



A GUIDE BY ADVICEPAY

# Compliance

Does Your Billing Software Keep You Compliant?

## AdvicePay Helps You Avoid Custody

A 2013 SEC Risk Alert specifically noted that having online access to client accounts can trigger custody if the online access includes the ability to withdraw funds or transfer them to another account. While it's not illegal for financial planners to have custody, those who do are subject to substantial, additional compliance oversight requirements, including the obligation to arrange for annual "surprise" audits at the advisor's expense, typically costing \$10,000 or more per audit.

### **AdvicePay guards against custody via the following features:**

- Advisors cannot view any client's bank account or credit card information
- Advisors cannot bill clients without the client's permission
- Advisors cannot withdraw client funds without client approval
- Advisors cannot make any billing changes without client approval

## As Regulations Change, So Does AdvicePay

One major concern regulators have is that an ongoing fee-for-service relationship might turn into a monthly membership that is easy to sign up for and impossible to cancel. (You've likely had this happen with your gym or another online service before!) Several different state regulators have asked that clients be able to cancel subscription payments without contacting their financial planner, and AdvicePay added this feature in response to that concern.

At AdvicePay, we prioritize regulatory requests and update our system on an ongoing basis to satisfy the rules, regulations, and preferences of regulators. When you use AdvicePay, you can be sure it will adapt to changing regulations in order to keep you compliant.

## We're Here to Help

At AdvicePay, we happily provide support to our users, answering your questions on every aspect of the platform, ranging from how to begin to use the software, to tips and tools for increasing your efficiency, to how AdvicePay helps you avoid custody and keeps you compliant with maximized data security. We value your questions and feedback. Our Support Desk and the AdvicePay Team are here to help!