## Issue ID:

IS-001585

## Issue Name:

Governance and supervision controls related to Prudential Annuities Distributors, Inc. (PAD)  
Outside Business Activities (OBAs) and personal investments in private securities transactions (e.g. passive  
investments) needs improvement.

## Root Cause Explanation:

The root causes are primarily attributable to the overreliance of self-disclosure by RRs  
and a lack of consideration to use additional outside data to detect discrepancies in on-going OBA recertifications  
as well as a lack of firm-wide protocols for system changes to consider regulatory impacts.

## Issue Rating:

Medium Repeat Issue: No  
Status: Open Issue Target Date: 10/31/2024

## Operating Division:

USB-Individual Solutions Group

## Risk Category:

10. Regulatory Compliance

## Risk Sub-Category:

10.6 Conflicts of Interest

## Root Cause Category:

Process