on how to set up your signature are on the Trustmont website under Representative/Advisor Resources then Email**
- ✓ **BAE systems automatically adds the disclosure when you hit send**
- ✓ **If you are a non-registered branch your address CANNOT be listed in your email**
- ✓ **ALL Personal/Private information is to be sent using our SECURE portal**
- ✓ **The SECURE portal needs to be set up by you, it CAN NOT be initiated by the client**
- ✓ **instructions on how a client can access an email sent to them secure has been added to the Trustmont website under Representative/Advisor Resources then Email**



# Every Rep/Advisor and staff person with an approved email should have a saved email signature

**Options**

Settings

General **step 3**

Signatures

Profile

Change Password

Messages

Advanced

Mail

Calendar

Contacts

Tasks **step 2**

Options

Signatures **step 4**

New Delete

X	Name	Type
<input type="checkbox"/>	TMT signature	HTML

Signatures **step 7**

Save Spell Check Cancel

**step 5**

Name:

Editor: Rich

**step 6**

**step 8**

Default

Step 1: sign into your Trustmont email  
 Step 2: once signed in scroll to the bottom on the left hand side and select options  
 Step 3: under settings on top left pick signatures  
 Step 4: once in signatures click on the "+New" to add a new signature  
 Step 5: name your signature  
 Step 6: in the box below the name include your name, title, contact info in the signature. You can change the font, size, color, etc to be whatever you like  
*\*keep in mind if you are not a registered branch office you CAN NOT include your office address*  
 Step 7: once done click save  
 Step 8: make sure the radial button is selected to default that signature for use on all emails  
 Step 9: send a test email to [compliance@trustmontgroup.com](mailto:compliance@trustmontgroup.com) if you would like for compliance to review it




# 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



200 Brush Run Road  
Greensburg, PA 15601  
[www.trustmontgroup.com](http://www.trustmontgroup.com)  
724-468-5665

Secureit 

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.

**\*instructions on how a client can access an email sent to them secure has been added to the Trustmont website under Representative/Advisor Resources then Email**



**BAE SYSTEMS**

INSPIRED WORK

**BAE Systems Email Encryption Registration Invitation**

From:	"Postmaster Postmaster" <postmaster@trustmontgroup.com>
To:	
Date/Time:	Thu, 17 Aug 2017 19:46:59 -0000
Subject:	Test
	You have a secure email message waiting for you. Our records indicate that the email address listed above is not currently registered with MailSafe. Registration is required before viewing this secure email. Please click on the registration link below to begin the registration process.
	If you have already registered, please go directly to the <a href="#">login page</a> .
Notification:	Not a registered user? Click <a href="#">here</a> to register and begin using the Email Encryption service.
	-- If you are experiencing problems with this system please contact the system administrator from the sending email domain.

# How does my client access secure email?



### Email Encryption Registration

Email:

Name:

Password:

Password (again):

Security Question:

Security Answer:

I agree to the Email Encryption Terms and Conditions  
[View Terms and Conditions](#)

**Password Requirements**

Passwords must be at least 8 characters long.  
 Passwords must contain characters from at least 3 of the following groups:

- Lower-case letters (a-z)
- Upper-case letters (A-Z)
- Numbers (0-9)
- Symbols (!, @, #, etc.)

**Note:** Passwords are case-sensitive.





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

- \*Continuing education requirements changed effective January 2023 from once every 3 years to **EVERY YEAR**
- \***Trustmont has listed the company wide due date of 10/31 YEARLY**
- \*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!**



# FINRA Access

- \*go to the FINRA site:  
<https://finpro.finra.org>
- \*Create or Enter User ID & Password
- \*Once logged in you are looking at your U4 report
- \*Review for accuracy, making sure to check location addresses listed, even in the OBA section
- \*send us an email at [compliance@trustmontgroup.com](mailto:compliance@trustmontgroup.com) with any corrections, add ons, or changes that need to be made
- \*it is **YOUR** responsibility to make sure all information is accurate
- \*If you are experiencing any difficulties, please contact the **Gateway Call Center at (240) 386-4040** for assistance.

FINRA

Log In Single Sign-On (SSO)

Welcome to Financial Professional Gateway

User ID

Enter User ID here (ex.: jdoe12)

Password

Enter password here

View Password

By clicking "Accept and continue" I certify that I have read, understood, and accepted the [Privacy Policy](#) and the FINRA [Entitlement Program Terms of Use](#).

ACCEPT AND CONTINUE

[Forgot User ID or Password?](#)

Don't have an account? [Create Account Here](#)





## Understanding FINRA Rule 3270



OUTSIDE BUSINESS ACTIVITIES

# Outside Business Activity Questions Answered...

FINRA Rule 3270:

*prohibits registered persons from engaging in any business activities, outside the scope of their relationship with their member firm, unless they have provided adequate prior written notice to their BD firm.*

### What is an Outside Business Activity (OBA)?

Under financial industry regulations the following types of conduct are explicitly defined as an 'outside business activity', note that FINRA defines outside business activities very broadly

- Working as an employee at any other company;
- Working as an independent contractor or sole proprietor, in any capacity;
- Serving as an officer, director or partner on any board;
- Receiving compensation, in any form, for business conduct; or
- Having the reasonable expectation of receiving compensation for their role at some point in the future.

