



The Bulletin

November 2013 - A Publication of the FINRA Registration and Disclosure Department

FINRA Renewal Program

The FINRA Renewal Program facilitates the registration renewal process for broker-dealer (BD) and investment adviser (IA) registrations with participating regulators. On Nov. 11, 2013, online Preliminary Renewal Statements will be available in Web CRD®/IARD™. This annual program simplifies the renewal of registrations with the payment of one amount to FINRA by Dec. 13, 2013, the payment deadline for Preliminary Renewal Statements. Firms must successfully renew their registrations to ensure continued eligibility to do business effective Jan. 1, 2014.

Firms that are joint BD/IA should also review the information provided for IA firms on the [IARD website](#).

As a reminder, firms can designate a “CRD Renewals” contact in the [FINRA Contact System](#). This individual will receive important hardcopy and electronic renewal notifications.

Links to additional information regarding renewals:

- [FINRA's Renewal Program Web page](#)
- [Renewal Program Calendar](#)
- [Renewal payment options](#)
- [SRO/Jurisdiction Fee & Setting Schedule](#)
- [Contact information for regulators \(available directories\)](#)
- [Access E-Bill for electronic renewal payments](#)
- [IARD Renewal Program Web page \(for joint BD/IA firms\)](#)

Post-Dated Termination Filings

Firms may begin filing post-dated Forms BDW, ADV-W, U5 and BR Closing/Withdrawal filings via Web CRD/IARD on Nov. 1, 2013. Firms that submit post-dated termination filings by 11 p.m., Eastern Time (ET), on Nov. 8, 2013, will not be assessed renewal fees for the terminated registrations on their Preliminary Renewal Statements. Post-dated form filings submitted between Nov. 11 and Dec. 26, 2013, will be reconciled on the firm's Final Renewal Statement. On Dec. 26, 2013, Web CRD/IARD will be available until 6 p.m., ET, and Web EFT will be available until 3 p.m., ET.

Post-Dated Termination Filings Cannot be Withdrawn

Firms should exercise care when filing post-dated Forms U5, BDW, BR Closing/Withdrawal and ADV-W. Web CRD/IARD will process these filings as they are submitted. FINRA cannot withdraw a post-dated filing. To resolve an erroneous post-dated termination filing, the firm must file a new Form U4, BD, Form BR, or ADV, as appropriate, on or after Jan. 2, 2014, and applicable registration fees will be assessed.

Renewals Mass Transfer Moratorium

The last day firms will be able to request a mass transfer to occur in 2013 is Nov. 21, 2013. There will be a moratorium on mass transfers from Dec. 9, 2013, through Jan. 15, 2014.

Preliminary Renewal Statements

Beginning Nov. 11, 2013, Preliminary Renewal Statements will be available online in Web CRD/IARD. The statements are not mailed to firms. Preliminary Renewal Statement payment must post to your firm's Renewal Account by Dec. 13, 2013. Since payments may take up to two business days to process during this busy season, please submit all electronic payments, overnight checks or wire transfers to FINRA by Dec. 10, 2013. If your firm is paying by check, be sure to allow for U.S. mail delivery and payment processing time.

FINRA-registered firms that fail to pay by the Dec. 13 deadline will be assessed a Renewal Payment Late Fee. FINRA includes this fee as part of the firm's Final Renewal Statement and calculates the fee as follows: 10% of a firm's cumulative Final Renewal Assessment or \$100, whichever is greater, with a cap of \$5,000. Please see [Notice to Members 02-48](#). Additionally, firms risk losing their jurisdiction registration(s) if the renewal fees are not paid in a timely manner.

Follow these steps to retrieve your firm's online Preliminary Renewal Statement:

- Log onto Web CRD at <https://crd.finra.org>.
- Enter your user ID and password.
- Select the *Renewal Statement* link under the *Accounting* section.
- Print the statement for your records.

