



ADVISOR COMMUNICATION • 2026

Compliance Audits: What's Changing in 2026

A simple overview of our updated audit follow-up process — what to expect, how it works, and where to go for help.

EFFECTIVE
2026

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SECTION 01

Why the Process Is Changing

Cybersecurity and documentation standards have become more evidence-driven across the industry. This update is designed to:

- protect clients and advisor practices,
- reduce avoidable risk events (especially cyber incidents), and
- create a consistent, predictable path to remediation when gaps are found.

SECTION 02

What You Can Expect

Audits are "proof-based"

1

When an audit identifies missing items, we will ask for specific proof — for example, screenshots showing MFA is enabled, confirmation of procedures in place, use of required templates, and redacted samples where appropriate.

Support is available

2

If you need help implementing requirements, remediation support is available through the Gryphon Compliance Contact Centre.

Clear follow-up timelines

3

Instead of long, open-ended follow-ups, we are moving to defined timelines so advisors can close gaps quickly and return to good standing.

SECTION 03

The Audit Ladder

STEP 1 Fail #1: Notice + Remediation Deadline

If you do not meet audit requirements, you will receive a written notice outlining:

- what items are missing,
- what proof is required, and
- the date your proof is due.

REMEDATION DEADLINE

15 days

STEP 2 Enhanced Supervision

If proof is not received by the deadline, the advisor is placed on Enhanced Supervision for 90 days. During this period:

- remediation proof is due within **5 business days**, and
- high-risk transactions (banking changes, withdrawals, ownership/beneficiary changes) require documented call-back verification using Gryphon's template.

This step is designed to protect clients while gaps are being corrected.

STEP 3 Fail #2 (within 12 months): Business Restrictions

A repeat failure within 12 months triggers business restrictions for 60 days and mandatory remediation. Restrictions may include:

- temporary limits on new submissions until baseline requirements are met, or
- processing through a controlled submission path, depending on the situation.

STEP 4 Fail #3 (within 24 months) or Material Cyber Incident

A third failure within 24 months, or a serious cyber incident, triggers a formal fit and supervision review.

SECTION 04

How to Submit Proof / Ask for Help

All audit communication and proof submission will run through a dedicated Compliance Contact Centre so everything is consistent and trackable.

You will receive:

- your checklist of missing items,
- how to submit proof, and
- how to request a remediation session if needed.

QUESTIONS?

Reach out to the Gryphon Compliance Contact Centre
compliance@gryphinadvantage.com