To be clear, under Rule 3270, compensation is not necessarily required for something to count as an outside business activity. For example, if a registered investment advisor serves as a director on a corporate board, they must report that role, even if they are not actually getting paid for their contribution.

### Takeaways:

1. If you wish to participate in a new outside activity, you need Trustmont's approval prior to making the commitment.
2. If you already have an approval for an OBA but the scope of your participation changes, you are asked to be a member of the board, or you plan to run for or are elected to an executive position such as President, VP, Secretary or Treasurer, you need to notify Trustmont so that we can re-approve and then update your U4.
3. If you are participating in an activity or volunteering in any capacity outside of your securities business with Trustmont a discussion with Compliance may be needed to see if it would be considered an Outside Business Activity and therefore need to be disclosed to FINRA on your U4.



# Do you need to submit a new or updated OBA?

FINRA Rule 3270: Outside Business Activities of Registered Persons

**Registered Persons are prohibited from participating in any outside business activity unless he/she has provided prior written notice to the broker-dealer and received written approval.**

A person may be engaged in an OBA if they are:

- employed by any other person or entity;
- receiving compensation from any other person or entity;
- serving as an officer, director, or partner of another entity;
- serving in a fiduciary capacity (e.g., trustee, executor or power of attorney) for someone other than a family member.

**To request approval for an outside business activity (OBA), complete the on-line submission form located on the Trustmont website. You will receive an email back from Compliance with your OBA marked either “approved” or “not approved”. Keep a copy in your files.**

After receiving approval for an OBA, you are responsible for notifying the compliance department of any future changes. Refer to your U-4 for a list of your approved OBAs.



# If I'm not getting paid, is it still an OBA?

The short answer is **YES!**

If you are participating in an activity or organization that is not your securities business even if you are not being compensated for it, it is still an outside business activity.

A few possible examples: committee member for your church, member of an advisory board, treasurer of your child's sport club, board member for a non-profit organization, chairperson for your fraternity/sorority, foundation board member, on the board of directors for an association, member of a club where you also hold a title/board position, college alumni association member, notary that does not charge for services, etc.



## Personal Holdings/Accounts



Once you are registered with us, if you want to open a new personal account outside of Trustmont, you will need to get prior approval.

To get approval complete the Outside Personal Brokerage Account request form on the Trustmont website under Compliance Requirements or by following this link: <https://trustmontgroup.com/request-for-outside-account>. 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.

Included with the approval will be a 3210 letter to send with your application. This tells the custodian that we are aware that you are opening the account and asks that they send us duplicate confirms and statements. You will be required to provide quarterly statements until the time in which the custodian themselves provides. We will send you reminders every quarter.

Once the account is open you will need to provide us with account number to add to your file so we can verify that we are receiving the correct statements.



# Pre-Clearance Request

**\*Located on the Trustmont website**

**\*Required when you want to make a trade in yours or anyone in your household's (in-laws, parents, dependent children, etc) personal accounts.**

**\*This is required whether the account is at Trustmont (TD Ameritrade or RBC) or elsewhere (Schwab, E-Trade, Fidelity, Robinhood, etc.)**

**\*You must receive approval prior to executing the trade.**





## Voicemail Message

Please check **ALL** phones used for business purposes to make sure you have the proper disclosure added at the end of your voicemail message; this includes cell phones when used for securities business



**DISCLOSURE**

Please do not leave trade instructions on this voicemail as such instructions cannot be honored. If you are calling during market hours and need immediate assistance, please call the home office of Trustmont Financial at 1-800-618-3666.  
Thank you



# Office Personnel



**Trustmont Group**

**Certification of Office Personnel**

Registered Reps are required to disclose all office personnel/staff members that they have working for them as well as when any personnel/staff members employment is terminated by completing the table below:

This is an initial report                       I have new personnel to report  
 I have personnel to remove                       I have no office personnel  
 I have a change in work capacity for previously reported personnel

Personnel Name	Work Capacity (title, jobs, duties, etc)	New hire?	Already Fingerprinted?

If you cannot certify the truth and accuracy of any item listed above, please attach a detailed written explanation.

I verify that the statements made in this certification are true and correct. I understand that false statements herein are made subject to the criminal penalties of 18Pa. C.S. 4904 relating to unsworn falsification.

\_\_\_\_\_  
 Registered Representative's Signature/Date

\_\_\_\_\_  
 Compliance Initials/Date

Rev 1-11-2021

**\* To be completed every time you add or remove a staff member**

**\* If adding include work capacity so that we can determine if fingerprinting is necessary**

**NOTE: If fingerprinting is required the home office will be in touch to begin the process**



# Cyber Security & Device Disclosure



**Trustmont Group**  
Certification of Electronic Device & Cyber Security Disclosure

Protection of our customer information is our priority, and our obligation to protect our customer accounts and information has never been more important than it is today. Accordingly, to ensure that our customer's non-public information is protected from any potential cyber-crime, the firm implemented the policies and procedures addressing the protection of Digital Customer Information that are located in section 39 of the WSP's. Please refer to section 39 for more detailed information.

