

Dear Kingswood Team,

As we approach year-end, it is critical that all registered personnel are fully compliant with Continuing Education ("CE") requirements. We are also implementing enhanced Know Your Customer ("KYC") and Client Identification Program ("CIP") procedures in response to our ongoing regulatory review and direct feedback from our regulators. This message serves as formal notice of the following requirements, deadlines, and consequences.

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### **Firm Element CE (QuestCE)**

Firm Element CE through QuestCE is now **past due**. Kingswood is extending a final grace period through:

**December 10, 2025**

After this date, we will begin assessing **finances and other sanctions** deemed appropriate for any individual who has not completed Firm Element CE.

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### **IAR CE (QuestCE)**

IAR CE is also **past our internal deadline**. However, the firm is allowing the same grace period:

**December 10, 2025**

Failure to complete by this date will result in fines and potential additional sanctions.

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### **FINRA Regulatory Element CE (FinPro)**

We have noted that many individuals have **not completed FINRA Regulatory Element CE via FinPro**.

While FINRA technically allows completion through **December 31**, Kingswood is imposing an **internal deadline of:**

**December 18, 2025**

This is due to known system shutdowns and processing interruptions typical at year-end. Do **not** assume FinPro access or functionality will be reliable after this date.

You may access and complete your Regulatory Element CE here:

<https://www.finra.org/finpro>

**Important CE Communication Instruction:**

Please **do not reply to this email** with questions about your CE status or access issues.

For CE-related inquiries, contact **Linda Sofi** at [lsofi@kingswoodus.com](mailto:lsofi@kingswoodus.com).

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### **Consequences for Non-Compliance (CE)**

Failure to meet Kingswood's internal deadlines will result in:

- **Fines and disciplinary sanctions**
- **Loss of good standing**
- **Immediate compliance action**

Failure to complete **IAR and FINRA CE by December 31** will result in:

**IMMEDIATE SUSPENSION OF YOUR LICENSE(S)**

**AND**

**NO COMPENSATION WILL BE PAID TO YOU WHILE YOU ARE SUSPENDED**

There will be **no exceptions** and no retroactive pay once a suspension occurs.

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## Enhanced KYC, CIP, and Client Due Diligence

As part of our ongoing review of the regulatory landscape—and at the **direct urging of our regulators**—Kingswood is continuing to enhance its KYC, CIP, and overall client due diligence procedures across both the broker-dealer and RIA platforms.

Effective immediately, we will require a **valid driver's license (or equivalent government-issued photo ID)** for **all new clients** on both the **BD and RIA** sides. This documentation must be obtained, reviewed, and appropriately retained as part of the account opening process.

Registered personnel are responsible for:

- Ensuring new account paperwork includes the required ID
- Verifying the information is legible, current, and consistent with the client profile
- Following all updated procedures in our written supervisory procedures and platform guidance

Accounts may be **delayed, restricted, or rejected** if required identification is not obtained and documented in accordance with these enhanced standards.

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## Take Action Now

1. **Immediately complete all outstanding CE** in:
  - **QuestCE** (Firm Element & IAR CE)
  - **FinPro** (FINRA Regulatory Element): <https://www.finra.org/finpro>
2. **Follow updated KYC/CIP procedures** for all new clients and ensure a driver's license or equivalent government-issued photo ID is obtained and retained as required.

If you have **CE-related questions**, contact **Linda Sofi** at [lsofi@kingswoodus.com](mailto:lsofi@kingswoodus.com).  
For KYC/CIP or due diligence questions, please contact the Compliance Department.

Regards,

**Mike Alsoraimi**

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