

ADMINISTRATIVE PROCEEDING
File No. 3-17566

SEC Charges Transfer Agent with Failing to Comply with Required Rules

September 22, 2016 – The Securities and Exchange Commission today announced that a registered transfer agent has agreed to settle charges that it fundamentally failed to comply with the rules and regulations that govern the conduct of transfer agents.

Transfer agents provide critical services to issuers of securities and their shareholders, including maintaining accurate shareholder records, processing transfers in a timely manner, and responding to shareholder inquiries.

An SEC investigation found that Wilmington, Delaware-based Wilmington Savings Fund Society, FSB (“WSFS”) began providing transfer agent services in 2010. From that time through 2013, however, WSFS failed to keep its registration current and accurate, as required, and failed to file an accurate annual report of its services. In addition, WSFS did not maintain all of the records or create all of the reports required by the SEC’s rules. Further, those records WSFS did maintain were inaccurate and/or incomplete. Finally, during this period, WSFS did not have any written policies or procedures to ensure compliance with the SEC’s rules.

The SEC’s investigation further found that the WSFS account administrators, who performed the daily transfer agent services, were unaware of the SEC’s transfer agent rules and did not receive any training from WSFS regarding compliance with the rules until 2013.

The SEC’s order finds that WSFS violated Sections 17 and 17A of the Securities Exchange Act of 1934 and Rules 17Ac2-1, 17Ac2-2, 17Ad-10, 17Ad-11, 17Ad-15, 17Ad-17 and 17Ad-19. Without admitting or denying the findings, WSFS agreed to cease and desist from further violations of these provisions and to pay a \$375,000 penalty.

The SEC’s investigation was conducted by Polly Hayes, Assunta Vivolo, Brian R. Higgins, and Kelly L. Gibson of the Philadelphia office, and supervised by G. Jeffrey Boujoukos. The investigation followed an examination conducted by Philadelphia office examination staff David A. Spencer and Elizabeth Peltz-Rubino, under the supervision of Frank A. Thomas and Diane J. Hagy.

See also: [Order](#)