

Effective June 1, 2021, members sponsoring a disqualified individual through FINRA's Eligibility Process must include an **Interim Plan of Heightened Supervision** with their MC-400 Application pursuant to FINRA Rule 9522(f). Below is a template for an interim plan of heightened supervision. It is for guidance purposes only and each interim plan may vary from this template depending on individual circumstances.

Sample Interim Plan of Heightened Supervision

1. **Primary Supervisor (appropriately qualified/experienced principal)** is the primary supervisor responsible for the supervision of **Disqualified Individual**.
2. **Primary Supervisor** will supervise **Disqualified Individual** from **Firm Name's** branch office located at **address of office**.
3. If **Primary Supervisor** is to be on vacation or out of the office for an extended period, **Alternate Supervisor** will act as **Disqualified Individual** interim supervisor.
4. **Disqualified Individual** will only engage in **list current duties/responsibilities/business lines/products**.
5. **Disqualified Individual** will not maintain discretionary accounts for customers.
6. **Disqualified Individual** will not engage retail customers or service retail accounts.
7. **Disqualified Individual** will not act in a supervisory capacity.
8. **Primary Supervisor** will review and pre-approve all of **Disqualified Individual's** securities accounts (e.g., customer, familial, and personal), prior to the opening of the account by the **Disqualified Individual**. Paperwork relating to the opening of the account will be documented as approved with a date and signature. Copies of all documents shall be maintained and kept segregated for ease of review for FINRA staff.
9. All of the **Disqualified Individual's** transactions shall be approved prior to execution by **Primary Supervisor**. The Firm will maintain a separate blotter of **Disqualified Individual's** transactions and deals evidencing **Primary Supervisor** reviews. Records of such reviews will be kept segregated for ease of review during any FINRA examination.
10. **Primary Supervisor** will review **Disqualified individual's** incoming hard copy and electronic correspondence **time period (e.g., daily)** and will review all outgoing correspondence before they are sent.
11. **Disqualified Individual** will not be permitted to use any email address other than the Firm's email address for business communications. If **Disqualified Individual** receives a business-related email messages in another email account outside the Firm, he/she will immediately deliver that message to the Firm's email account. In addition, **Disqualified Individual** will inform the Firm of all outside email accounts which he/she maintains and will provide the Firm access to the accounts upon request.
12. All complaints pertaining to **Disqualified Individual**, whether verbal or written, will be immediately referred to their supervisor for review, and then to the Compliance

Department. **Primary Supervisor** will prepare a memorandum to the file as to measures taken to investigate the merits of the complaint (*e.g.*, contact with the customer) and the resolution of the matter.

13. For the duration of this Interim Plan of Heightened Supervision, **Disqualified Individual** must disclose to **Primary Supervisor** promptly any of the following (**if applicable**): **liens, judgments, bankruptcy and any other reportable matters, updates to outside business activities, probation status, probation reports, evidence of payment of liens and ordered fines, disgorgement or civil penalties, etc.**
14. During the period the Interim Plan of Heightened Supervision is in effect, **Disqualified Individual** will agree, if asked, to submit **time period of the Firm (e.g., at least once)** to random drug and alcohol testing. (**if applicable**)
15. During the period the Interim Plan of Heightened Supervision is in effect, the Firm will conduct a public records search **time period (e.g., quarterly)** to ascertain if **Disqualified Individual** has any new events required to be disclosed pursuant to FINRA's disclosure rules.
16. All documents pertaining to the supervision of the **Disqualified Individual** will be kept segregated for ease of review for FINRA staff.
17. **Primary Supervisor** must certify **time period** to the Firm's Compliance Department that **Primary Supervisor** and **Disqualified Individual** are following all the above conditions of this Interim Plan of Heightened Supervision.
18. For the duration of Interim Plan of Heightened Supervision, the Firm must obtain prior approval from FINRA's Statutory Disqualification Group ("SD Group") to change the supervisor(s) or any material provisions to this plan. The request may be submitted to SDMailbox@finra.org.
19. For the duration of Interim Plan of Heightened Supervision, the Firm must timely provide the SD Group with additional information as requested.
20. This Interim Plan of Heightened Supervision shall be in effect throughout the entirety of the application review process, which shall be considered concluded only upon the final resolution of the eligibility proceeding.
21. The Firm acknowledges that FINRA may require additional provisions be included to the individual's final plan of heightened supervision.