



The SEC Examination Playbook

A Comprehensive
Guide to Examination
Readiness, Execution,
and Outcomes for
Private Fund Advisers

BRAD BURGTORF
BRIAN CARAVELLO
TYLER HINYTZKE

Introduction



An SEC examination can feel overwhelming, even for experienced compliance professionals. The process often begins with an unexpected notice, quickly followed by extensive document requests, interviews, tight deadlines, and uncertainty regarding what examination Staff (the “Staff”) may ultimately conclude. The examination can also create significant demands on senior management, investment professionals, operations personnel, and other business stakeholders whose time and attention are suddenly required to support the examination.

Understanding the process is one of the most effective ways to reduce that uncertainty. Firms that understand how examination candidates are selected, how requests are evaluated, how the Staff interviews are conducted, how key personnel may be expected to engage with regulators, and how findings are developed are better positioned to prepare thoughtfully, respond efficiently, and avoid common missteps.

This playbook provides a practical, examiner-informed framework for navigating an SEC examination from selection through remediation. Designed for Chief Compliance Officers (“CCOs”) and compliance professionals at private fund advisers, it addresses the key decisions, risks, and challenges that arise throughout each phase of the examination lifecycle.

The guidance presented in this playbook reflects experience from multiple perspectives within the examination process. The authors have served as SEC examiners, including one who also served as an examination manager within the SEC’s Private Funds Unit. They have guided advisers through examinations as compliance consultants, and one author has served as a Chief Compliance Officer responsible for managing examinations from within his firm. As a result, the playbook is designed to provide not only insight into how the Staff approach and evaluate examinations, but also practical guidance on how advisers can prepare for, manage, and respond to them effectively.

Although the chapters are organized to follow the progression of a typical SEC examination, each chapter is intended to function as a standalone resource. Readers are encouraged to use the playbook both as a comprehensive guide and as a practical reference for the issues most relevant to their current circumstances.

While no two examinations are identical, the process is often far less unpredictable than many advisers believe. Firms that understand the examination lifecycle are generally better positioned to manage both the examination itself and its ultimate outcome.

Table of Contents

CHAPTER 1	4
How the SEC Selects Advisers for Examination and What to Expect at Announcement	
CHAPTER 2	9
Building an Effective Day One Presentation	
CHAPTER 3	13
Preparing for SEC Staff Interviews and Mock Examinations	
CHAPTER 4	17
Managing the Examination Process	
CHAPTER 5	21
Responding to Document Requests	
CHAPTER 6	25
Examination Outcomes and Responding to SEC Findings	
CONCLUSION	33
AUTHORS	34
ABOUT HIGHCAMP COMPLIANCE	35
APPENDIX A	36
Sample Day One Presentation Request Items	
APPENDIX B	37
Selected SEC Examination Resources	

Chapter 1

How the SEC Selects Advisers for Examination and What to Expect at Announcement

For many compliance professionals in the private funds space, including those who have been through prior SEC examinations, the examination process can feel opaque.



EXAMINER'S VIEW

There's No Such Thing as a "Routine" Exam

EXAMS is risk-based, not cyclical. Plans are set before the SEC's fiscal year ends on September 30, but they shift throughout the year in response to tips, negative press, and market events.

While every examination is different, there are common themes, processes, and expectations across most examinations. This chapter explains how the SEC's Division of Examinations ("EXAMS" or the "Division") develops its examination program, how private fund advisers are selected for examination, the principal types of examinations advisers may encounter, and what advisers can generally expect upon receiving an examination announcement and initial document request list.

Examination Planning

The first thing a compliance professional should understand is that, contrary to popular belief, there is no such thing as a "routine examination," and examinations are not conducted on a fixed cycle. EXAMS operates a risk-based examination program, which means some advisers may be examined more frequently than others, while other advisers may go many years without an examination.

Examination plans are generally developed before the end of the SEC's fiscal year (September 30) for the following fiscal year. Each regional office and specialized unit develops its own plan based on the risks present within its region or mandate. For example, because of differences in population and registrant base, the risks present in the Miami Regional Office (which has historically been subject to higher levels of fraud involving elders) may differ from those in the Fort Worth Regional Office (which has historically had a higher concentration of registrants focused on investments in energy and oil/gas). In addition to the regional offices, the Division's Private Funds Unit (the "PFU"), develops its examination plan based on perennial and emerging risks in the private funds industry.

Although these annual examination plans establish the Division's priorities and expected examination activities for the coming fiscal year, they are not static. Throughout the year, regional offices and specialized units routinely adjust their plans in response to new information, changing market conditions, and emerging risks. For example, the receipt of a credible tip, complaint, or referral ("TCR"), significant negative press involving an adviser or one of its funds, or market events affecting a particular investment strategy or sector may cause the Staff to add an examination, expand the scope of an existing examination, or redirect resources away from previously planned examinations. As a result, advisers that were not originally included in a region's examination plan may nonetheless become examination candidates during the course of the year.

Types of Examinations

Examinations generally fall into several categories. The categories below are useful because they help CCOs understand likely scope, timing, and staffing expectations.

1. Risk Priority Examinations

Risk priority examinations are broad reviews that most closely resemble what many advisers think of as a “routine examination.” A firm undergoing a risk priority examination can expect to receive an initial request list upwards of 80 items, some of which include numerous subparts. Most examinations are opened as risk priority examinations. A risk priority examination typically lasts several months and may extend to a year or longer, depending on the size and complexity of the adviser and its business, the scope of the exam and the issues the examination Staff identifies.

2. Risk Assessment Examinations

Risk assessment examinations are generally narrower reviews used for targeted outreach, market events, or emerging risks. Examinations of newly registered advisers are frequently opened as risk assessment examinations. A typical initial request list for a risk assessment examination is often fewer than 20 items. These examinations may remain focused on discrete areas or convert to risk priority examinations if the Staff identifies issues warranting a deeper review. If not, the examination may remain focused on the initial risk areas and conclude in as little as a few months.

3. Cause Examinations

Cause examinations are opened in response to a specific red flag, such as a TCR, whistleblower submission, media report, litigation, or internal surveillance concern. When a TCR is received, the Division of Enforcement’s Office of Market Intelligence reviews the submission and may refer it to EXAMS, where it will be assigned to a regional office/unit for further review, which could result in an examination.

4. Corrective Action Reviews (CARs)

Corrective Action Reviews examinations are follow-up reviews designed to assess whether significant issues identified in a prior deficiency letter have been appropriately remediated, which typically occur within six to twelve months after the prior examination.

5. Thematic Initiatives

Thematic initiatives focus on particular risk areas relevant to a region or unit’s mandate.