The Preliminary Renewal Statement lists:

- Web CRD system processing fee of \$45 for each person who renews his/her registration with any regulator through Web CRD.
- FINRA branch office fees are assessed based on the total number of branch offices registered in Web CRD as of Dec. 31, 2013. See [Regulatory Notice 12-32](#) for additional information.
 - A FINRA branch office registration renewal fee per branch based on the tiered regressive rate structure shown below. *There will be a waiver of one branch office registration renewal fee per firm.*

# of Branch Offices	Fee Per Branch Office
1-250	\$175
251-500	\$150
501-1000	\$125
1001-2000	\$100
2001+	\$75

- A branch office system processing renewal fee of \$20 per branch. *There will be a waiver of one branch office system processing renewal fee per firm.*
- NYSE MKT LLC (AMEX), 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), NASDAQ Stock Exchange (NQX), National Stock Exchange (NSX), New York Stock Exchange (NYSE), NYSE Arca, Inc. (ARCA), and NASDAQ OMX PHLX, Inc. (PHLX) maintenance fees for firms that are registered with those exchanges. These fees are based on the number of registered personnel.

- Jurisdiction broker-dealer, agent (denoted in Web CRD as “AG”) and branch office, if applicable, renewal fees for the firm. Also for joint BD/IA firms, jurisdiction investment adviser firm, investment adviser representative (denoted in Web CRD as “RA”), and if applicable, branch office renewal fees will be in a separate section of your renewal statement.

Review the [SRO/Jurisdiction Fee and Setting Schedule \(Web CRD\)](#) which includes a list of jurisdiction broker-dealer renewal fees. In addition, some participating jurisdictions may require steps beyond the payment of renewal fees to FINRA to complete their broker-dealer or investment adviser renewal process. Firms should contact each [jurisdiction](#) directly for further information on their renewal requirements.

If a jurisdiction gives an RA discount fee, it is only applicable to an individual that is both a RA and AG with your firm. For additional IA renewal information, joint BD/IA firms should visit the [IARD](#) Website.

Submitting Renewal Payment

FINRA Flex-Funding Account vs. Renewal Account

Every firm has two FINRA financial Web CRD/IARD accounts: a Flex-Funding Account and a Renewal Account. Most payments are deposited into the Flex-Funding Account as fees for new registrations, examinations, and terminations are assessed in this account. The Renewal Account is used only during the annual Renewal Program. You must have funds to cover the full payment of your Preliminary Renewal Statement in your Renewal Account by Dec. 13, 2013, for your firm and its registered individuals to renew.

Firms have several options for payment of their renewal statements, including:

- Electronic payment via E-Bill (*replaced Web CRD/IARD E-Pay*)
- Wire transfer
- Automatic Flex-Funding Account-to-Renewal Account Transfer
- Check

E-Bill

New for the 2014 Renewal Program, firms may submit electronic payments to fund their renewal accounts through FINRA’s [E-Bill](#) system. The [E-Bill User’s Guide](#) provides detailed instruction on how to enroll and use this payment method. E-Bill is accessible from your Preliminary and Final Renewal Statements, and allows you to make an electronic payment from a designated bank account to your Flex-Funding Account. Firm users with the proper entitlement and transfer privileges may then transfer funds from the firm’s Flex-Funding Account to the firm’s Renewal Account. Payments submitted by 8 p.m., ET, should post within two business days. FINRA does not charge for using E-Bill; however, firms should verify if their banks may charge additional fees. Please note that an E-Bill entitlement is required in order to access this online application. View the [SAA Self-Entitlement Guide for E-Bill](#) for more information.

Follow these steps to verify that your renewal payment has posted to your firm’s Renewal Account:

- From the Web CRD site map, click on the *Renewal Statement* link under the *Accounting* section.
- Select *Deposit Detail* under the *Renewal Account Information* menu.
- Enter a date range in the *Deposit Detail Search* window.
- Click on *Search*.

