

COMPLIANCE BULLETIN



GLOBAL PACIFIC
FINANCIAL SERVICES LTD.

[Link to January 2020 Bulletin](#)

FALL 2020



In This Issue:

- You Are Ready For Your Audit/Business Practice Review
- Missing Client Documents Will Cause New Application Delay
- Missing Investment Client Documents May Cause Compensation Delay
- Advisor Monitoring
- Potential Vulnerabilities
- Frequently Asked Questions

YOU ARE READY FOR YOUR AUDIT/BUSINESS PRACTICE REVIEW WHEN...

Advisors are ready for their business practice review when the Advisor uploads all required client documents to VirtGate.

- Advisors (“you”, “your”) have been trained to complete each type of compliance requirement, client documents and record keeping logs.
- Your current personalized forms are stored on your VirtGate Advisor record under the Documents Tab. Generic client fillable forms are available on www.globalpacific.com/ppm-cp-reference
- Advisors have been trained how to use the scan feature on your iPhone, send secure emails, upload and store client files and keep journal notes on VirtGate for easy retrieval. **N.B.:** Secure emails meet Privacy regulator requirements.
- Store documents and notes on VirtGate to centralize your client records.
- Documents are required in PDF format, photographs will not be accepted (image files are too large for storing).
- Advisors are encouraged to upload and post documents to the client's VirtGate account, unless documents are provided along with or at time of application/transaction.



MISSING CLIENT DOCUMENTS WILL CAUSE NEW APPLICATION DELAY

In keeping with legislation and regulation, for all application types, where compliance documents are not submitted with new business applications or transactions (business), business will be considered Not in Good Order (NIGO) and will be held until the necessary requirements are posted to VirtGate by the Advisor.

This is a friendly reminder from Global's Compliance Bulletin dated January 2020.

MISSING INVESTMENT CLIENT DOCUMENTS MAY CAUSE COMPENSATION DELAY

For investment transactions, effective Jan 1/21, compensation may be held until all compliance documents are uploaded to VirtGate satisfying regulatory requirements.

ADVISOR MONITORING

Global will continue to perform periodic business practice reviews and audits. Advisors are reminded the purpose of reviews &/or audits are to uncover issues, negligence or gaps in record keeping and reporting to ensure clients and customers are well served.

Your support and cooperation through any review, investigation, or audit is essential...and appreciated.



POTENTIAL VULNERABILITIES

- **Use of outdated forms.** Current forms include recent regulatory updates.
- **Use of Disclosure Statement** without uploading the Privacy Policy, the Client Consent and the CASL Policy.
- **Reason Why Communication** is to be documented. Remember to paper your file reminding clients what they purchased and why (email or paper is sufficient).
- **Transaction Fees and Charge Disclosure** - Use the Transaction Fees and Charge Disclosure client form to inform the client of sales charges.
- **Various Logs** – Keeping various Logs for regulatory reasons.
- **Annual AML/ATF Education** - Retaining copies of CE credit certificate for audit purposes.
- **APEXA Profile** - Keeping APEXA profile current with licenses and E&O.

NEW



FREQUENTLY ASKED QUESTIONS

Q: I normally email the client's Reason Why Letter and Need Analysis to Accounts managers. Do I still need to upload these documents to Virtgate myself?

A: Yes. The advisor must upload the client compliance documents to VirtGate. The Reason Why Communication and Needs Analysis are not pending requirements; these documents are part of your compliant client file.

Q: What is expected for annual review and biannual AML/ATF?

A: We recommend that Advisors refer to the Compliance Calendar in their PPM, which includes items such as:

- For AML/ATF annual review, read the AML/ATF Policy for any FINTRAC updates every year. Read Global's Compliance Bulletins for updates. Complete CE accredited AML/ATF training.
- For AML/ATF every 2 years, read your AML/ATF Policy from start to finish. You, the advisor know your clients. Determine who is a high, medium and low risk. Complete the forms as you self review your clients.
- For FINTRAC AML/ATF Self-Review, read and complete tasks in section 3.6 of the Policies and Procedures Manual (PPM). To aid in the self-review utilize the FINTRAC AML/ATF Self Review form (R05).
- For FINTRAC AML/ATF Risk Assessment, read and complete tasks in section 3.7 of the PPM. To aid in the risk assessment, utilize the FINTRAC AMLATF Risk Assessment Form (R06).
- For RISK MITIGATION, read and complete risk assessment assignment to clients in section 3.8 of the PPM. Evaluate your clients' risk rating and determine which, if any of your clients require risk mitigation action. Keep track of high-risk clients on Log R07.