Artificial Intelligence Acceptable Use Policy

Effective Date: March 25th, 2026 **Last Reviewed:** March 25th, 2026
Applies To: All employees, registered representatives, contractors, and temporary staff

1. Purpose
This policy establishes requirements for the safe, compliant, and responsible use of artificial intelligence (AI) tools including large language models, chatbots, copilots, and automated decision-support systems within the firm. It aligns with our obligations under FINRA rules and applicable securities regulations, informed by FINRA Regulatory Notice 24-09.

2. Approved Tools and Accounts
All personnel must use company-approved enterprise AI accounts and platforms when conducting any firm business. The use of personal accounts, free-tier consumer products, or unapproved third-party AI services for work-related purposes is prohibited unless the employee has obtained **prior written approval from their direct manager and the Compliance Department**.
Requests to use a non-standard AI tool must be submitted in writing and include: the tool name, vendor, intended use case, and a description of the data that would be shared with the tool. Approval will be evaluated on a case-by-case basis.

3. Data Protection and Confidentiality
Employees must never input material non-public information, personally identifiable information (PII), client account data, proprietary trading strategies, or other confidential firm or customer information into any AI tool including approved enterprise tools unless that tool has been explicitly cleared by Compliance and Information Security for handling such data. When in doubt, do not input the data and consult your supervisor.

4. Supervision and Review
Consistent with FINRA Rules 3110 (Supervision) and 3120 (Supervisory Control System), all AI-generated output used in connection with firm business must be reviewed by a qualified human before it is acted upon, sent to clients, used in decision-making, or incorporated into firm records. AI tools are assistive; they do not replace professional judgment, supervisory obligations, or required approvals. Supervisors are responsible for establishing reasonable procedures to oversee AI-assisted work, including spot-checks.

5. Communications with the Public
Any AI-generated or AI-assisted content intended for clients or the investing public including emails, research summaries, social media posts, marketing materials, and educational content must be reviewed and approved through the firm's existing communications review process per FINRA Rules 2210, 2241, and 2242. AI-generated content must not be misleading, and the use of AI does not relieve the firm or the producing individual of responsibility for accuracy and fairness.

6. Fair Dealing and Suitability
AI tools must not be used in any manner that could result in unfair, discriminatory, or manipulative outcomes for customers. Employees using AI to support recommendations, account management, or customer interactions must ensure outputs are consistent with FINRA Rule 2111 (Suitability) / Regulation Best Interest, as applicable, and Rule 2010 (Standards of Commercial Honor). If an AI tool produces output that appears biased, inaccurate, or inappropriate, the employee must not rely on it and must report the concern to Compliance.

7. Recordkeeping
All business-related AI interactions that constitute or contribute to firm business records including prompts and outputs used in connection with customer communications, trade decisions, or compliance functions are subject to the firm's recordkeeping obligations under SEC Rules 17a-3 and 17a-4 and FINRA Rule 4511. Employees must ensure these records are captured and retained in accordance with firm procedures.

8. Prohibited Uses
The following uses of AI tools are strictly prohibited:

- Generating or distributing false, misleading, or fabricated information to clients or regulators.
- Submitting AI-generated regulatory filings, reports, or attestations without thorough human review and verification.
- Using AI to circumvent compliance controls, surveillance systems, or supervisory procedures.
- Sharing firm credentials or access tokens with AI platforms not approved by Compliance and Operations.

9. Training and Acknowledgment
All employees are required to complete the firm's AI usage training module upon hire and annually thereafter. Each employee must sign an acknowledgment confirming they have read, understood, and agree to abide by this policy. Violations may result in disciplinary action, up to and including termination and regulatory referral.

10. Policy Review
This policy will be reviewed at least annually or more frequently as warranted by regulatory developments, changes in firm technology, or updates to FINRA guidance by the Compliance Department in coordination with Legal, Technology, and senior management.