



In this inaugural issue of the Compliance Risk Concepts ("CRC") Control Room Quarterly, we introduce what we hope will be a quarterly publication of helpful articles and topics for Control Room professionals.

We all know what we do in the Control Room is a challenge. Often, the situations we face do not come from prescriptive rules; rather, they are based on facts and circumstance of such situations, requiring creative reasoning gleaned from case law, industry best practices, and common sense.

Control Room Considerations When a Pandemic Strikes

As we enter perhaps the third week of the **new normal** (working from home), how are Control Rooms adjusting? With the strike of COVID-19, firms' preexisting business continuity plans ("BCP") have become essentially obsolete.

For many firms, employees have been told to work from home, not utilize the DR sites, avoid travel, and carry on.

Presumably, Control Rooms' staff have access to systems in order to monitor and update Watch and Restricted Lists, clear research, and conduct surveillance. But what about Control Rooms' abilities to access trading platforms, back-office, ancillary systems (e.g. - Bloomberg, HR databases, vendor applications), phones, and other tools that we take for granted when working in the office?

Additionally, what are Control Rooms going to do if its employees become sick and there are no Control Room desktop procedures?

We hope the following considerations will be helpful to Control Rooms as they navigate these uncertain times:

1. Re-think Control Room staff coverage hours. Team members are working from home and may have to juggle caring for children and family members.
2. Remember to continue to supervise Control Room staff, even remotely. Consider daily recaps and enhanced escalation protocols.
3. Have daily touchpoints with Control Room colleagues to review major events and develop contingency plans.
4. Over-communicate with trading, sales, research and banking business clients, Control Room, and Compliance colleagues. Everyone is trying to figure out how to respond to various situations.

5. Leverage video conferencing to stay connected with your Control Room colleagues, your clients – (trading, sales, research and banking), compliance colleagues, and your IT department to ensure processes continue to operate and function appropriate.
6. If your clients are conducting weekly meetings or conference calls, ask if you can participate in order to help stay informed. Do not wait to be invited – be proactive.
7. If short on staff, risk-rank projects until staffing levels normalize.
8. Document thought processes and decisions. Even at a high-level, a quick note that captures considerations may be helpful for future reference.
9. Maintain and monitor information barriers. Although employees are working from home, public and private-side issues still exists.
10. Consider relaxing employee personal trading holding period requirements during these volatile trading times.
11. Capture lessons learned. It is never too soon to memorialize what worked and what didn't – for future situations and Control Room procedures.
12. As regulatory inquiries and questions are received, how will Control Rooms respond?
13. Consider retaining outsourced help to cover gaps. Remember, this may also be the new normal.

We know these are common-sense tactics, but perhaps that is what is needed in these uncertain times.

Please do not hesitate to contact if you have questions or would like to discuss any of these points.

Control Room (Virtual) Roundtable

Please join us for our next Control Room Roundtable. Given the unusual circumstances, we thought we would adapt and hold our first virtual (Zoom) roundtable. We are planning a full agenda with relevant topics and are also seeking your input for agenda items.

Save the date: May 13, 2020
2:30 – 6:00 (EST)

For those that would like to stick around afterwards, we will be hosting a virtual happy hour!!!