Associated persons are required to disclose the use and/or termination of use of any electronic device used entirely or in part for business purposes by completing the table below:

This is an initial report of electronic device(s)       I have a new device to report  
 I have a retired device to report       I have a change in usage of a previously reported device to report  
Verify that all data information on any retired device has been permanently erased.

Device Description <small>(example: "primary office computer") include smartphones, tablets and other devices</small>	Device Type <small>(example: Mac, Dell PC desktop, iPhone, etc.)</small>	Operating System Used	% Business Use	% Personal Use

Are your computers and devices used for your securities business protected with up-to-date antivirus software, firewall software, and anti-malware software?  Yes  No (Note: you could be asked at any time to provide documentation of the software used)

Device	Anti-Virus Software	Firewall Software	Anti-Malware Software

Are your computers and devices log-in privileges protected by a strong password that is frequently changed?  Yes  No  
 Do all of your devices "time out" after 15 minutes or less of non-use?  Yes  No  
 Do all of your devices have Software auto-update set to "ON"?  Yes  No  
 Do you certify that ONLY associated personnel have access to your computers and devices?  Yes  No

Do you use a portable storage device (external hard drive, thumb drive, CDs, DVDs, etc.) to store customer's non-public personal information?  
 Yes  No If yes, do you certify that either the device or the data is encrypted (be prepared to provide proof of encryption upon request)?  
 Yes  No

If you cannot certify the truth and accuracy of any item listed above, please attach a detailed written explanation. I verify that the statements made in this certification are true and correct. I understand that false statements herein are made subject to the criminal penalties of 18Pa.C.S. 4909 relating to Unlawful Misfeasance.

Registered Representative's Signature/Date \_\_\_\_\_ Compliance Initials/Date \_\_\_\_\_

\* To be completed every time you add and/or remove a new device

\* This includes cell phones if used for securities business

1. cell phone must have trade instructions disclosure
2. cell number must be provided on form





# CYBERSECURITY

Cybersecurity refers to the practice of safeguarding systems, computers and data from digital attacks. These attacks often involve attempts to breach, modify, or damage the target's computer system, resulting in interruption or downtime for services, theft of confidential or proprietary data and exposure of personal information. You are entirely incorrect if you believe that you are protected and that you do not need Cybersecurity because only larger corporations fall victim to hackers or software attacks. We all should be aware of cyber security's importance. If a regular internet user isn't careful, he or she can quickly become a target. Because it only takes a few minutes to hack an internet-connected gadget, cybersecurity is critical. A laptop, desktop, smart television, smartphone, or smartwatch can all be used as this device. When linked to the internet, every smart device requires a smart user!



## Best Practices:



**Use Strong Passwords**  
Include a mix of uppercase/ lowercase letters and numbers/symbols.



**Use a VPN When Necessary**  
Utilize a Virtual Private Network (VPN) to give you an added level of privacy.



**Think Before You Click**  
Avoid downloading or clicking on unknown links in emails.



**Update Your Home Router**  
Use the most current software and secure your router with a unique password.



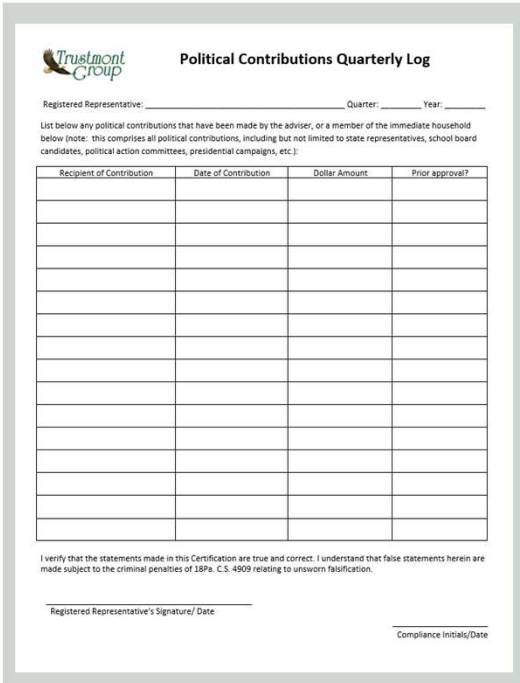
**Update Your Devices**  
Ensure you are running up-to-date software and antivirus solutions.



**Use Two-Factor Authentication**  
Add two-factor authentication to provide an extra layer of security to your accounts.



# Political Contributions



**Trustmont Group** Political Contributions Quarterly Log

Registered Representative: \_\_\_\_\_ Quarter: \_\_\_\_\_ Year: \_\_\_\_\_

List below any political contributions that have been made by the adviser, or a member of the immediate household below (note: this comprises all political contributions, including but not limited to state representatives, school board candidates, political action committees, presidential campaigns, etc.):

Recipient of Contribution	Date of Contribution	Dollar Amount	Prior approval?