Wire Transfer

Firms may wire payment into their Renewal Accounts. Wire payments sent by 2 p.m., ET, should post the next business day. Provide your bank with the following information:

- Instruct your firm's bank to contact **BNY Mellon Financial Corporation**.
- Provide your bank with the following information to initiate a wire transfer:

ABA Number: **031000037**
Beneficiary: **FINRA**
FINRA Account: **8-234-353**
Reference Number: **Firm's CRD number and "Renewal"**

- Inform your bank to credit funds to the FINRA bank account and to use your firm's CRD number and "Renewal" as a reference.
- Record the **confirmation number** of the wire transfer given to you by your bank.
- Confirm receipt of the wire payment by checking your firm's Renewal Account in Web CRD/IARD or by calling the FINRA Gateway Call Center at (301) 869-6699. Please have the confirmation number of the wire transfer provided to you by your bank.

Automatic Flex-Funding Account-to-Renewal Account Transfer

Beginning on Dec. 11, 2013, and through Dec. 26, 2013, 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 in your firm's Renewal Account using E-Bill or by wire transfer. Separately, if your firm needs to transfer funds between affiliated firms, you should submit a [Web CRD/IARD Funds Transfer Request form](#).

This automatic Flex-Funding Account-to-Renewal Account transfer process will also be applied daily beginning Jan. 13, 2014, until any outstanding renewal assessment is satisfied, for payment of Final Renewal Statements which are due on Jan. 10, 2014.

Check

If you mail a check to pay your firm's renewal fees, it will not be applied to your Renewal Account until Dec. 11, 2013, 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 Dec. 11, 2013, then you must pay using E-Bill or with a wire transfer directly to your Renewal Account.

- Make checks payable to **FINRA** and write your firm's CRD Number on the memo line of the check.
- Print and enclose a copy of the first page of your online Preliminary Renewal Statement.
- Do not include any other forms or fee submissions.
- Processing of check payments may take up to two business days. Please account for mail delivery and payment processing time when sending payment.
- You can query Web CRD/IARD to verify that your check has been processed in the "Deposit Detail" of your Flex-Funding Account.
- Funds deposited into your firm's Flex-Funding Account will be transferred to your firm's Renewal Account as part of the automatic Flex-Funding Account-to-Renewal Account transfer process during

the specified periods (Dec. 11 – 26, 2013 and Jan. 13, 2014 through payment in full of any outstanding renewal assessment).

Check Payment Addresses:

Make sure you copy the appropriate address **exactly as it appears below**. If you exclude any of the information, it may delay the receipt of your payment.

U.S. Mail	Express/Overnight Delivery
FINRA/CRD P.O. Box 7777-W9995 Philadelphia, PA 19175-9995 (Note: This P.O. box will not accept courier or overnight deliveries.)	FINRA Attention: 9995 500 Ross Street 154-0455 Pittsburgh, PA 15262 Provide the following phone number if one is required for the recipient: (301) 869-6699

Misapplied Renewal Payments

The following are possible scenarios for misapplication of renewal payments:

- The payment may have had an incorrect firm CRD number or unrecognizable name if a clearing firm sent the payment and, therefore, was held by FINRA's Finance Department for research.
- The payment may have had an incorrect lockbox number used in the address and may have been posted to another FINRA billing system.

If your firm believes there has been a misapplication of payment, please contact the Gateway Call Center at (301) 869-6699. Please supply as much information as possible relating to the payment so that we can research it and make a prompt correction.

Preliminary and Final Renewal Reports

Beginning Nov. 11, 2013, preliminary renewal reports are available in Web CRD/IARD for firms to request, view, print or download. Final renewal reports will be available on Jan. 2, 2014. Request your renewal reports and use them to reconcile your records. Keep a copy of both your preliminary renewal reports and final renewal reports for your permanent records as they cannot be re-generated after the reports expire.

