

Regulatory Notice

15-01

BD and IA Renewals for 2015

Final Renewal Statements for Broker-Dealers, Investment Adviser Firms, Agents and Investment Adviser Representatives, and Branches

Payment Deadline: January 16, 2015

Executive Summary

FINRA is issuing this *Notice* to help firms review, reconcile and respond to their Final Renewal Statements as well as view the reports that are currently available in Web CRD/IARD for the annual registration renewal process. The payment deadline is January 16, 2015.

Questions concerning this *Notice* should be directed to the FINRA Call Center at (301) 869-6699.

Background & Discussion

Final Renewal Statements

On January 2, 2015, Final Renewal Statements and reports became available for viewing and printing in Web CRD/IARD. These statements reflect the final status of broker-dealer, registered representative, investment adviser firm, investment adviser representative, and branch registrations and/or notice filings as of December 31, 2014. Any adjustments in fees owed because of registration terminations, approvals, firm IA registrations, reporting status or notice filings subsequent to the Preliminary Renewal Statement are included in this final reconciled statement.

If the amount assessed on the Final Renewal Statement is greater than the amount assessed on the Preliminary Renewal Statement, the additional renewal fees are due by January 16, 2015. If the amount assessed on the Final Renewal Statement is less than the amount assessed on the Preliminary Renewal Statement, FINRA has issued a credit to the firm's FINRA Flex-Funding Account.

January 2015

Notice Type

- ▶ Renewals

Suggested Routing

- ▶ Compliance
- ▶ Legal
- ▶ Operations
- ▶ Registration
- ▶ Senior Management

Key Topics

- ▶ IARD™
- ▶ Registration
- ▶ Renewals
- ▶ Web CRD®

Referenced Rules & Notices

- ▶ NTM 02-48

The Final Renewal Statements include the following fees (if applicable):

- ▶ Web CRD system processing fees;
- ▶ FINRA branch office and branch processing fees;
- ▶ BATS Y-Exchange, Inc. (BATS-YX), BATS Z-Exchange, Inc. (BATS-ZX), BOX Options Exchange, LLC (BOX), NASDAQ OMX BX, Inc. (BX), C2 Options Exchange, Incorporated (C2), Chicago Board Options Exchange (CBOE), Chicago Stock Exchange (CHX), EDGA Exchange, Inc. (EDGA), EDGX Exchange, Inc.(EDGX), International Securities Exchange (ISE), ISE GEMINI (GEMINI), Miami International Stock Exchange, LLC (MIAX), NASDAQ Stock Exchange (NQX), New York Stock Exchange (NYSE), NYSE Arca, Inc. (ARCA), NYSE MKT LLC (NYSE-MKT) and NASDAQ OMX PHLX, Inc. (PHLX) maintenance fees, if applicable;
- ▶ state broker-dealer firm, branch, and agent (AG) renewal fees, if applicable;
- ▶ state investment adviser firm, branch and investment adviser representative (RA) renewal fees, if applicable;
- ▶ FINRA annual statutory disqualification fees for registered individuals.

FINRA must receive full payment of the Final Renewal Statement fees by January 16, 2015.

Renewal Payment

Web CRD/IARD issues a refund if a firm has fewer individuals, branch offices or jurisdictions registered or notice filed at year-end than it did on the Preliminary Renewal Statement. Note that FINRA transferred overpayments to firms' Flex-Funding Accounts on January 2, 2015. Firms that have a credit balance in their Flex-Funding Accounts may submit a [refund request](#) to FINRA or leave the funds in their account to pay for other future fees.

If the Final Renewal Statement reflects an amount due, FINRA must receive payment no later than January 16, 2015. Firms have four payment options:

1. Electronic payment via E-Bill
2. ACH/Wire Transfer
3. Automatic FINRA Flex-Funding Account-to-Renewal Account Transfer
4. Check

Electronic Payment via E-Bill

Firms may submit electronic payments to fund their renewal accounts through FINRA's [E-Bill](#) system. FINRA does not charge for using E-Bill; however, firms should verify if their banks charge additional fees. Firms must enroll to use E-Bill.

Please Note: Effective November 3, 2014, users having the E-Bill Renewal entitlement may subscribe to receive email alert notifications related to the annual Renewal Program, such as when the Preliminary Statement or Final Statement is due or when payments are made. For further details, please refer to the [E-Bill User Guide](#).