Common Examination Triggers

Exam candidates may be identified using regulatory filings (e.g., Form ADV and Form PF data), prior examination history, risk scoring models, press reports, TCRs, market developments, or adviser-specific news. Current events also may cause a regional office or specialized unit to deviate from its examination plan to conduct targeted outreach or open a focused examination. Historically, 14-17% of the registrant base have been examined in a given year.¹ However, due to recent SEC staffing attrition, that percentage likely will be lower this year and possibly in the years ahead.



KEY FIGURE

14-17%

Historically, the share of registrants examined in a given year. Because examination resources are limited relative to the size of the registrant population, firms should always be prepared for an examination regardless of when it occurs.

Core Requests in Nearly Every Examination

Regardless of the length of the initial request list or reason for the examination, advisers should generally expect requests for items such as the compliance manual, organizational charts, adviser and client financial records, marketing materials, and records relating to the compliance program, including annual review materials and compliance violation logs. In addition, the PFU and certain regional examination teams commonly request a Day One Presentation describing the adviser's organizational structure, business lines, client base, investment strategies, key service providers, and compliance program. The Day One Presentation is discussed in Chapter 2.

Examination Announcement and Initial Request List

Before an examination is announced, the examination team typically conducts preliminary diligence, including review of prior examination history and available public and regulatory information. The Staff then generally contacts the primary regulatory contact listed on Form ADV Part 1A, which is often the CCO, via phone to announce the examination and then follows up with an email to issue the announcement letter and initial request list.

The initial request list typically includes a production deadline, instructions for submitting materials, and information regarding the SEC's authority to request records. Initial productions are often requested within approximately two weeks, though timing may vary based on scope, examination type, and other circumstances.

Because many initial request list items are standardized, they often do not require clarification. However, where a request is unclear, unusually burdensome, or misaligned with how the adviser maintains its records, the CCO should contact the lead examiner to confirm expectations. If additional time is needed, the

¹ See <https://www.sec.gov/files/fy-2025-congressional-budget-justification.pdf>

**EXAMINER'S VIEW****Clarify Before
You Compile**

Before spending significant time responding to a request list, confirm your understanding of any unclear requests. A brief conversation with the lead examiner may save substantial effort later in the examination.

firm should communicate early and follow up in writing with a clear explanation of the items affected, the reason for the request, and a proposed production date. In many cases, the lead examiner can clarify what the examination team is seeking or may be willing to modify a request so that the team obtains the information it needs without overburdening the adviser.

Common Questions During the Announcement Call

CCOs frequently ask whether the caller is actually an SEC examiner, why the firm was selected, how long the examination may last, and whether additional time is available to respond. It is appropriate to verify the examiner's identity through an SEC email address ending in @sec.gov or by independently contacting EXAMS or the applicable regional office using the contact information published on the SEC's website at www.sec.gov. Firms should obtain contact information directly from the SEC's website rather than relying on a telephone number or link provided by the caller. While there is no harm in asking why the firm was selected or how long the examination will take, the Staff generally will not disclose the selection rationale or estimate the examination duration at the outset.

Final Observation

SEC examinations are not conducted on a fixed schedule and often result from evolving risks, regulatory priorities, or adviser-specific developments. Firms that understand how examinations are selected and what to expect following an examination announcement are generally better positioned to respond efficiently, communicate effectively with the Staff, and establish a strong foundation for the examination process.

Chapter 2

Building an Effective Day One Presentation

When it is appropriate in the context of the examination or requested by the Staff, a Day One Presentation can be one of the most strategically important moments in the examination process.



EXAMINER'S VIEW

Bring the Right People

The adviser will generally lead the presentation but should expect the examination team to ask questions throughout. Registrants may include any personnel they believe would be helpful, provided individuals are available to address substantive questions on the topics being presented.

Although some firms treat it as a routine introduction, experienced compliance professionals and former examiners recognize that the initial presentation can shape how the Staff understand the firm, frame risk, and prioritize follow-up.

From the examiner's perspective, the Day One Presentation is not simply an information session. It is an early risk-assessment tool. The Staff evaluate whether presenters demonstrate command of the adviser's business model, compliance program, governance structure, conflicts, risk areas, and key documents. A clear and credible presentation can help narrow follow-up inquiries. A disorganized or inconsistent presentation can expand the examination.

In examinations conducted by the PFU, the Staff will often request that the Day One Presentation be conducted two to three weeks before the examination's more targeted interviews and generally request that registrants set aside 90 minutes to two hours. The format is usually interactive, with the Staff asking questions as the registrant works through the presentation rather than holding them until the end. The registrant determines who presents, but should ensure that personnel in appropriate leadership positions are present and able to answer questions regarding all topics covered.

Framing the Narrative

A strong Day One Presentation tells a coherent story. It connects the firm's strategy, structure, operations, and compliance framework in a way that demonstrates alignment and control. A Day One Presentation typically covers several core elements:

- Business model and investment strategy
- Organizational structure, affiliates, and key personnel
- Funds, clients, and investment processes
- Compliance program design and governance
- Key risk areas and how they are identified, managed, and controlled
- Recent business changes or developments relevant to the examination

Certain examination teams, including PFU teams, commonly request a Day One Presentation as part of the initial examination process. Even where not expressly requested, advisers may consider offering a concise presentation to orient the Staff, provided the presentation is accurate, well prepared, and consistent with records the firm will produce.

What Works

✔ Clear and logical structure

A well-organized presentation helps the Staff quickly understand the firm. Intuitive headings, logical sequencing, and concise explanations reduce confusion and demonstrate operational discipline.

✔ Alignment between narrative and documentation

Statements made during the presentation should align with the firm's Form ADV, policies and procedures, offering documents, governing documents, and records produced during the examination.

✔ Appropriate level of detail

Strong presentations strike a balance between high-level orientation and meaningful insight. They avoid generic summaries that lack substance and excessive detail that obscures key points.

✔ Transparency around risk areas

Perhaps counterintuitively, acknowledging areas of complexity or unique structures (e.g., co-invest vehicles, use of affiliates, or bespoke fee arrangements) can strengthen credibility. The Staff understands that all firms have risk; what matters is whether those risks are identified and managed. A presentation that proactively addresses key risk areas and unique aspects of the business demonstrates that the adviser has identified and understands the risks inherent in its business model that could adversely affect its clients and investors, as well as the controls and processes in place to manage those risks.

✔ Consistent and confident delivery

The presentation is a live interaction. Presenters should be prepared, coordinated, and aligned. Answers should be direct, thoughtful, and limited to known facts.

✔ Thoughtful selection of presenters

Firms should select presenters who understand the topics they cover and can respond competently. In many cases, that group includes the CCO, CFO, General Counsel, investment personnel, and/or a senior business leader.

