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**Media Contact:**

Barry Neumann

[Barry.Neumann@sevenoso.com](mailto:Barry.Neumann@sevenoso.com)

+1 720 256 1162

## **ACM Gaining Traction with Compliance Solution for FCMs Addresses Challenging Dodd-Frank “Rule 3.3” Requirements**

**Chicago** - Automated Compliance Management (ACM) has successfully launched an innovative compliance solutions product and is continuing to sign up futures commission merchants, broker/dealers, swaps dealers and retail FX brokers for the platform.

ACM provides firms with an efficient and effective way to address many of the challenging policies put in place as part of the Dodd-Frank Wall Street Reform and Consumer Protection Act, specifically those related to CFTC Rule 3.3, often referred to as the CCO Rule.

As part of the Act, firms need to designate a Chief Compliance Officer (CCO) and then, as part of a mandatory CFTC Annual Compliance Review process, the CCO or the firm CEO is required to certify that the firm is in compliance with all rules under the Commodity Exchange Act “under penalty of law.” In short, it puts the CEO or CCO at risk for civil or legal actions if it is later found that the firm is not compliant.

ACM, led by industry veterans Rick Schell and Kasey Oulhadj, provides firms with an online system that includes more than 700 reviewed rules. But more importantly, the system offers firms an efficient workflow process and the necessary audit trails to help meet CFTC requirements.

“CCO’s face an unprecedented challenge,” comments Schell. “They are in a position where they need to certify their firm is in full compliance with every rule. But many of those rules concern specifics on segregated funds that fall under the purview of a CFO, or in areas overseen by a COO or Chief Risk Officer.”

“ACM allows the CCO to assign rules to the appropriate people within an organization and monitor progress on a daily basis. The ACM system provides a clear audit trail. It tracks the firm’s policy related to the assigned rule and records the certification of compliance by the firm’s subject matter expert.”

Firms not using ACM's solution may be using a spreadsheet to manage the annual reporting process. Schell notes that many experts within the industry have questioned whether a spreadsheet can be in compliance.

"A spreadsheet will often lack the necessary audit trails, unless a new version is saved every time a change is made," said Schell. "A spreadsheet also isn't integrated into the communications process. If assignments or approvals are coming via email or verbally, there ends up being ambiguity and increased risk. With ACM, it's clear who has been assigned a rule and who has certified the firm is in compliance."

Overall efficiency is also at issue. With ACM, there is an opportunity for firms to benefit from time savings during the annual report process. "If it isn't managed properly, the annual report can be a burden, and even present risks to an organization," notes Oulhadj. "Clients using ACM can make reporting a dynamic process that occurs throughout the year rather than a last month rush to meet CFTC deadlines."

The ACM product can be locally hosted or cloud-based. CCOs assign tasks to team members wherever they are in the world, and tasks can be worked on and updated simultaneously. Clients have noted ACM's ease of use and, because of the product's ASP model, the ability to be up-and-running within 24 hours of signing a contract.

Response to ACM has been strong. The firm has contracted with approximately 10% of the total U.S. based FCMs and expects to continue adding more clients.

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### **About ACM**

Automated Compliance Management (ACM) was founded in 2013 by experienced financial services compliance and technology professionals who understand first-hand the challenges of today's Chief Compliance Officers. The firm, based in Chicago, introduced its innovative compliance solution to address many of the requirements mandated by the Dodd-Frank Wall Street Reform and Consumer Protection Act.

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