PRIVATE CLIENT SERVICES
MEMBER FINRA, SIPC
A Registered Investment Advisor

Compliance Alert

To: All PCS Registered Representatives, Support Staff, Home Office Personnel

Date: July 23, 2021

Re: **Due Diligence Works (DDW) platform - (Internal Use Tool for Evaluating/Comparing ETFs, Mutual Funds, and Annuities)**

In order to assist our Registered Representatives in complying with Regulation Best Interest, Private Client Services is happy to introduce a new tool called Due Diligence Works (DDW). DDW is available to all PCS Registered Representatives and Professional Support Staff via a single sign-on link located within the Advisor Resource Center at no additional cost. The tool can be accessed by clicking on the DDW icon located on the PCS Advisor Resource Center.

The icon looks like this below (located on the bottom right-hand side once logged into the PCS Advisor Resource Center website via www.pcsbd.net.

DDW

This tool and the reports available therein are intended for internal use only and will further assist our Registered Representatives and Managing Principals in reviewing and comparing Exchange Traded Funds (ETFs), Mutual Funds and Annuities prior to making investment recommendations within those product types in conjunction with Regulation BI. When contemplating different products within these three product types, DDW has an easy-to-use comparison tool that can compare specific funds and annuities against one another in a single snapshot. This comparison tool among other features (scoring metrics, etc.) will be part of an upcoming demo for you to view first-hand.

While there is no new firm policy being created related to this Compliance Alert, the use of this tool may greatly assist in your personal product due diligence reviews, research, and Reg BI documentation efforts. As a best practice, these internal reports and product comparisons available within DDW should be attached to the PCS Regulation Best Interest – Recommendation Documentation Supplement form. These due diligence reports are intended to further support and evidence your review of specific funds and annuities available within the PCS product shelf when recommending a fund or an annuity. There is also an easy-to-use Client Needs Matrix tool for available annuities which can be helpful when formulating a potential recommendation and comparing features, costs, surrender periods, etc within different annuities based on the needs and objectives of a particular retail investor.

For those interested in learning more and seeing the tool in use first-hand you may choose from one of two upcoming live demos scheduled for next week. The demo will be led by the Due Diligence Works, Inc. President and Co-Founder (Michael Freeman) in which an overview of the DDW platform and the different features available for use will be shown. For those unable to attend a live session, a recording of the demo will be posted online within the PCS Advisor Resource Center website under the Recommendation Guidance tab at a later date.

Option 1: July 26th - 3:30pm EST

Join Zoom Meeting
https://us02web.zoom.us/j/82603395712?pwd=aENEMk1BTlQ1bUJ5TWdMcmlQbHRnZz09
Meeting ID: 826 0339 5712
Passcode: 719233

Option 2: July 27th - 11:00am EST

Join Zoom Meeting
https://us02web.zoom.us/j/88001760033?pwd=TG9hUzB5RCtNN0pnU0pCOGNTZjFzdz09
Meeting ID: 880 0176 0033
Passcode: 198654

Please also reference the Frequently Asked Questions (FAQ's) accompanying this Compliance Alert to find answers to many common questions. These FAQ's are also posted on the Advisor Resource Center (ARC) www.pcsbd.net.net under both the Recommendation Guidance tab and Selling Agreements tab. These FAQs may be updated from time to time so please be sure to reference that link on the ARC going forward for answers related to the DDW tool.

For questions as to whether certain products are available to offer through PCS and thus could be added to the DDW tool should be directed to clientrelations@pcsbd.net.

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