

# Wasabi Helps New Brokerage Firm Meet Strict SEC and FINRA Records Archiving Rules



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*-Prerak Sanghvi, CTO, Proof*

## CHALLENGE

Economical, durable and compliant archival storage for financial, legal and electronic trading records

## SOLUTION

Wasabi provides ultra-low-cost storage and complies with SEC and FINRA recordkeeping rules

## RESULTS

- Compliant record-archiving platform mitigates risk and uncertainty
- S3-compatible solution simplifies multicloud deployment, integration, and operations
- Pay-as-you-grow pricing aligns storage costs with business demands
- Low-cost solution frees up budget for strategic technology initiatives

## Overview

[Proof](#), a new institutional equities broker, uses Wasabi hot cloud storage for affordable, immutable, and compliant archival storage in a multicloud architecture. The firm archives financial, legal, and electronic trading records to Wasabi to preserve data and meet stringent SEC and FINRA recordkeeping requirements. Wasabi helps Proof contain archival storage expense and complexity, ensure regulatory compliance, and free up IT budget to focus on innovation.

## Business Challenge: Ensuring SEC and FINRA Compliance

SEC Rule 17a-4 and FINRA Rule 4511 establish strict electronic records preservation guidelines, requiring brokerage firms to retain and index records in a non-rewriteable, non-erasable format for at least six years. Ensuring SEC and FINRA compliance can be a costly and complicated proposition for any financial services organization, especially a new venture like Proof with limited staff and budget.

"Traditional cold storage vendors like Iron Mountain and Patrina charge a pretty penny to archive and index your data," explains Prerak Sanghvi, CTO at Proof. "As a cost-conscious startup, we needed to find a more affordable solution."

## Solution: Wasabi Hot Cloud Storage

After investigating a number of potential solutions including Amazon S3 and Glacier storage, Sanghvi selected Wasabi hot cloud storage as the firm's compliant record-archiving platform. Wasabi is incredibly cost-effective, fast, and secure cloud storage for any purpose. Financial services firms can use Wasabi as primary storage for electronic records and application data, as secondary storage for backup or disaster recovery, and as archival storage for long-term data retention. Wasabi's data immutability capability helps broker-dealers comply with SEC Rule 17a-4 and FINRA Rule 4511 records preservation requirements. The solution also provides eleven 9s (99.999999999%) object durability, ensuring the integrity of archived records.

## Results: Affordable, Immutable, and Compliant Storage

Wasabi helps Proof curb archival storage costs and accelerate time-to-value, while ensuring regulatory compliance. "Unlike AWS, Wasabi provided a letter of attestation assuring their solution was compliant with applicable SEC and FINRA rules," recalls Sanghvi. "Our understanding is that FINRA prefers the self-attestation approach, and that's one of the main reasons we selected Wasabi over AWS."

Wasabi is AWS S3 API-compatible and was easy for Proof to deploy as part of a multicloud implementation. "We were able to quickly tie Wasabi into the rest of our storage architecture and interface with it using standard utilities and services," says Sanghvi. "The S3-compatible solution gives us a choice in storage management tools and helps us simplify operations and streamline automation."

Proof is one of the first brokers to operate a low-latency institutional algorithmic trading platform in a public cloud like AWS. Wasabi's S3-compliant interface simplifies AWS integration and helps make Sanghvi's multicloud vision a reality.

Better still, Wasabi's pay-as-you-grow pricing model lets Proof tightly align archival storage expenses with evolving capacity requirements and business demands. The solution helps the firm avoid guesswork, minimize upfront investments, and free up budget to focus on more strategic technology initiatives to help power the business.

Thanks to Wasabi, Proof was able to quickly implement a durable, instantly scalable archival solution that complies with stringent SEC and FINRA recordkeeping regulations. The solution helps Proof safeguard confidential records, contain IT expense and complexity, and avoid regulatory risk and legal exposure.

### ABOUT WASABI

Wasabi provides simple, predictable and affordable hot cloud storage for businesses all over the world. It enables organizations to store and instantly access an infinite amount of data at 1/5th the price of the competition with no complex tiers or unpredictable egress fees. Trusted by customers worldwide, Wasabi has been recognized as one of technology's fastest growing and most visionary companies. Created by Carbonite co-founders and cloud storage pioneers David Friend and Jeff Flowers, Wasabi has secured \$110 million in funding to date and is a privately held company based in Boston.

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