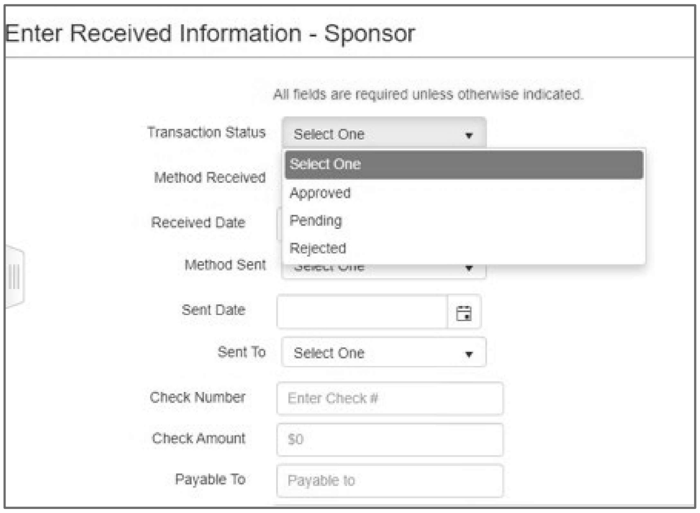
CHECK BLOTTER ENHANCEMENTS & POLICY UPDATE

Starting September 30, a new Transaction Status field will be presented in the Check Blotter application under Sponsor Check Blotter entries. This new option will allow users to set a transaction status for a physical check received from a client being blottered for payment to a sponsor. Transaction status options will include: Approved, Pending and Rejected.



- Users who receive a physical check from a client and are submitting a sponsor transaction in conjunction with that check received will now be able to blotter the check with a transaction status of 'Pending' while they wait for final approval (or rejection). Once the transaction has been approved, users will be able to go back into the applicable Sponsor Check Blotter entry, update the status to Approved, and complete the remaining Check Blotter fields to indicate Sent Date, Method Sent, Sent To, etc.
- Users who receive a physical check from a client for direct accounts not requiring pre-approval and submission of a sponsor transaction will select a Transaction Status of Approved and immediately complete the remaining Check Blotter fields to indicate Sent Date, Method Sent, Sent To, etc.

Additionally, the Firm will update its Direct Sponsor Business Chapter of the Field Compliance Manual in conjunction with the rollout of the Check Blotter application enhancement. The updated policy will align with the limited relief provided by the SEC and FINRA. The addition of the Transaction Status field and the ability to set a status of 'Pending' will now permit the user to hold the physical check from the client for up to seven business days in a safe and secure location while awaiting approval for sponsor transaction subscription-way business.

Questions & Support

We are continuing to enhance our systems to better support you and your business, and we will keep you updated as these efforts progress. If you have questions or need additional support regarding check blotters, please contact Supervision Administration at supervisionadministration@advisorgroup.com. If you have questions about sponsor transactions, contact your Supervisor.

12325 Port Grace Blvd. • La Vista, NE 68128 • 800-747-6111 • **securitiesamerica.com**