✔ Confident navigation of examiner questions

The presentation should be treated as a guided discussion rather than a scripted monologue. Presenters should be prepared for interruptions, clarification questions, and follow-up.

What to Avoid

⊗ **Overly polished marketing language**

The SEC is not evaluating brand positioning or growth strategy. It is assessing compliance, risk, and control. Marketing spin should be removed in favor of clarity and substance.

⊗ **Inconsistencies across presenters**

Conflicting descriptions of processes or controls can suggest weak internal alignment and may prompt deeper inquiry.

⊗ **Unnecessary complexity**

Technical detail without clarity can obscure key issues and invite follow-up. Firms should explain complex structures in plain language and avoid undefined acronyms.

⊗ **Defensive posture**

An adversarial tone can erode trust. Mock presentations can help identify where tone or framing may unintentionally appear defensive.

⊗ **Lack of preparation for expected questions**

Questions about affiliations, conflicts, fees, expenses, valuation, allocation, governance, and compliance oversight should be anticipated.

⊗ **Marginalizing the CCO**

If the CCO is absent or silent except on narrow compliance topics, the Staff may question whether compliance has sufficient visibility and influence within the organization. A visible and engaged CCO helps demonstrate that compliance is integrated into the firm's decision-making processes and broader culture.

⊗ **Treating the request as a document dump**

A collection of separate documents may technically address requested topics, but it often fails to provide the cohesive orientation the Day One Presentation is intended to provide.

Final Observation

The Day One Presentation is an opportunity to demonstrate that the adviser understands its business, risks, controls, and compliance program. When executed well, it creates a foundation for a more efficient examination and reinforces the firm's credibility from the outset.

Chapter 3

Preparing for SEC Staff Interviews and Mock Examinations

SEC interviews are an important component of the examination process and should be treated as professional conversations, not “gotcha” exercises.

The purpose is to help the Staff understand the adviser’s business, governance, controls, and compliance practices while testing whether the firm’s documented practices align with how the firm operates in practice.



CHECKLIST

Before Every Interview

- ☑ Review relevant policies and procedures
- ☑ Know what’s been produced that relates to your role
- ☑ Understand the examination period
- ☑ Refresh your memory of significant decisions and events

Role of Interviews in the Examination

Interviews allow the Staff to confirm their understanding of produced documents, assess whether policies operate as described, understand how decisions are made, and identify the individuals responsible for key business, operational, and compliance functions. Questions that may seem basic or repetitive often are designed to test consistency and develop a more complete picture of how the firm operates.

Scheduling and Interview Preparation

Interview agendas are often provided shortly before interviews occur and may identify specific individuals or subject-matter areas. If the requested employee is not the best person to address a topic, firms should feel comfortable proposing an alternative. Firms also should consider the availability of key personnel and seek earlier visibility where travel, fundraising, investment committee meetings, or other commitments may create conflicts.

Preparation is critical. Interviewees should review relevant policies and procedures, become familiar with documents produced to the SEC that relate to their responsibilities, understand the examination period, and refresh their recollection of significant decisions or events. Mock interviews can help employees become more comfortable, identify areas requiring additional preparation, and reduce the likelihood of inconsistent responses.

Interview Attendance and the Role of Advisers

The CCO should attend interviews to facilitate the process and maintain awareness of examination themes. Firms may also include internal legal or compliance personnel, outside counsel, or compliance consultants. As a professional courtesy, firms should notify the Staff in advance who will attend and in what capacity.

Outside counsel and consultants are generally most effective as advisers and observers. They can help prepare interviewees, take notes, identify issues, conduct post-interview debriefs, and coordinate follow-up. They should not

“Silence is not a request for speculation.”

dominate the interview or answer questions that the Staff expect firm personnel to answer directly.

Conducting the Interview

Interviewees should be professional, candid, and prepared. Responses should provide enough context to answer the question, but should not speculate, volunteer unrelated information, or speak outside the interviewee’s area of responsibility. If a question is unclear, the interviewee should ask for clarification. If the interviewee does not know the answer, it is appropriate to say so and offer to follow up.

Interviewees should understand the examination period and, unless asked otherwise, focus their responses on that timeframe. Expanding beyond the relevant period can create unnecessary confusion and may prompt additional document requests or questions unrelated to the Staff’s original focus.

Interviewees should not feel compelled to fill silence. Some examiners may pause after an answer to see whether the interviewee adds information. Silence is not a request for speculation. A complete, accurate answer should stand on its own unless the examiner asks a follow-up question.

Interviewees should be prepared to walk through how they use particular systems, reports, or documents and explain how decisions are made in practice. The Staff will not have the same familiarity with the adviser’s business or industry, and concepts may need to be explained more than once. Interviewees should be patient and willing to explain concepts in a clear and understandable manner.

When addressing difficult questions or perceived deficiencies, interviewees should avoid becoming argumentative or immediately conceding a point. A measured response that acknowledges the concern and indicates that the matter will be considered internally is often the most effective approach. In many instances, the Staff are still gathering facts and evaluating information, and an immediate debate rarely advances the examination.

Managing Follow-Up and Internal Coordination

As discussed in Chapter 4, interview follow-ups should be tracked centrally. During the interview process, the key is to identify commitments made during interviews, recurring themes, and areas where future interviewees may need additional preparation.

Common Interview Pitfalls

- Speculating or making up answers
- Volunteering information that was not requested
- Speaking outside one's expertise or role
- Using absolutes when a qualified answer is more accurate
- Assuming the purpose behind a question
- Becoming defensive when challenged
- Filling silence with unnecessary or unverified information
- Providing responses that conflict with document production or the firm's disclosures

Final Observation

The most successful interviews provide the Staff with a clear, consistent, and credible understanding of how the firm operates and how it seeks to meet its regulatory obligations. Preparation, candor, and consistency are the best tools for reducing interview-related risk.



Chapter 4

Managing the Examination Process

**CHECKLIST****What Your Exam Tracker Should Capture**

- ☑ Every request, initial and follow-up
- ☑ Assigned owner and due date
- ☑ Production status and date produced
- ☑ Clarification notes and open questions

The way a firm manages the examination process can affect the tone, efficiency, and duration of the examination.

Responsiveness, organization, and communication are not merely administrative matters. They are practical indicators of how well the firm coordinates regulatory obligations across functions.

Initial Notice and Internal Coordination

The examination process typically begins with a phone call followed by an announcement letter and initial request list. Upon receipt, firms should mobilize an internal response team, designate a central point of contact, identify functional owners, and notify senior management and outside advisers where appropriate.

The CCO typically plays the central coordinating role, but responsibility for production should be distributed to the departments that own the underlying processes and records. This structure improves accuracy and reduces bottlenecks.