ACH/Wire Transfer

All ACH or wire transfer payments sent to FINRA are deposited into firm's Flex-Funding Accounts. If you submit an ACH or wire transfer to pay your firm's final renewal fees, it will not be applied to your Renewal Account until January 20, 2015, when FINRA begins the automatic Flex-Funding Account-to-Renewal Account transfer. For inclusion in the automatic transfer, please ensure that you have sufficient funds in your Flex-Funding Account to cover the total renewal fees due. If you would like your renewal payment to be applied before January 20, 2015, then you must pay directly or transfer funds using E-Bill to your Renewal Account.

Firms may transfer funds via ACH or wire into their Flex-Funding Accounts. Firms should provide their banks with the following information:

Transfer funds to:	Bank of America
Wire ABA Number:	026009593
ACH ABA Number:	054001204
Beneficiary:	FINRA
FINRA Account Number:	226005684771
Reference Number:	Firm CRD number

To ensure prompt processing of a renewal payment by wire transfer, remember to:

- ▶ Inform the bank to credit funds to the FINRA bank account.
- ▶ Provide the firm's CRD number as reference only.
- ▶ Record the confirmation number of the wire transfer provided by the bank.

Automatic Flex-Funding Account-to-Renewal Account Transfer

Beginning on January 20, 2015, until any outstanding renewal assessment is satisfied, if a firm has sufficient funds available in its Flex-Funding Account to cover the total renewal fees due, then FINRA will automatically transfer funds from a firm's Flex-Funding Account to its Renewal Account. Please Note: If your firm does not want funds automatically transferred then ensure FINRA receives payment by January 16, 2015, in your firm's Renewal Account using E-Bill. Separately, if your firm needs to transfer funds between affiliated firms, you should submit a [Web CRD/IARD Funds Transfer Request form](#).

Check

All Web CRD/IARD check payments sent to FINRA are deposited into firms' Flex-Funding Accounts. If you mail a check to pay your firm's renewal fees, it will not be applied to your Renewal Account until January 20, 2015, when FINRA begins the automatic Flex-Funding Account-to-Renewal Account transfer noted above. For inclusion in the automatic transfer, please ensure that you have sufficient funds in your Flex-Funding Account to cover the total renewal fees due. If you would like your renewal payment to be applied before January 20, 2015, then you must transfer the funds to your Renewal Account by using E-Bill.

The check must be drawn on the FINRA-registered firm's account and include the firm's CRD number in the memo line. Firms paying by check should account for U.S. mail delivery and payment processing time. To ensure prompt processing of checks:

- ▶ Include a print-out of the first page of your Final Renewal Statement with payment.
- ▶ Do not include any other forms or fee submissions.
- ▶ Make the check payable to FINRA and write your firm's CRD number on the check memo line.

Send payment in the blue, pre-addressed renewal payment envelope mailed to your firm in early November or write the address on an envelope exactly as noted in this Notice:

U.S. Mail	Overnight or Express Delivery
FINRA P.O. Box 418911 Boston, MA 02241-8911 Note: This box will not accept courier or overnight deliveries.	Bank of America Lockbox Services FINRA 418911 MA5-527-02-07 2 Morrissey Blvd. Dorchester, MA 02125 Telephone: (800) 376-2703

Renewal Reports

Renewal reports include all individual registrations renewed for 2015; however, they do not include registrations that were “pending approval” or “deficient” at year-end. Firms should examine their reports carefully to ensure that all registration approvals are correct. FINRA also suggests that firms include these reports in firms’ permanent records.

- ▶ **Firm Renewal Report** – lists individuals included in the Renewal Program and includes billing codes (if the firm provided them).
- ▶ **Branches Renewal Report** – lists each branch registered with FINRA and/or with any other regulator that renews branches through Web CRD/IARD and for which the firm is being assessed a fee.
- ▶ **Approved AG Reg Without FINRA Approval Report** – contains all individuals who are not registered with FINRA, but are registered with one or more jurisdictions.

Discrepancies

If a firm finds any discrepancies between its records and those maintained on Web CRD/IARD, the firm must report the discrepancy to FINRA by January 16, 2015. Copies of appropriate documentation from the firm’s Web CRD/IARD queues, such as a Web CRD-generated notice of termination, notification of deficient condition or notice of approval, should be readily available upon request by FINRA. Documentation should be mailed to:

FINRA
RAD Regulatory Svcs & Ops
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3rd Floor
Rockville, MD 2085