Preliminary Renewal Reports

Three reports are available to use for reconciliation with your Preliminary Renewal Statement:

- **Firm (Agent) Renewal Report** lists all personnel registered and approved as of Nov. 8, 2013. It will include billing codes if your firm has supplied them. The agents listed in this report are registered with your firm and were assessed renewal fees on the Preliminary Renewal Statement.
- **Branches Renewal Report** lists each of your branch offices registered with FINRA plus any branches registered with the NYSE and/or states participating in the Branch Office Registration Program for which you are being assessed a fee. All firms that have registered branches should review this report, and if appropriate, file address or supervisory changes via a Form BR amendment. This will ensure that Web CRD/IARD maintains an accurate and complete branch record.
 - This report will allow firms to determine if any inactive branches are still open on Web CRD/IARD. If so, then a Form BR Closing/Withdrawal filing should be submitted to close the branch(es). In

order to effect these changes and avoid charges on your Final Renewal Statement, the BR Closing/Withdrawal filing must be submitted no later than 6 p.m. ET, Dec. 26, 2013.

- **Approved AG Reg Without FINRA Approval Report** contains all individuals associated with your firm In Web CRD who are no longer registered with FINRA but are still a registered AG with one or more jurisdictions. These individuals often result from incomplete applications, failed exams, funds deficiencies, or agents not meeting filing requirements within the allotted time periods. Individuals who are registered and do not maintain a FINRA registration but are approved in a jurisdiction create renewal discrepancies. This report only applies to FINRA-registered firms. **The reconciliation of this report will ensure the accuracy of your year-end renewal report.**
 - This report contains the name, CRD number, and reason for non-registration of each AG.
 - This report should be used to determine if any FINRA registrations should be requested or jurisdictions terminated. Each AG appearing on this list needs to be either fully terminated via a Form U5 or made current by submitting a Form U4 amendment to request a FINRA registration. Please be aware that if no AG meets the above criteria, this report will not display any data.

Final Renewal Reports

On or after Jan. 2, 2014, firms will be able to request their two final renewal reports:

- **Firm Renewal Report** lists all renewed individuals including those individuals approved between Nov. 11 and Dec. 26, 2013; however, registrations that are still “pending approval” or “deficient” at year's end will not be listed on the report as they **were not** included in the Renewal Program. If your firm has supplied billing codes, they will also be available on this report.
- **Branches Renewal Report** lists each firm's branch offices renewed with FINRA plus any branches renewed with the NYSE or jurisdictions participating in the Branch Office Registration Program.

Additional information and instructions concerning Final Renewal Statements and final renewal reports will be available in a January 2014 *Regulatory Notice*.

Requesting Renewal Reports

Firms can request their renewal reports under the *Request Reports* tab in Web CRD/IARD. Once generated, they will appear in the firm's *View Report* section. To request a report:

- From the Web CRD site map, select *Request Report* under the *Reports* section. (If you do not have entitlement to Reports, contact your firm's Super Account Administrator.)
- Select the report that you would like to receive by clicking on the title of the report. You will need to submit all required information for fields with an asterisk (*) next to them.
- Click the *Submit* button. (You will receive a Report ID number that you will use later to view the report.)

Viewing Renewal Reports

Most reports will be available to view shortly after you submit your request but some reports may take longer. Reports will expire after a designated period of time. To view your report:

- Click on *View Report* under the Reports section.
- Select the link for the Report ID Number. The link will either open the report in the browser window or prompt you to save the document to your computer depending on the format that you requested.

Downloading Renewal Reports

The download format is useful if you have large quantities of data and you wish to view the report in a different format or sort it differently. With the download report, you may import the data into a spreadsheet or database so that you can manipulate the data to better meet your needs. View complete instructions on [how to download a report from Web CRD](#).

Complete information regarding how to request and read these reports can be found in the [Reports Quick Reference Guide](#). If you need assistance, contact the Gateway Call Center at (301) 869-6699.

Web CRD/IARD Renewal Processing Shutdown

The deadline for submitting any form filings prior to year-end is 3 p.m., ET, for Web EFT and 6 p.m., ET, for Web CRD/IARD on Dec. 26, 2013. Review the [Web CRD/IARD Availability Schedule](#) for the days that you may query the systems and create "Pending" form filings, which can be submitted when full system functionality resumes at 7 a.m., ET, on Jan. 2, 2014.

Beginning Jan. 2, 2014...

