

INVESTOR REPORTS: WHITE PAPER

Business Description

Investor Reports, Inc. provides a cost-effective software solution that helps broker-dealers in defining and meeting their compliance and supervision requirements. Investor Reports, Inc. helps management effectively monitor account activities, and consolidates multiple data sources into reports that reflect the merits of the trading activity and investments held in a customer's portfolio.

The securities industry is highly regulated and broker-dealers are required to supervise the activities of their brokers and their client's accounts. The branch manager, or compliance department personnel must be ever mindful of suitability, turnover, trading losses, commissions, money laundering, trading of proprietary products, and much more. Investor Reports, Inc. provides access to the analytical tools and produces a comprehensive report to test the necessary areas of responsibility.

Financial Professional Market

FINRA reported as of 2007 5,005 member firms with 172,850 branch offices and 676,820 Registered Representatives. Disciplinary Action filed 1,177, Firms Expelled 16.

With heightened requirements, compliance has come to the forefront for those in the securities industry. Proper supervision is not an option, it is a critical part of the Securities Industry. Compliance professionals are in short demand and often the Compliance Officer has multiple responsibilities and wears many different hats; which makes the roll of Compliance and Supervision increasingly difficult. FINRA rules 3130, 3010 and 3012 require firms to have Supervisory Policies and Procedures in Place, establish a Supervisory System and regularly test their effectiveness.

Investor Reports, Inc. assists firms by providing key indicators to management through our Executive Dashboard in our Compliance View software. Compliance View aids in supervision, reduces operating cost, alerts management of suspect activities through our Executive Dashboard, provides comparison with industry indexes, links account specific details to summary reports for analysis, and allows each firm to customize their reports.

Individual Investor

Half of all U. S. households are invested in the stock market. Investor Reports, Inc. provides valuable tools for the compliance professional to gain a clear picture of the client's investment

performance and activity. Compliance View also assists in meeting the requirements to supervise the investors' accounts to determine if the activity meets suitability standards.

Investor Reports, Inc. Compliance View software is intended to be used as a tool for financial professionals to demonstrate their level of supervision and has the potential for saving the broker-dealer large litigation costs and reduce customer dissatisfaction.

Company History

Patrice Stewart, a securities industry veteran with over 27 years experience with two major firms, formed Investor Reports, Inc. Patrice has continued to be involved in securities work as a consultant, arbitrator, mediator and expert witness. Her areas of expertise are supervision, compliance and operations. Patrice is a certified mediator with FINRA. She also serves as an arbitrator and is a qualified Chairperson. She is a member of the SIFMA-Compliance and Legal Division.

Mission of Investor Reports, Inc.

Our mission at Investor Reports, Inc. is to provide broker-dealers a cost effective software solution that helps management effectively monitor account activities.

Compliance View software is designed to consolidate multiple data sources into a series of reports containing useful information.