

Surveillance Policies

Policy	Definition
Rumors and speculation	Detects discussions indicative of one or more participants discussing conversations that may influence their market
Collusion – collaborative discussions	Detects discussions indicative of collusive behavior where participants are attempting to keep from being discovered
Collusion – change of venue	Detects discussions indicative of collusive behavior where participants change venue (i.e. move from email to text) in an attempt to keep from being discovered
Price and benchmark fixing	Price fixing is an agreement between participants on the same side in a market to buy or sell a product, service, or commodity only at a fixed price, or maintain the market conditions such that the price is maintained at a given level by controlling supply and demand. Allegations against traders involved in benchmark manipulation were focused on two main areas: 1) collusion by sharing proprietary information on pending client orders ahead of the 4 p.m. fix; and 2) 'banging the close' which refers to aggressive buying or selling in the 60-second 'fix' window using client orders stockpiled by traders in the period leading up to 4 p.m.
Guarantees and assurances	This policy monitors for registered representatives providing guarantees to customers regarding securities transactions or securities accounts
Inside information – general tipping	Detects discussions indicative of one or more participants passing potential MNPI (material information) regarding general company info, financial info, or corporate actions
Front running	Detects discussions indicative of one or more participants passing potential MNPI (material information) regarding large market moving orders.
Foreign corrupt practices detection (FCPA)	Detects discussions indicative of corrupt behavior, showing a willingness to act dishonestly in return for money or personal gain, or where participants are attempting to keep from being discovered.
AML – high-risk countries and transactions	Detects communications that indicate a target group is communicating, speaking, and/or transacting activity, specific to anti-money laundering, in high risk countries
Customer complaints – errors – inbound	Detects inbound communications that indicate a group or individual is making or have made errors, intentional or not, that may pose risk to the firm. That risk may be reputational in nature or may be financially related. This policy monitors for retail customer complaints regarding errors.
Customer complaints – general – inbound	Detects communications that indicate groups are making complaints or complaining about a service or product sold via retail channels. The focus will be any service or product supported by any customer support group and could be related to specific products, service, or lack of, or systemic issues causing customer dissatisfaction. These terms are specific to general complaints (e.g., calling the SEC, etc.)

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Customer complaints – suitability – inbound	Detects inbound discussions or mentions related to behavior where participants are attempting to recommend, suggest, or make transactions that would not be suitable for the customer.
Customer complaints - unauthorized activity - inbound	Detects communications that indicate a group or individual performed or completed a task or operation that was not authorized by a client, customer, or prospect. This policy monitors for unauthorized representative activity such as unwanted solicitation of ideas or unprompted actions taken on an account without proper authorization and against the account holders will.
Fair and balanced trade	This policy monitors broker-dealers' communications to make sure they are not misleading and comply with advertising rules of FINRA and the SEC
Gifts and entertainment – excessive entertainment	Monitors for excessive entertainment that go outside of firm permitted gifts and entertainment
Gifts and entertainment – excessive gifts	Monitors for gifts that go outside of firm permitted gifts and entertainment
Gifts and entertainment – sporting and events	Monitors for sporting events that go outside of firm permitted gifts and entertainment
Political solicitations	Detects communications that indicate contributions to political causes are offered or solicited, which may be against firm or regulatory rules, or may pose a conflict of interest.



231 South LaSalle Street | 8th Floor | Chicago, Illinois 60604

+1 (312) 263-1177 | relativity.com

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