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SEC Announces 2017 Exam Priorities

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Each year, the SEC's Office of Compliance Inspections and Examinations (the "OCIE") releases its priorities for the upcoming year. For regulated entities such as investment companies and investment advisers, the release of the OCIE's priorities is highly significant. The reason, simply put, is that your regulator's priorities must also be your own priorities. Among the OCIE's newly-released examination priorities for 2017 are the following: [\[i\]](#)

- Never-Before Examined Investment Advisers
- Cybersecurity compliance procedures and controls
- Robo-advisors' marketing, recommendation formulation, and security procedures
- ETF exemptive relief compliance, sales practices, and risk disclosures
- Elder abuse detection and prevention practices
- Money market funds' compliance with the newly effective rules
- FINRA oversight

We agree with the OCIE Director who stated earlier this week that the release of examination priorities is an important opportunity for regulated entities to evaluate their own compliance programs and make the necessary enhancements prior to examinations. [\[ii\]](#) Therefore, we encourage you to read the full text of the SEC announcement, consider your compliance programs in the prioritized areas, and contact us with any questions you may have. **John Sanders** is an associate based in the firm's Winston-Salem office. [\[i\]](#) SEC, *SEC Announces 2017 Examination Priorities* (Jan. 13, 2017), <https://www.sec.gov/news/pressrelease/2017-7.html>. [\[ii\]](#) *Id.*