Full system functionality in Web CRD/IARD will be available at 7 a.m., ET, Jan. 2, 2014. At this time, any "pending" form filings may be submitted. Please note that if a post-dated termination filing was processed during year-end renewal processing and a pending filing for the individual exists, then that filing will become "read only" as of Jan. 2, 2014.

Final Renewal Statements

Beginning Jan. 2, 2014, your Final Renewal Statement will be available in Web CRD/IARD. This statement will reflect the final status of firm, branch and AG registrations as of Dec. 31, 2013. Any adjustments in fees owed as a result of registration terminations or approvals subsequent to the Preliminary Renewal Statement will be reflected in this statement. The total fees are based on the year-end calculation for the number of AG, firm and branch registration approvals held by your firm subject to year 2014 renewal fees (as assessed by the participating states and the AMEX, ARCA, BATS-YX, BATS-ZX, BOX, BX, C2, CBOE, CHX, EDGA, EDGX, GEMINI, ISE, NQX, NSX, NYSE, PHLX.)

Since this statement has been adjusted to reflect the payments made in response to your Preliminary Renewal Statement, the "Amount Due" reflects any amount owed to FINRA. If, as a result of additional terminations after your Preliminary Renewal Statement was generated, your firm has overpaid renewal fees, the money will be transferred to your firm's Flex-Funding Account as part of the year-end processing. You can view the deposit in your Transfer Detail and all refunds should be requested from your Flex-Funding Account.

To retrieve your Final Renewal Statement in Web CRD, follow the steps outlined above for retrieving your Preliminary Renewal Statement.

Final Renewal Statement indicates an 'Amount Due':

- If your statement shows an 'Amount Due' (*i.e.*, positive amount or debit balance), then your firm needs to pay the balance to FINRA by **Jan. 10, 2014**.
- Print the statement and include a copy of the statement's first page if paying by check.
- Visit the [Renewal Program Payment Options](#) page.

Final Renewal Statement indicates it is 'Paid In Full':

- If your Final Renewal Statement's 'Paid In Full' amount is equal to the amount owed for your Preliminary Renewal Statement, then the balance is \$0 and no additional payment is required.
- If your Final Renewal Statement's 'Paid In Full' amount is less than the amount your firm paid for its Preliminary Renewal Statement, then your overpayment has been transferred to your firm's Flex-Funding Account. Any refunds should be requested from that account. You may request a refund check from FINRA or leave the funds in your Flex-Funding Account for future registration-related fees.

In conjunction with renewal processing, all renewal overpayments by firms made to FINRA will be systematically transferred to the firms' Flex Funding Accounts. Firms may leave the funds in their Flex-Funding Accounts to use for future registration fees or submit a [refund request](#) to FINRA.

The Final Renewal Statement displays:

- The number of AG with your firm that have approved registrations with each regulator and the amount paid to renew those individuals' registrations.
- The regulators with which the firm is registered and the amount paid to the regulators to renew the firm's registrations.
- The FINRA system processing fee, which will be charged for any AG who is renewed.
- The number of branch offices renewing with FINRA, the NYSE and jurisdictions participating in the Branch Registration Program and the amount paid.
- The total adjusted amount due after year end reconciliation. If the amount due is less than the amount paid, the firm will be credited. Please note that if the firm is credited, FINRA will transfer the credited amount to the firm's Flex- Funding Account. Conversely, if the amount due is greater than the amount paid, the firm must pay the balance by Jan. 10, 2014.
- For firms that fail to renew with regulators other than FINRA, only FINRA-related fees (*i.e.*, branch fees and system processing fees) will appear on the Final Renewal Statement.

Report Renewal Discrepancies

On or after Jan. 2, 2014, firms will be able to request their final renewal reports via Web CRD/IARD. If your firm finds any discrepancies between its records and the information on your final renewal reports, report the discrepancy, in writing, to FINRA no later than Jan. 10, 2014. Copies of all appropriate documentation (such as Notices of Approval/Termination, copies of Forms U4 or U5 or Form BR Closing/Withdrawals, etc.) should be included. Send discrepancies to:

FINRA
Registration & Disclosure – Registration Management
9509 Key West Avenue
Rockville, MD 20850

FINRA Reports Registration Renewals to Regulators

All firms and individuals listed in the Firm Renewal Report that renew or fail to renew for the new calendar year will be reported to each respective regulator.

