

SEC Modernization: Partner with Confluence to Achieve Readiness

The below information is an executive summary of the content provided in our recent whitepaper, which provides a high level description of the SEC Investment Company Reporting Modernization (SEC Mod) and how Confluence can ease the pain of readiness. As all of the following information and recommendations are based on the proposed rule and not the final rule, it is possible that there will be changes upon finalization by the SEC. Confluence will work quickly to update any information that may be affected by the final rule.

HOW CAN CONFLUENCE HELP WITH SEC MOD?

Confluence solutions will reduce both the time spent preparing for and the on-going resources expended on Form N-PORT and Form N-CEN by up to 80 percent. As well, Confluence solutions will reduce risk by making it feasible to complete the Form N-PORT filing in 30 days (including filings that include Part F), providing a controlled system to facilitate collaboration, review, and standardization, and providing an audit trail for external regulatory examinations and inquiries. Our solutions will feature:

- Filing solutions for Form N-PORT and Form N-CEN through the Unity NXT™ Regulatory Reporting platform
- Unity® Financial Reporting support for the Regulation S-X changes
- Sophisticated data sharing between Confluence solutions
- Regulatory remediation to determine data sources and on-going data collection procedures
- Ongoing form preparation and filing services to ease the new resource burden
- A full end-to-end solution under a single offering via partnerships with market data providers and risk management specialists

WHY IS CONFLUENCE THE RIGHT CHOICE FOR SEC MOD?

Confluence has been the asset management industry's leader in data management for 25 years and has a depth of experience in data management for systemic risk reporting through six years of experience with Form N-MFP, Form PF, Form CPO-PQR, Form NFA-PQR, and AIFMD Annex IV. Based on that experience, we have dedicated a significant portion of our research and development budget to improving the sophistication of our data management, form building, and filing capabilities. The result of these efforts is Unity NXT™ Regulatory Reporting, our consolidated regulatory reporting platform.

In addition to our depth of expertise with systemic risk data management and reporting, we also have a depth of expertise specific to SEC Mod. At Confluence, we have been developing our strategy and providing information to the market on SEC Mod since early 2014 when we participated in the ICI's working group that met with the SEC during the proposal's planning phase. Since the proposal was released, we have held a series of webinars, interviews, and requirements deep dives with a cross section of the market, and provided resources via our client Support Site and public SEC Modernization Resource Center.

Finally, Confluence has a wide breadth of solutions that share the same data set. Both our financial reporting and regulatory reporting solutions utilize a common system to load, define, and relate raw data, which makes Confluence the only provider that offers solutions for financial reporting, Form N-PORT (77% data overlap) and Form CPO-PQR (66% overlap). As regulators continue to blur the lines between human viewable and machine readable output, as with the Form N-PORT and Regulation S-X components of SEC Mod, partnering with Confluence to leverage our ability to accommodate all forms of output from a single set of shared data is the best strategic move.