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# secure

## se<sup>2</sup> Regulatory Enhancement Notification - Rule 22c-2

Effective October 16, 2007, as part of our commitment to provide up to date regulatory compliance services, se<sup>2</sup> introduced a new web-based toolset to comply with the Securities and Exchange Commission (SEC) Rule 22c-2. This SEC Rule 22c2 was created to assist fund companies combat market timing and frequent trading which can harm the performance of their fund.

The se<sup>2</sup> trade alert toolset provides flexible incoming request options and is designed to extract trade data from a centralized database via CUSIP or Omnibus account number. Once a request has been submitted, this proprietary tool will provide fund companies detailed transaction reports of trade activity.

- Method one is automated and gives the fund companies control of when they request a report without the need for contacting anyone. The fund company simply transmits the request to a secure FTP site at se<sup>2</sup>. The toolset picks up the FTP request and automatically schedules, runs and transmits the information file back.
- Method two allows the fund companies to send a request to an e-mail box by se<sup>2</sup> client. The se<sup>2</sup> compliance team enters the request into the toolset for delivery by FTP or secure e-mail.

In addition se<sup>2</sup>'s trade alert toolset gives the fund companies the ability to place restrictions on trade activities by policy, Agent or Investment Advisor level for a specific fund(s) over a specified period of time.

se<sup>2</sup> would like to extend a thank you to fund companies, clients, and business partners for working cooperatively to implement this important requirement.