I verify that the statements made in this Certification are true and correct. I understand that false statements herein are made subject to the criminal penalties of 18Pa. C.S. 4909 relating to unsworn falsification.

Registered Representative's Signature/ Date \_\_\_\_\_ Compliance Initials/Date \_\_\_\_\_

- \*Political Contributions Quarterly Log is required quarterly **only if you are making contributions**
- \*It is available on the Trustmont Website & should be emailed to [compliance@trustmontgroup.com](mailto:compliance@trustmontgroup.com) or faxed to 724-468-5675 quarterly or as contributions are made throughout the year
- \*All advisors and registered representatives **MUST** have all political contributions of \$250 or more per individual per election pre-approved by the firm’s compliance department prior to making the donation. **THESE REQUESTS SHOULD BE EMAILED TO [COMPLIANCE@TRUSTMONTGROUP.COM](mailto:COMPLIANCE@TRUSTMONTGROUP.COM) WITH THE SUBJECT LINE OF POLITICAL CONTRIBUTION FOR APPROVAL. PLEASE INCLUDE AMOUNT AND RECEIVING PARTY IN YOUR EMAIL.**



## What type of Public Communication is my piece?

**Institutional:** any written (including electronic) communication that is distributed or made available only to institutional investors but does not include the firm's internal communications.

**Retail:** any written (including electronic) communication that is distributed or made available to more than 25 retail investors within any 30 calendar-day period.

- ✓ Retail investor means any person other than an institutional investor, regardless of whether the person has an account with the firm.

**Correspondence:** any written (including electronic) communication that is distributed or made available to 25 or fewer retail investors within any 30 calendar-day period.





# Discretionary Authority Questions Answered...

## FINRA Rule 3241: “Registered Person Being Named a Customer’s Beneficiary or Holding a Position of Trust for a Customer”

A RR must decline being named a beneficiary of, or receiving a bequest from, any customer’s estate and must decline being named as an executor, trustee, power of attorney, or similar position for or on behalf of a customer unless:

- (A) the customer is immediate family or
- (B) the representative provides written notice to the firm and receives written approval prior to the designation or appointment.

\*If a registered person was designated as a beneficiary or served in a trust position for a customer prior to being associated with Trustmont, he/she must submit written notice and receive written approval to continue that status.

\*If the registered person held such role prior to the existence of a broker-customer relationship, written notice and approval must still be submitted

\*If a registered person declines being named as a beneficiary, receiving a bequest, and/or serving in a trust position for a client, he/she may not instruct or ask the customer to name someone else, such as a spouse, child, or other relative, in the representative’s place.

\*A registered person being named as a beneficiary or to a position of trust without knowledge does not violate Rule 3241. However, compliance with the rule is required once the registered person becomes aware of the designation.



## WHAT IS 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. Non-cash compensation rules prohibit members and their associated persons from giving or accepting such compensation in connection with the sale of specified products. All compensation, whether cash or noncash, provided for testimonials and endorsements must be pre-approved.

Third party product sponsors or providers host training and educational meetings and may offer to pay, in whole or in part, expenses incurred with attendance at the meetings. If you wish to attend such a meeting or seminar, you must receive an approval from the Compliance Department prior to attending the seminar or meeting. In addition, when/if a third party pays, in whole or in part, for an educational meeting or seminar hosted by you, such payment must be pre-approved by the Compliance Department and such payment must be also recorded in the Cash/Non-Cash Compensation log. Please note you may not receive any cash compensation directly from outside firms or persons.

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

### Important things to note:

- \*Non-Cash Compensation valued over the per person, per year amount of \$100, needs approval prior to your acceptance and/or participation
- \*All reimbursements **MUST** come through Trustmont
- \*Some examples of Non-Cash Compensation:
  - You are invited to attend a multiple-day conference in another state by a carrier you do business with where they provide lodging and meals while there with an optional flight reimbursement. (this would definitely require prior approval).
  - You participate in a survey for a carrier you do business with where you are given a \$25 gift card as a "Thank You" for your participation. This must be reported on your gift log.
  - You are given tickets to a sporting event/theater from a carrier you do business with or are looking to do business with as a "Thank You" (would require approval if valued over \$100). Would also need to be reported on your gift log.
  - A carrier stops into your office for a sales meeting and during the meeting they provide you with merchandise like insulated cups, golf balls, portable speakers, flashdrives, etc. for you and/or the staff with their logo on it. This would need to be reported on your gift log.
  - During the holidays, a carrier that you do business with brings a cookie tray to the office for you and your staff as a "Thank You" for your continued business. This would need to be reported on your gift log.

## Types of Compensation



# Social Media

Are you looking to start using **Social Media** in your business?