Establishing Cadence and Tracking

In our experience, the most organized firms maintain a centralized examination tracker that logs all initial and follow-up requests, assigned owners, due dates, production status, clarification notes, open questions, and dates of production.

Regular internal check-ins help ensure requests are progressing and that issues are surfaced early. The cadence may vary based on the phase of the examination, but during active production periods it is often typical to meet daily or several times per week.

Managing Requests and Communications

As the examination progresses, the Staff may issue additional requests based on document productions, interviews, and evolving areas of focus. As a best practice, firms should request that all additional requests be provided in writing. Producing materials based only on a firm's interpretation of an oral request can lead to incomplete or misaligned responses, particularly where scope, timing, or data parameters are unclear.

Where clarification is needed, it is appropriate to engage with the Staff to confirm scope and expectations before proceeding. In certain cases, a request may be broader than necessary to satisfy the Staff's objective, and the Staff may

**EXAMINER'S VIEW****Fix It Before the Letter**

Early remediation won't necessarily keep a finding out of the deficiency letter, but exam teams frequently acknowledge corrective action already taken when they describe the issue.

be receptive to receiving a more narrow response. For example, the Staff may request all marketing materials used during the examination period. For some private fund advisers, this could encompass a substantial volume of materials, including pitch books, investor presentations, due diligence questionnaires, quarterly reports, and other investor communications. While the firm may be able to produce the entire universe of responsive materials, it may be worthwhile to discuss with the examination team whether a more targeted production would achieve the Staff's objective. Having a call with the Staff can help guide the firm on the scope of materials the Staff would find most useful, such as representative examples of recurring materials or a sample selected from a comprehensive marketing materials log.

Examiners are generally receptive to clarification requests. Clarification discussions should be documented in writing after the call.

Addressing Potential Issues Identified During the Examination

During the examination, firms may identify control gaps, disclosure issues, documentation deficiencies, or other matters that warrant remediation. Where appropriate, advisers should consider addressing these issues before the examination concludes rather than waiting for a deficiency letter. If corrective action is taken, firms should consider notifying the Staff in writing and discussing the remediation during subsequent calls or other interactions with the examination team. Early remediation will not necessarily prevent a finding from appearing in a deficiency letter, but it demonstrates a proactive compliance culture and may influence how the Staff views or characterizes the issue. In our experience, examination teams frequently acknowledge corrective action already taken when describing findings in a deficiency letter.

Production Timing and Extensions

Document production often takes longer than expected because materials must be collected, reviewed, validated, organized, and, if desired, Bates stamped to request Freedom of Information Act ("FOIA") protection, as mentioned below. Initial request lists often request production within approximately two weeks, while follow-up requests may involve shorter deadlines.

Extensions should be requested in writing, with context and a proposed revised timeline. Well-supported extension requests are often reasonable where requests involve complex datasets, privilege review, legal analysis, third-party information, older records, or additional validation. Extension requests generally should not be made for items the Staff expects to be readily available, such as the compliance manual or financial statements.

Exam Interviews

Interviews are a central component of the process and require careful preparation. Chapter 3 provides a dedicated discussion of interview preparation, staffing, execution, and follow-up.

Logistics: Onsite and Remote Exams

Examinations may be conducted either onsite or remotely, and each format carries distinct logistical considerations. For onsite reviews, firms should designate appropriate workspace, reinforce clean desk practices, avoid discussions of sensitive matters near examiners, and maintain professional conduct. For remote examinations, firms should confirm familiarity with SEC meeting technology and prepare to be on camera for virtual meetings.

File Sharing, Confidentiality, and FOIA Considerations

Substantive document productions are typically made through SEC-approved file sharing portals or secure email. Firms should test access before production deadlines and confirm that permissions are active. Firms also should consider confidentiality and FOIA implications when producing sensitive or proprietary materials and, where appropriate, consult with counsel.

Final Observation

Disciplined process management reduces friction and helps prevent administrative issues from becoming substantive examination concerns. The goal is not merely to respond, but to manage the examination in a way that demonstrates consistency, coordination, and credibility.

Chapter 5

Responding to Document Requests

**EXAMINER'S VIEW****Never Leave a Blank**

If a request doesn't apply to your firm, say so explicitly. An unanswered or partially addressed item reads as a gap, not a non-issue.

Document production is a core phase of an SEC examination where the Staff form conclusions.

The completeness and organization can materially influence the scope, duration, and ultimate outcome of the examination. Inconsistent, incomplete, or poorly organized responses frequently result in expanded requests, additional interviews, and increased scrutiny.

Framing the Objective

Firms should approach document production with two core objectives:

1. Satisfy each request fully and accurately
2. Avoid inconsistencies that could prompt follow-up requests or expand the scope of the examination

Producing documents without context or quality control can create ambiguity or misinterpretation. Conversely, well-structured and consistent production can narrow follow-up inquiries and reinforce credibility with the Staff.

Scoping and Interpreting Requests

Initial request lists often include broad or standardized language that may not align perfectly with how a firm maintains its records or systems.

As a threshold matter, firms should carefully review each request and identify areas where clarification is appropriate. This may include questions regarding:

- Scope, such as applicable funds, clients, or periods
- Format, such as system outputs or data fields
- Underlying objective of the request

Where a request is not applicable, firms should clearly state that fact rather than leaving the item unanswered or partially addressed.

Coordinating Production

Document production should be centrally coordinated, typically by the CCO, with clear ownership and accountability for each request.

While Chapter 4 addresses broader examination coordination, document production requires additional discipline to ensure that each response is complete, consistent with other materials, and clearly scoped, including any limitations or exclusions.

**CHECKLIST****Why Cover Memos Are Helpful**

- ☑ Summarize what's being produced
- ☑ Clarify scope and assumptions
- ☑ Explain how the request was interpreted
- ☑ Flag non-applicable items or limitations

As discussed in Chapter 4, firms should request that all additional requests be provided in writing. Producing materials based on the firm's interpretation of oral requests can lead to incomplete or misaligned responses, particularly where scope, timing, or data parameters are unclear.

Quality Control and Presentation

Before submitting materials, firms should confirm that documents produced are consistent with Form ADV, offering documents, and other disclosures; descriptions of processes are aligned across functions and responses; and data, calculations, and document versions are accurate and current.

Firms should follow the SEC's instructions for organizing and labeling documents and prioritize clarity and usability in production.

Where appropriate, firms may include a concise cover memorandum or lead-in sheet with each production. These materials can summarize what is being provided, clarify scope and assumptions, explain how requests were interpreted, and identify non-applicable items or limitations. These materials can help the Staff understand the firm's interpretation of the request and the scope of the production.

