

Common Exam Findings and How to Prepare for an NFA Exam

Member Regulatory Workshop



Exam Expectations



- Examination scope and big picture expectations
 - Characteristics of the applicable Swap Dealer
 - Potential risks
 - Prior issue
 - Types of reviews and testing
 - Onsite fieldwork

Exam Expectations



- Internal Control Questionnaire (ICQ)
 - “Living” document
 - Connection with internal control walkthroughs
 - RFS submissions and supporting exhibits
- Internal Control Walkthroughs
 - Inclusion of stakeholders performing controls
 - Live demonstration of control activities
 - Current date vs. audit date

Exam Expectations



- General Ledger Output
 - Tailored to the Firm's unique profile
 - All accounts and sub-accounts
 - Month-end balances
 - Monthly journal entry activity
- Fieldwork Requests
 - Extensions and clarifying questions
 - Shorter turnaround for certain requests

Exam Expectations



- NFA Requested Trade Data
 - Timing and Volume
 - Troubleshooting key fields
- Areas of Concern, Preliminary Issues; and Report Items
 - Transparency and Discussion
 - Remediation

Q&A

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