\*Complete the **Intent to Use Social Media** form on the website [www.trustmontgroup.com](http://www.trustmontgroup.com)

\*Email it to [compliance@trustmontgroup.com](mailto:compliance@trustmontgroup.com)

The screenshot shows the Trustmont Group website interface. On the left is a navigation menu with categories like 'Forms Library', 'Compliance Requirements', 'Representative / Advisor Resources', 'Policies & Procedures', and 'Join Trustmont Group'. A red arrow labeled 'STEP 1' points to 'Compliance Requirements', and another red arrow labeled 'STEP 2' points to 'Potentially Required Forms'. The main content area is titled 'Potentially Required Forms' and lists various forms such as 'Personal Securities Accounts - Trade Approval (Pre-Clearance Request)', 'Cash & Non-Cash Compensation Log', and 'Intent to Use Social Media Sites'. A red arrow labeled 'STEP 3' points to the 'Intent to Use Social Media Sites' form. To the right of the website screenshot is a sample of the 'Intent to Use Social Media Sites' form, which includes fields for registration information, business location, social media site details, and a section for acknowledgment and signature.



# Text Messaging

## Prohibited texting activities:

These texting activities are prohibited:

1. Accepting or confirming orders.
2. Sending/receiving personal and confidential information is not allowed because the messages themselves are not encrypted. This includes but is not limited to pictures of driver's licenses, social security cards, passports, etc.
3. Providing advice, making investment product or security recommendations, or planning of any kind. Associates must not suggest new products or services through text messages.
4. Accepting or confirming monetary transactions.
5. Texting client-specific data, like account numbers, fund balances, etc.
6. The use of Emojis is prohibited as they are not business appropriate and in certain circumstances could be deemed misleading or promissory.
7. Users may not text or request through texting non-public information such as a client's social security number, account number, date of birth, etc.
8. Users may not send, receive, or request through text any pictures, videos and/or documents of any kind.
9. The use of any approved or non-approved marketing material is prohibited from being sent via text message.

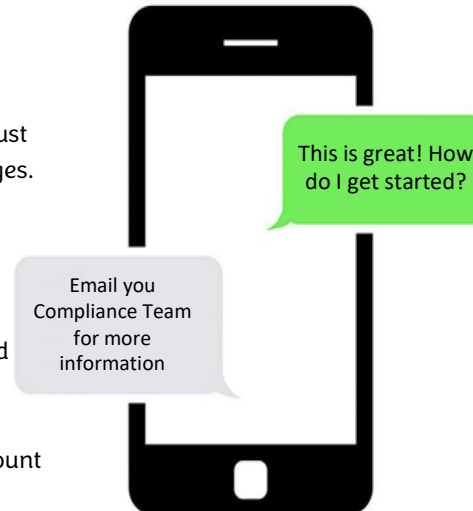
Use of text messaging to engage in the business of Trustmont Financial Group and Trustmont Advisory Group is **prohibited by registered representatives, associated persons and office personnel** of Trustmont unless:

1. prior approval is given;
2. the Texting application (app) has been properly installed on a cell phone currently disclosed to Compliance as being used for business purposes, and
3. archiving service is established.

## Permitted texting activities:

Examples of permitted activities include:

1. Administration-type tasks, including confirming and scheduling appointments.
2. Addressing client questions, for example, a client sends a text asking you "How is the market doing today?" Your response should be short and efficient. For example, *The DJIA is up 150. Do we need to schedule an appointment to review your plan?*
3. Addressing general questions concerning products and services is permitted, although nothing specific to a client's account.



## What do I do if a client TEXTS me?

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.

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.

If you are interested in obtaining approval for business texting, please send us an email or give us a call.





# What to do if you receive text and/or email instructions from a client...

**If you receive move money instructions via email/text you should be calling to following 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 email.**

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





## REPORTS



As a reminder if you are providing consolidated reports from Portfolio Pathways, Morningstar, etc copies of those need to be submitted on a monthly basis

**\*they should be emailed to**

**[reports@trustmontgroup.com](mailto:reports@trustmontgroup.com)**

**\*any self-created report/letter needs prior approval before giving to the client**



## WHAT ARE CONSOLIDATED FINANCIAL STATEMENTS?



What is a consolidated report?

- a list of client accounts prepared using Portfolio Pathways (Intelliflo)
- a list of client accounts (even if it's only 1) copied/transposed from a statement or online source that is sent to the client as part of a letter, email, card, etc.
- a self-prepared excel, word, pdf, etc. file that gives details on a client's accounts that you obtained from another source

Can I use a consolidated report?

- yes, if you are signed up for and approved to use Portfolio Pathways (Intelliflo)
- yes, if you received prior approval for your letter, email, card, etc. prior to giving to client
- yes, if you use the Trustmont template for self-created reports and have submitted the report for review and pre-approval prior to giving to your client

What should I do if I want to start using Consolidated Reports?

- Contact Trustmont Compliance for options, details and costs





## ONLINE MEETINGS



As a reminder if you want to participate in or conduct online meetings you need to have prior approval from the Compliance Department

**\*you will also need to submit a monthly log of all meetings including any handouts given or presentations**



# Helpful Tips from Operations Department



Having your clients add a **Trusted Contact** is important...