Where inconsistencies are identified during production, firms should resolve them before submission or clearly explain the context, scope, or basis for the response.

Common Document Production Pitfalls

1. Overproduction without clear relevance

Providing excessive or irrelevant materials can create confusion and increase scrutiny. However, not all voluminous responses warrant clarification. Where a request is clearly applicable and data is readily available in its native format, firms may be better served proceeding with production, provided the materials are well organized and appropriately framed.

2. Incomplete or partial responses

Failure to fully respond to a request often results in additional inquiries and signals weak coordination.

3. Inconsistency across documents

Conflicting information across documents is one of the most common drivers of expanded examination scope.

4. Reactive, uncoordinated responses

Ad hoc production efforts without centralized oversight can result in inconsistent responses across workstreams, duplicate or conflicting productions, missed requests or gaps, and misalignment between documents and interview narratives. The Staff may interpret these signals as weaknesses in the firm's control environment, which can lead to broader review and additional testing.

As discussed previously, to mitigate these risks, firms should centralize intake, triage, and review of all requests; maintain a consistent tracking method for produced materials, follow-ups, and commitments; and ensure alignment across documents, responses, and interviews before submission.

Alignment with Interviews and Ongoing Requests

Document production should not be viewed in isolation. As discussed in Chapter 3, the Staff frequently use produced materials to frame interview questions and test whether employee responses align with documentation. Firms should ensure that key personnel understand the materials being produced and that written materials align with how processes are described in interviews.

Final Observation

Document production is not a mechanical exercise. It is one of the primary ways the firm presents itself during an SEC examination. Firms that approach production strategically, with discipline and attention to clarity and consistency, are better positioned to reduce follow-up inquiries, contain scope, and reinforce credibility with the Staff.



Chapter 6

Examination Outcomes and Responding to SEC Findings

Firms should understand the range of potential regulatory outcomes from an SEC examination and how to respond to each.



KEY FIGURE

30 Days

The typical window to respond in writing to a deficiency letter. If you need more time, request an extension in writing. Reasonable requests are often granted, especially when remediation, reimbursement calculations, or third-party coordination are still underway.

While most examinations conclude with either a deficiency letter or a no further action letter, the examination process may also involve follow-up communications, requests for additional information, or in more significant cases, referrals to the Division of Enforcement (“Enforcement”).

Examination Disposition Letters

A no further action letter means the Staff is not communicating deficiencies based on the examination. As the name of the letter suggests, no response is required. However, firms should not read a no further action letter as a statement that the firm is fully compliant with all applicable federal securities laws. These letters typically include language making clear that the Staff’s decision not to communicate deficiencies does not mean that no issues exist, that every area of the firm’s business was reviewed, or that the SEC is precluded from taking a different view in the future.

A deficiency letter identifies issues the Staff believes warrant attention and, where appropriate, corrective action. A deficiency letter is not an enforcement order or a finding of liability. It reflects the Staff’s views regarding potential violations, compliance weaknesses, or control gaps observed during the examination. The purpose of the letter is to give the firm an opportunity to address the issues and explain what corrective action it has taken or plans to take in response to each deficiency that appears in the letter.

Deficiency letters vary significantly. Some focus on one or two meaningful issues, while others include multiple technical or administrative findings. The length of the letter is not necessarily a reliable proxy for seriousness. Firms should assess each issue on its own merits, particularly where the finding implicates clients or investors, disclosures, fees and expenses, conflicts of interest, custody, valuation, MNPI, books and records, or other regulatory obligations.

The Exit Interview

Before issuing a deficiency letter or no further action letter, the Staff typically schedule what is commonly referred to as an exit interview. Despite the name, the exit interview is usually not an interview, and it does not necessarily mean the examination is over. It should be thought of as a courtesy call during which the Staff previews the outcome of the examination and, if deficiencies will be communicated, summarizes the issues that will appear in the deficiency letter. Although practices vary among examination teams and regional offices, firms

typically receive the deficiency letter or no further action letter on the same day as the exit interview or the following business day.

The level of detail provided during an exit interview varies by examination team. Some teams provide only a high-level summary. Others walk through each anticipated finding in detail. In most cases, the issues discussed should not come as a complete surprise. They generally relate to topics that were raised during interviews, follow-up calls, or document requests.



EXAMINER'S VIEW

Listen. Don't Litigate.

By the exit interview, the letter is usually close to final, often arriving the same or next business day. Ask clarifying questions, correct factual errors respectfully, but do not argue about the merits of a finding.

Some examination teams also provide verbal observations during the exit interview that do not appear in the deficiency letter. These comments generally do not require a written response. However, firms should not dismiss them. The Staff document these observations in their workpapers, and future examination teams may revisit those issues during subsequent examinations. Accordingly, firms should evaluate verbal observations thoughtfully and determine whether corrective action is appropriate, even if no written response is required.

Firms should understand that the deficiency letter is usually close to final by the time the exit interview occurs. Unless the Staff learns during the call that it has made a factual mistake, the exit interview rarely results in meaningful changes to the letter. For that reason, the exit interview is not a time to litigate the Staff's conclusions or argue every point. Doing so is unlikely to change the outcome and may affect how the Staff receives the firm's subsequent written response.

In our experience, attempting to litigate the findings during the exit interview is almost never productive. When our consultants served on the Staff, we observed firms spend considerable time arguing each observation during an exit interview, often quite passionately, yet the outcome was almost always the same: the deficiency letter was issued substantially as written at the time of the exit interview. Firms are generally better served by listening carefully, asking clarifying questions where necessary, and reserving substantive arguments for their written response.

Accordingly, firms should remain professional throughout the exit interview, thank the Staff for its work, indicate that they will review the letter carefully, and explain that they will respond in writing. If the firm believes the Staff misunderstood a key fact, it can raise that point respectfully. Otherwise, the written response is usually the appropriate forum for addressing the Staff's concerns.

Responding to a Deficiency Letter

Deficiency letters generally request a written response within 30 days. If the firm needs additional time, it may request an extension in writing. Reasonable extension requests are often granted, particularly where the firm needs addi-

tional time to complete remediation, calculate reimbursements, collect supporting documentation, or coordinate with third parties.

Once a deficiency letter is received, the firm should move quickly to organize its response. The first step is to review the letter carefully and identify who within the firm will be responsible for each issue. The firm should also determine whether outside counsel, a compliance consultant, or other advisers should assist. Engaging experienced outside support is common, particularly where the findings are significant, involve legal analysis, require client or investor remediation, or could have collateral consequences.



CHECKLIST

Anatomy of a Strong Response

- ✓ What happened
- ✓ The firm's position
- ✓ Corrective action taken
- ✓ Evidence supporting remediation
- ✓ Root cause, and why the fix will hold

A strong response letter should do more than acknowledge the issue. It should explain what happened, describe the firm's position, identify corrective action taken, and provide evidence supporting the remediation. Where appropriate, the response should include attachments, such as revised policies and procedures, updated disclosures, training materials, testing results, reimbursement calculations, proof of payment, investor or LPAC notices, or other documents demonstrating that the firm has taken the matter seriously.

As discussed in Chapter 4, when the firm takes corrective action before the deficiency letter is issued, it should consider proactively notifying the Staff in writing and, where appropriate, discuss those actions during follow-up calls or the exit interview. In our experience, examination teams frequently acknowledge prompt corrective action in the deficiency letter. Although early remediation will not necessarily prevent a finding from appearing in the letter, it demonstrates a proactive compliance culture and may affect how the Staff characterizes the issue.

Firms should distinguish between corrective action that has already been completed and corrective action that remains in progress. Completed remediation is generally more persuasive than future commitments. That said, some issues require longer-term remediation, such as technology enhancements, additional testing, revised workflows, or changes to committee processes. In those cases, the response should be specific about what will be done, who will own it, and when it is expected to be completed.

The most effective responses also address root cause. It is often not enough to say that a policy was revised. The Staff will want to understand whether the firm has identified why the issue occurred and whether the fix is sustainable. For example, if a Code of Ethics issue resulted from unclear procedures, the response may explain that the firm revised the policy, trained employees, enhanced certifications, assigned ownership to compliance, and added periodic testing to the annual review process. That type of response shows that the firm is not merely correcting a document but strengthening the compliance program.

Response Tone and Substance

The tone of the response matters. Deficiency responses should be professional, factual, and solution-oriented. They should avoid unnecessary defensiveness, personal criticism of the Staff, and arguments that read like litigation briefs.

There are circumstances where it is appropriate to disagree with the Staff. The Staff may have misunderstood facts, applied an incorrect assumption, or taken a view that the firm does not believe is supported by the governing documents, disclosures, or applicable law. However, firms should be strategic about which points they contest. Not every issue is worth fighting. If the remediation is straightforward and the finding has limited collateral significance, the better course may be to address the issue and move on. On the other hand, if a finding could affect investor communications, financial calculations, disclosures, litigation risk, or future regulatory posture, a carefully reasoned disagreement may be appropriate.

One principle a HighCamp Partner frequently shared with registrants while at the SEC was: “We may disagree on the application of the law, but we should not disagree on the facts.” If the Staff misunderstood a factual issue, misquoted a governing document, or overlooked relevant information, the firm should respectfully correct the record. Once the facts are aligned, any disagreement regarding the application of the law should be presented thoughtfully, analytically, and professionally in the firm’s response letter.

When disagreeing, firms should do so respectfully. A response might acknowledge the Staff’s concern, explain the relevant facts, cite the governing document or disclosure language, and then state why the firm does not agree that a violation occurred. Even then, the firm may choose to describe enhancements it is making prospectively. This allows the firm to preserve its position while demonstrating that it takes the Staff’s concerns seriously.

Firms should also be careful not to overpromise. Commitments made in a deficiency response can become the roadmap for a future examination. If a firm states that it will conduct quarterly testing, the Staff may ask for evidence of that testing during the next examination. If a firm says it will provide annual training, the Staff may request training materials and attendance records. Remediation commitments should be meaningful, but also realistic and sustainable.

“While at the SEC, I used to say we may disagree on the application of the law, but we should not disagree on the facts.”

Brian Caravello
Partner, HighCamp

**EXAMINER'S VIEW****Silence Is Normal**

Most firms never hear back after submitting a response. That is not a sign of an Enforcement referral or an imminent re-exam.

Reimbursements and Investor Remediation

In some cases, the Staff may believe clients or investors were harmed financially. The deficiency letter will generally not expressly direct the firm to reimburse affected parties, but it may ask the firm to state in its response whether reimbursement will be made. Language of that nature is a strong indication that the Staff believes reimbursement should be considered.

Where reimbursement is appropriate, the firm's response should explain the calculation methodology, identify the affected clients or funds, state whether interest was included, and provide evidence that payment was made or will be made. If the firm determines that reimbursement is not appropriate, it should be prepared to explain that conclusion clearly and support it with facts, governing document provisions, disclosure language, or other relevant analysis.

Investor or client communications may also be necessary depending on the nature of the issue. For example, if the deficiency involves fund expenses, valuation, conflicts of interest, allocation practices, or disclosures, the firm should consider whether investors, advisory committees, boards, or other stakeholders should be notified. If disclosure is provided, the firm should retain evidence of that communication and consider including it with the deficiency response.

Follow-Up from the Staff

If the Staff is satisfied with the firm's response, the response will often mark the practical end of the examination. However, firms should not expect a ceremonial closing of the examination or affirmative confirmation from the Staff that its response was satisfactory. In most cases, the firm submits its response and typically will not hear anything further from the examination team. That is normal and should not be interpreted as a signal of an Enforcement referral or an indication that the firm will be selected for another examination in the near future.

If the Staff believes the response is incomplete, unclear, or inadequate, it may request additional information, schedule a follow-up call, or issue an unresolved letter. An unresolved letter generally identifies issues the Staff believes remain outstanding and may request a further written response. In more significant cases, the Staff may ask the firm to participate in a follow-up call or an in-person meeting with the examination team, including senior personnel within the Division of Examinations or members of the Division of Investment Management or Enforcement.

An unresolved letter should be taken seriously. It may indicate that the Staff does not believe the firm has fully addressed the deficiency, that the remedia-

**AT A GLANCE****Referral Is More Likely
When Issues Involve:**

Investor harm · Misleading disclosures · Misuse of assets · Significant conflicts · Repeat conduct · Obstruction or altered records · Intentional or reckless conduct

tion is insufficient, or that the firm's response has created additional concerns. Firms receiving an unresolved letter should reassess the issue, consider whether additional remediation is warranted, and determine whether outside counsel or a compliance consultant should be involved if they are not already assisting, regardless of whether the Staff requests another written response.

Enforcement Referrals

Fortunately, most deficiency letters do not result in referrals to Enforcement. However, where the Staff identifies particularly significant issues, it may refer the matter to Enforcement. This is more likely where the issue involves investor harm, misleading disclosures, misuse of assets, significant conflicts of interest, recidivist conduct, obstruction, altered or incomplete records, or conduct the Staff views as intentional or reckless.

A referral does not automatically mean that Enforcement will bring an action. The Staff generally do not notify a firm that a matter has been referred to Enforcement. As a result, a firm may not know that a referral has occurred unless and until Enforcement contacts it separately. Enforcement may review the referral and decide not to open an investigation, request additional information, conduct an informal inquiry, or open a formal investigation.