**Trustmont Group**

**Treatment Required Disclosures Delivery Confirmation Cover Sheet**

Investor Name(s): \_\_\_\_\_

Date: \_\_\_\_\_

Type of Account: \_\_\_\_\_

The following documents are required to be given to investors before or at the time of account opening. In addition, form CRD is required to be given to investors before or at the time of a recommendation regardless of whether or not the recommendation is solicited. (Consult Trustmont with any new information.)

This form must be submitted to the broker office with all new business paperwork (including change of broker/dealer) as well as additional investments into an account that is 25% of the selling value of 250,000 or more is lower. If a recommendation did not result in additional required paperwork, this form is to be retained at the branch office and made available to Compliance upon request.

Check here if recommendation DID NOT result in additional required paperwork

Check below to verify you have provided all the following disclosure forms to your client/prospective client:

<input type="checkbox"/> <b>Treatment Financial &amp; Advisory</b>	<input type="checkbox"/> <b>Treatment Financial ONLY</b>
<input type="checkbox"/> Customer Relationship Summary (CRS)**	<input type="checkbox"/> Regulation D Disclosure Document
<small>**If CRS is delivered in paper format as part of a package of documents, you must ensure that the CRS is the first among any documents that are delivered of that time.</small>	<input type="checkbox"/> <b>Treatment Advisory ONLY</b>
<input type="checkbox"/> Privacy Policy	<input type="checkbox"/> ADV 2B
<input type="checkbox"/> Customer Identification Program Notice	<input type="checkbox"/> ETHS Policy
<input type="checkbox"/> SPC Notice	
<input type="checkbox"/> Business Continuity Plan	

Representative's Signature: \_\_\_\_\_

Check here if documents are to be delivered via email\*\*

\*\*If the CRS is delivered electronically, it must be presented prominently as a direct link or in the body of the email itself.

\_\_\_\_\_  
the Trustmont and the above representative/broker the authorization to email me form CRD and all other disclosure documents to this email address

Investor Signature \_\_\_\_\_ Date \_\_\_\_\_ Investor Signature \_\_\_\_\_ Date \_\_\_\_\_

*Make sure to complete the Trustmont Required Disclosures Delivery Confirmation Cover Sheet for all accounts and prospects*



All paperwork should be accurate & complete before submitting for approval



## **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 for all applicants**
- 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**



# Trustmont Required Disclosures Delivery Confirmation Cover Sheet

- \*Form is universal for both Financial and Advisory Clients/Prospects
- \*Has been included on the Trustmont website under all investment vehicles
- \*Has the option for client to sign off on receiving disclosures via email
- NOTE:** if you checked the provided via email box the form MUST be signed by client
- \*There is checkbox for the situation where a recommendation or contract is not taken
- \* **PLEASE REVIEW BOTH COLUMNS FOR PROPER DISCLOSURES TO BE GIVEN FOR FINANCIAL VS ADVISORY**



## Trustmont Required Disclosures Delivery Confirmation Cover Sheet

Investor Name(s) \_\_\_\_\_

Date: \_\_\_\_\_

Type of Account \_\_\_\_\_

The following documents are required to be given to investors before or at the time of account opening. In addition, Form CRS is required to be given to investors before or at the time of a recommendation regardless of whether or not the recommendation is acted on. (Consult Trustmont's WSP's for more information.)

This form must be submitted to the home office with all new business paperwork (including change of broker/dealer) as well as additional investments into an account that is 25% of the existing value or \$50,000+ whichever is lower. If a recommendation did not result in additional required paperwork, this form is to be retained at the branch office and made available to Compliance upon request.

Check here if recommendation DID NOT result in additional required paperwork

Check below to verify you have provided all the following disclosure forms to your client/prospective client:

**Trustmont Financial & Advisory**

Customer Relationship Summary (CRS)\*  
*\*if CRS is delivered in paper format as part of a package of documents, you must ensure that the CRS is the first among any documents that are delivered at that time.*

- Privacy Policy
- Customer Identification Program Notice
- SIPC Notice
- Business Continuity Plan

**Trustmont Financial ONLY**

Regulation BI Disclosure Document

**Trustmont Advisory ONLY**

- ADV 2A
- ADV 2B
- Ethics Policy

Representative's Signature: \_\_\_\_\_

Check here if documents are to be delivered via email\*\*  
*\*\*if the CRS is delivered electronically, it must be presented prominently as a direct link or in the body of the email itself*

I, \_\_\_\_\_, give Trustmont and the above representative/advisor the authorization to email me form CRS and all other disclosure documents to this email address

\_\_\_\_\_

Investor Signature \_\_\_\_\_ Date \_\_\_\_\_ Investor Signature \_\_\_\_\_ Date \_\_\_\_\_

Updated: 11/28/2022



# FORM CRS DELIVERY

Delivery requirements for Form CRS—Brokerage and Advisory:

New/prospective retail customers before or at the earliest of:

- o A recommendation of an account type, securities transaction, or investment strategy involving securities
- o Placing an order
- o The opening of a brokerage account

Existing retail customers before or at the time the firm

- o Opens a new account that is different than the customer's existing accounts
- o Recommends a rollover of assets from a retirement account into a new or existing account or investment
- o Recommends or provides a new service or investment that does not necessarily involve the opening of a new account.