Firms should also understand that the Staff may consult internally before making a formal referral. They may seek input from Enforcement, SEC subject matter experts, or other personnel within EXAMS. Not every internal consultation results in a referral, and not every referral results in an enforcement investigation.

Long-Term Remediation

The best deficiency responses are not just about ending the examination. They are about strengthening the compliance program.

After submitting a response, the firm should track all remediation commitments through completion. This may include maintaining a remediation log, assigning responsibility for each action item, establishing realistic deadlines, preserving evidence of completion, and reporting progress to senior management, the CCO, the board, or an advisory committee, as appropriate. The firm should also consider whether the issue should be addressed as part of the annual review and whether additional testing should be implemented to confirm that the remediation is operating effectively.

Prior deficiencies are likely to receive attention during future examinations. The Staff may ask whether the issue was corrected, whether the remediation was sustained, and whether similar issues occurred again. A recidivist deficiency is often viewed more seriously than a first-time issue, particularly where the firm previously represented to the Staff that corrective action had been implemented.

Finally, firms should not assume that responding satisfactorily to a deficiency letter delays or prevents another SEC examination. As described in Chapter 1, the Division of Examinations selects firms using a variety of risk-based criteria, and there is no minimum period that must elapse before another examination may be opened. While many routine examinations occur several years apart, a firm may be selected for examination again in a matter of months if circumstances warrant. Accordingly, firms should treat the completion of one examination as preparation for the next.

Final Observation

How a firm responds to examination findings can have lasting implications beyond the immediate examination. Thoughtful remediation, realistic commitments, clear communication with the Staff, and sustainable enhancements to the compliance program are often more important than the deficiency itself. Firms that approach the response process strategically and professionally are better positioned to address regulatory concerns, reduce future examination risk, and strengthen their overall compliance framework.





Conclusion

SEC examinations are a recurring part of the regulatory lifecycle for investment advisers. Throughout this playbook, we have discussed the examination lifecycle from adviser selection and examination announcement through document production, interviews, remediation, and examination disposition. Although each examination is unique, several themes consistently emerge. Organizations that approach examinations with preparation, transparency, organization, and professionalism generally have more productive interactions with the Staff and are better positioned to manage examination risk and the examination's ultimate outcome.

While burdensome, examinations also provide an opportunity to evaluate the effectiveness of a firm's compliance program. The process often reveals gaps in documentation, controls, training, oversight, or governance that may not be apparent during day-to-day operations. Addressing those gaps can strengthen the firm's compliance infrastructure and risk management practices and help establish sustainable processes that continue beyond the examination.

The appendices that follow provide additional resources that advisers may find useful when preparing for or managing an SEC examination, including a sample Day One Presentation request and selected SEC resources that offer insight into examination priorities, common deficiencies, and examination practices.

Authors



Brad Burgtorf Founding Partner

Brad Burgtorf founded HighCamp Compliance in 2017. He has over 20 years of experience advising private fund managers on regulatory and operational risks.

His background includes serving as chief compliance officer for a private credit manager, senior consultant at ACA Group, and examiner at the U.S. Securities and Exchange Commission.

Brad holds CPA and CAMS credentials (inactive) and graduated with honors from Hope College with a degree in Business Management.



Brian Caravello Partner

Brian Caravello is a Partner at HighCamp. Prior to joining HighCamp, Brian was an Examination Manager/Supervisory Attorney Adviser in the Private Funds Unit (“PFU”) within the U.S. Securities and Exchange Commission’s (“SEC”) Division of Examinations (“EXAMS”). He served in that role since the PFU’s inception in 2016. From 2023 to 2024, Brian also served as Senior Counsel to the Director of EXAMS. Prior to his role in the PFU, Brian was an Examiner/Attorney Adviser in the SEC’s New York Regional Office’s and Home Office’s investment advisory/investment company examination programs. Brian has compliance experience working with a number of investment advisers and law firms before joining the SEC.

Brian has a B.S. in English from Towson State University and a J.D. from New York Law School. He clerked for the Honorable Novalyn L. Winfield at the U.S. Bankruptcy Court for the District of New Jersey.



Tyler Hinytzke Senior Consultant

Tyler Hinytzke is a Senior Consultant at HighCamp. Prior to joining HighCamp, Tyler interned at Nicholas Company, Inc. as a buy-side analyst.

Tyler graduated with honors with a B.S. in Finance from the University of Wisconsin – La Crosse. Tyler is a graduate of University of Wisconsin – Milwaukee’s Investment Management Certificate Program where he received further education in applied finance; including the active management of student ran investment portfolios.



About HighCamp Compliance

HighCamp Compliance is a boutique compliance consulting and outsourcing firm helmed by former SEC examiners, Chief Compliance Officers, and experienced consulting professionals. The firm specializes in regulatory compliance and operational support for SEC-registered private equity, real estate, venture capital, hedge funds, and institutional alternative managers. HighCamp is proudly 100-percent employee owned. The company has locations in New York, Los Angeles, Denver, Dallas, Charlotte, and Bozeman.

Appendix A

Sample Day One Presentation Request Items

A slide presentation to describe the business of Registrant, including the items below, to the extent applicable:

- Registrant's and its affiliates' business (including any services provided by affiliates to Registrant's clients and/or portfolio investments);
- Registrant's personnel organizational chart (including any operating partners, strategic, senior advisers and/or others in a similar position);
- Registrant's ownership organizational chart, showing ownership percentages of Registrant by relevant parties and a schedule or chart of all affiliated entities;
- Each client name and profile (including types of investors, number of investors, strategy employed, and vintage year);
- Summary chart of each private fund's key terms, including, for example, fees and liquidity provisions;
- Each private fund's structure chart;
- Overview of any separately managed account arrangements;
- Lifecycle stage of each private fund (e.g., fundraising, investment period, harvesting, liquidation). Note any Private Funds in an extension period, along with the date of the extension(s) and any private funds where management fees have been waived, including the effective date of the waiver;
- Overview of the portfolio management, trading and risk management processes and approach;
- Portfolio manager and research analyst compensation structure;
- Discussion of role of each oversight committee and whether each committee keeps written minutes;
- Overview of any employee vehicles or proprietary trading vehicles;
- Fundraising process, including parties involved for each private fund;
- Compliance program (also note the use of all third party service providers who assist with compliance (i.e., law firms and consultants));
- All sources of fees or other compensation received by Registrant, and any affiliated entities;
- Expense allocation process between the private funds, Registrant, and any affiliated entities;
- Structure and use of any operating partners, executives in residence, strategic advisers, senior advisers, operating advisers and/or others in a similar position;
- Oversight process with respect to the potential receipt of material, non-public information; and
- Any restructuring of advised private funds or any other funds or co-investment vehicles involved in the restructuring including the rationale for the restructuring and how it was structured and marketed.

Appendix B

Selected SEC Examination Resources

The SEC's Division of Examinations and, in certain cases, other SEC divisions maintain a number of public resources that provide insight into how examinations are conducted, the areas of focus for the Staff, and common issues identified during examinations. While these resources do not establish new legal obligations, they often provide useful guidance regarding current examination priorities, common deficiencies, and regulatory expectations. Advisers should periodically review these materials as part of their compliance program and examination preparedness efforts. The EXAMS website serves as the central repository for many of these resources.

Division of Examinations Overview

Resource: SEC Division of Examinations Homepage

Link: <https://www.sec.gov/about/divisions-offices/division-examinations>

Description: EXAMS conducts the SEC's National Exam Program using a risk-focused approach designed to improve compliance, monitor risk, prevent fraud, and inform regulatory policy. The webpage provides access to examination priorities, risk alerts, compliance outreach materials, examiner resources, and registrant guidance. Advisers new to the examination process may find this page particularly useful in understanding how examinations are organized and administered.

SEC Exam Handbook

Resource: The SEC Exam Handbook: A Practical Guide on Process and Engagement

Link: <https://www.sec.gov/files/exam-handbook.pdf>

Description: The Division of Examinations' SEC Exam Handbook provides a practical overview of the examination process from candidate selection through examination completion. The handbook describes the Division's approach to examination announcements, information requests, interviews and onsite visits, ongoing communications, exit conferences, examination outcomes, registrant responses, and other aspects of the examination process. It also outlines what registrants can expect from EXAMS and what EXAMS expects from registrants during an examination.

Why It Matters

The handbook provides advisers with a consolidated SEC resource for understanding examination procedures and Staff expectations throughout the examination lifecycle. Among other topics, it provides additional detail regarding information requests and production timing, communications with examination teams, interviews, exit conferences, deficiency letters, registrant responses, and examination closure. Advisers preparing for or undergoing an examination may find the handbook particularly useful in understanding the process and the respective expectations of the Staff and registrant.

Examination Priorities

Resource: Annual Examination Priorities

Description: Each year, the Division publishes Examination Priorities outlining the principal risks, business practices, products, and regulatory obligations that the Staff expect to focus on during the upcoming examination cycle. These priorities provide useful insight into emerging themes and areas receiving heightened regulatory attention.

Why It Matters

Examination priorities frequently influence examination scope, document requests, and interview topics. Advisers should review current priorities when conducting annual compliance reviews, preparing risk assessments, or planning examination readiness initiatives. The priorities are particularly helpful in identifying areas likely to receive attention during future examinations.

Risk Alerts

Resource: SEC Risk Alerts

Link: <https://www.sec.gov/compliance/risk-alerts>

Description: The Division issues Risk Alerts to share examination observations, common deficiencies, and compliance issues identified during examinations. Risk Alerts are intended to help firms improve policies, procedures, disclosures, and controls. Topics have included private fund adviser practices, marketing rule compliance, fee calculations, economic conflicts of interest, custody issues, cybersecurity, anti-money laundering controls, and newly registered adviser examinations.

Why It Matters

Risk Alerts often provide the most practical insight into what the Staff are observing in the field. In many instances, examination findings discussed in Risk Alerts later become recurring examination priorities and, in some cases, enforcement themes. Advisers should routinely review relevant Risk Alerts when updating policies and procedures or conducting annual compliance reviews.

SEC Email Subscription Service

Resource: SEC E-mail Updates

Link: <https://public.govdelivery.com/accounts/USSEC/subscriber/new>

Description: The SEC offers a free email subscription service that delivers notifications when new materials are published across the Commission's divisions and offices. Available subscription topics include Risk Alerts and other publications from the Division of Examinations, litigation releases and administrative proceedings reflecting settled enforcement actions from the Division

of Enforcement, and rule proposals, final rules, staff guidance, and updates to Frequently Asked Questions from the Division of Investment Management. Press releases and other Commission announcements are also available. Subscriptions can be modified or cancelled at any time through the subscriber preferences page.

Why It Matters

Many of the resources described in this appendix are published without advance notice, and advisers that rely on periodic manual review of the SEC's website may learn of a new Risk Alert, FAQ update, or rulemaking well after publication. Subscribing to the relevant topics allows the CCO and compliance personnel to receive these materials contemporaneously and to evaluate promptly whether a change to the firm's policies, procedures, or disclosures is warranted. Enforcement settlements are also useful, as they often signal how the Staff view conduct that may have first surfaced as an examination deficiency. As a practical matter, firms may wish to have more than one individual subscribe so that coverage is maintained during personnel absences or transitions, and to document the review of significant releases as part of the annual compliance review.

Resources for Registrants

Resource: Resources for Registrants

Link: <https://www.sec.gov/about/divisions-offices/division-examinations/resources-registrants>

Description: The Division maintains examination preparation resources intended to help registrants understand the examination process, what to expect during an examination, and how the examination Staff typically conduct reviews. These materials are particularly useful for advisers preparing for their first examination or seeking to refresh their understanding of examination procedures.

Why It Matters

This resource complements Chapters 1 through 4 of this playbook and can assist firms in preparing for examination announcements, document production, and examiner interactions.

Compliance Outreach Program

Resource: Compliance Outreach Program

Link: <https://www.sec.gov/compliance/compliance-outreach-program>

Description: The Compliance Outreach Program provides public forums, seminars, webinars, and educational events hosted by the SEC. These programs often include discussion of examination priorities, common deficiencies, recent examination observations, and emerging risk areas.

Why It Matters

Outreach programs can provide valuable insight into how the Staff currently view industry risks and compliance challenges. For private fund advisers, presentations involving the Private Funds Unit and the regional offices frequently provide useful context beyond what is included in formal publications. Recent programs have addressed examination priorities, common deficiencies, private fund issues, and compliance program evaluations.

Examination Hotline

Resource: Examination Hotline

Email: examhotline@sec.gov

Description: The Examination Hotline is administered by the Office of Chief Counsel within the Division of Examinations. Registrants may contact the hotline when concerns arise during an examination that cannot be resolved with the examination team or supervisory staff. The SEC notes that registrants may request anonymity when communicating with hotline personnel.

Why It Matters

While most examination issues are resolved through normal communication channels, advisers should be aware that the hotline exists as a resource for significant examination-related concerns involving process, conduct, or other unresolved matters.

Notes

Speak with a HighCamp Advisor

Email Us

hello@highcampcompliance.com

Website

www.highcampcompliance.com