When mailing Form CRS, you can send it by itself or include it in a package of documents, but it must be the **first document in the package**. If delivery is electronic, it must be presented “prominently” as a direct link or in the body of an email or message.





# FORM CRS RECORDS

Recordkeeping Requirements (applies to both Brokerage and Advisory):

A record must be kept of every person to whom Form CRS was given, the date it was given and the method of delivery (paper or electronic). Evidence to show delivery and consent to electronic delivery is required.

The *Trustmont Required Disclosures Delivery Confirmation Cover Sheet* must be completed each time Form CRS is provided to a customer or prospect, even if a new account is not being opened.

In the event that a new account is not opened, the Cover Sheet is to be kept in a file in your office and made available to Compliance upon request.

If a new account is opened, the Cover Sheet is to accompany your account opening documents when submitting the paperwork to the home office for approval. Accounts will not be approved without this document. \*This includes Change BD paperwork and contributions over \$50,000 or 25% of the account value

Should a customer call or email your office requesting a copy of Form CRS, immediately forward the request to [compliance@trustmontgroup.com](mailto:compliance@trustmontgroup.com). We will handle the mailing of Form CRS to the customer and maintain the record.



# Client Profile Form

## Reminders:

- \*double check that all information is complete and accurate
- \*POAs and beneficiary for 529 accounts go on the right side of the form
- \*having the Trusted Contact section completed is very important
- \*client can authorize receipt of electronic documents and disclosures on page 2
- \***COPY OF THE PRINCIPALLY SIGNED CPF IS TO BE GIVEN TO EVERY CLIENT**



## Trusted Contact and the Senior Investor

- \*Encourage clients to list Trusted Contacts
  - if an elderly client might be a good idea to list someone other than spouse
- \*What can you share with a Trusted Contact?
- \*How to start the conversation with clients?
- \*Call Compliance if you suspect financial exploitation.
- \*Refer to [FINRA.org/trustedcontact](https://FINRA.org/trustedcontact) (see image to the right that you can share with your clients-will be emailed out to all reps after the webinar as part of the make-up link email)

**Is your financial firm asking you for a TRUSTED CONTACT?**

There are a number of very important reasons to give your financial firm the name of someone you trust, and FINRA, NASAA and the SEC urge you to consider the request.

**WHAT IS IT?**  
A "trusted contact" is a person you authorize your financial firm to contact in limited circumstances.

**WHO SHOULD HAVE ONE?**  
We suggest a trusted contact for anyone who has an investment account.

**How would having a trusted contact help me?**

Maybe your investment professional needs to get in touch with you but can't when:

- You are traveling
- There is a natural disaster
- There is a concern about fraud
- You are having a health issue

**Your trusted contact CANNOT make trades in your account**

**Your trusted contact CANNOT make decisions about your account**

**Being a trusted contact DOES NOT make them a power of attorney, legal guardian, trustee or executor**

**A trusted contact is someone who can help your financial firm help you, if needed. Add one today!**

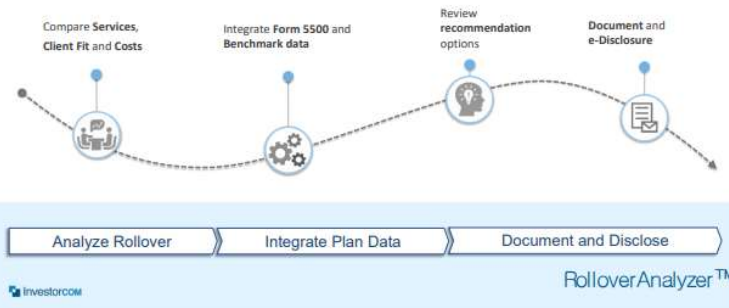




# InvestorCOM

- ✓ Available on the Trustmont website. It can be found under the “Potentially Required” list under each section in the forms library.
- ✓ The Rollover Analyzer Tool will help us to stay compliant with the Department of Labor Prohibited Transactions Exemption 2020-02.
- ✓ This tool provides appropriate disclosures and compliant rollover recommendations.
- ✓ It is required for all IRA to IRA, Plan to IRA, and Plan to Plan transfers.
- ✓ NOTE: It is **NOT** required for the establishment of NEW IRAs.
- ✓ This went into effect on **6/1/2022**.

## PTE 2020-02: Rollover Recommendation Workflow



### RolloverAnalyzer in Four Steps

- Step 1:** Log into the Compliance Platform and RolloverAnalyzer.
- Step 2:** Engage your client on:
  - Service
  - Fit
  - Cost comparisons
- Step 3:** Review your analysis.
- Step 4:** Disclose and document your Recommendation.





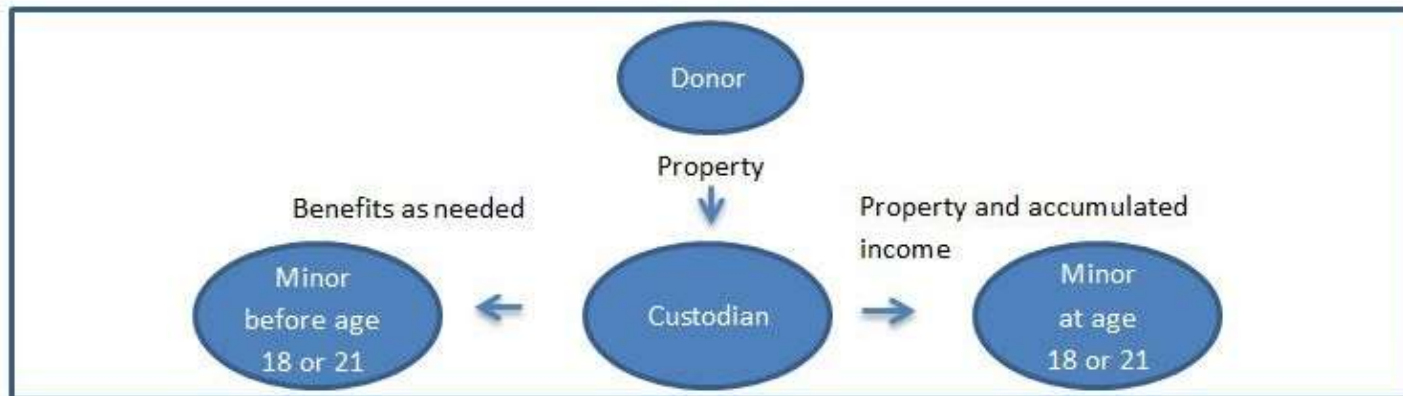
**If adding \$50,000 or more to an existing Variable Annuity,  
APPROVAL is required**

**If less than \$50,000 but it represents 25% or more of the current  
account value, APPROVAL is required**

**\*Note that an updated Morningstar Report will also be required**



### How UGMA and UTMA Work



\*It is important to have your client name a successor owner on UTMA/UGMA accounts

\*When UTMA/UGMA accounts are established, the beneficiary (a minor) becomes the owner of the account at the time of the gift; however, the custodian manages and invests the assets within the account on the beneficiary's behalf until the beneficiary reaches the age of majority.

\*Once the beneficiary has reached the age of majority, the custodian is required to transfer the account to the beneficiary. This means the beneficiary will need to take ownership of the UGMA/UTMA assets in an account in their own name.

\*When the beneficiary reaches the age of majority, custodians are no longer permitted to effect transactions in, and withdraw, journal and transfer money from UTMA/UGMA accounts.



## Reverse Churning and Movement of Accounts Between Brokerage and Advisory

Reverse churning occurs in advisory relationships when an advisor sits back and collects fees without really managing the account.

The SEC as part of their exam priorities continue to focus on the possibility of this practice occurring. The main concern of regulators was that the clients would eventually pay more in the fee-based accounts than in the commission-based accounts — with very little additional service or advice to compensate for the increased price tag.

If you Google “reverse-churning”, there are any number of law firms willing to investigate claims.

Best practices when considering an advisory account for a client:

1. Careful evaluation to determine an advisory account is in the client’s best interest.
2. Document: Once the decision is made to go with an advisory account, document the reasons why.
3. Monitor: Perform an annual review of your advisory accounts to determine that they remain appropriate.

***Key Point: Documentation***





Scenic Drive Professional Center  
200 Brush Run Road, Suite A  
Greensburg, PA 15601

724-468-5665  
Fax: 724-468-5675  
www.trustmontgroup.com

Date:

Customer  
Street  
City, State, Zip

Dear Customer

As required by the Financial Industry Regulatory Authority (FINRA), I am required to verify your account information at a minimum once every three years. To meet this requirement, I have enclosed a copy of the most recent client profile form on file for your account(s).

Please take a few minutes to review the information contained therein, and if there are any changes, please contact me within 15 days of the letter date. If all information remains unchanged, you need to do nothing, and I will consider the information to be current.

As always, please feel free to contact me with any questions that you may have.

Thank you for your prompt attention to this matter.

Sincerely,

Registered Representative

(enclosures)

All securities offered through Trustmont® Financial Group, Inc. · Member FINRA/SIPC.  
Registered Investment Advisory Services offered through Trustmont® Advisory Group, Inc.

## Negative Response Letter (NRL) Process:

- 1-Determine if using NRL is in the best interest of the client (used mainly with inactive and/or unresponsive clients)
- 2-Send approved letter with a copy of the most recent **FULLY EXECUTED** CPF you have on file
- 3-Hold for 15 days to see if you receive a response
- 4-If no response, send the NRL and the CPF that you sent to the client to Audrey in operations (They are now good for another 36 months\*)  
\*Keep in mind that a new CPF will be required for any new business and should be obtained if you meet with that client prior to the next 36 mo update  
NOTE: This does not come to compliance as correspondence since the letter itself was created by Trustmont and is approved for us. It also “replaces” the CPF form so would be considered client paperwork not correspondence
- 5-If they call to update the CPF within the 15 days, you **DO NOT** need to send a copy of the NRL to Trustmont just the newly signed CPF update to be principally signed