The final renewal reports should be reviewed promptly to determine if all firm, AG and if applicable, IA firm and IA representative registrations have been appropriately renewed with the jurisdictions.

If Your Firm Fails to Renew

If your firm fails to pay the full amount due on its Preliminary Renewal Statement, the AG and RA registrations will systematically terminate as of Dec. 31, 2013. The firm will have to contact each regulator in which it was registered to request re-registration instructions. Please be advised that many jurisdictions levy fines for failure to renew properly.

On Jan. 2, 2014, you will be able to retrieve your Final Renewal Statement which will display only FINRA fees and include a list of FINRA branch offices and representatives registered with FINRA. If the firm pays the Final Renewal Statement, in full, **only the FINRA registration** will be renewed.

All jurisdiction AG, RA and branch registrations for your firm will terminate effective Dec. 31, 2013, except California, which does not assess its annual AG renewal fees through the Renewal Program. Your firm's jurisdiction registration will be terminated effective Dec. 31, 2013, if your firm was registered in a jurisdiction that participates in the *Automatic Failure to Renew Program*. This program provides jurisdictions the ability to authorize FINRA to systematically terminate a firm's registration, on behalf of the jurisdiction, with a termination date of Dec. 31, 2013, if the firm fails to pay the full amount of its Preliminary Renewal Statement. **Please note:** All AG, RA and branch registrations will be systematically terminated if a firm fails to pay its renewal fees regardless of whether a jurisdiction participates in the Auto Fail to Renew Program on a firm level.

Your firm will have to contact the jurisdictions in which it was registered for further instructions and information on reapplying for firm and/or individual registrations. If you are instructed by a state to re-file Forms U4, Form BR and/or Form BD to reinstate AG, RA, branch or BD registrations or Form ADV to reinstate IA firm registration/notice filing, your firm will be re-assessed all applicable registration fees.

If a firm fails to renew and its registration is terminated in a jurisdiction because the jurisdiction participates in the Automatic Fail to Renew Program, the firm should contact the jurisdiction for further instructions and information on reapplying for registration.

See page 10 of this Bulletin for the Automatic Failure to Renew Participation chart.

Questions?

For questions about the FINRA Renewal Program, call the Gateway Call Center at (301) 869-6699 or send an email to ecorrespondence@finra.org.

2014 Renewal Program - Automatic Failure to Renew Participation Chart

(As of 09/28/2013)

Jurisdiction	BD Firms	IA Firms	Jurisdiction	BD Firms	IA Firms
Alabama	Yes	Yes	Nebraska	Yes	Yes
Alaska	Yes	Yes	Nevada	Yes	Yes
Arizona	Yes	No	New Hampshire	No	No
Arkansas	Yes	Yes	New Jersey	Yes	Yes
California	Yes	Yes	New Mexico	Yes	Yes
Colorado	No	No	New York	No	No
Connecticut	Yes	Yes	North Carolina	Yes	Yes
Delaware	Yes	Yes	North Dakota	No	Yes
Dist Of Columbia	Yes	Yes	Ohio	Yes	Yes
Florida	Yes	Yes	Oklahoma	Yes	Yes
Georgia	Yes	Yes	Oregon	Yes	Yes
Hawaii	Yes	Yes	Pennsylvania	No	No
Idaho	No	No	Puerto Rico	Yes	Yes
Illinois	No	No	Rhode Island	Yes	Yes
Indiana	Yes	Yes	South Carolina	Yes	Yes
Iowa	Yes	Yes	South Dakota	Yes	Yes
Kansas	Yes	Yes	Tennessee	No	No
Kentucky	Yes	Yes	Texas	Yes	Yes
Louisiana	Yes	Yes	Utah	Yes	Yes
Maine	Yes	Yes	Vermont	Yes	Yes
Maryland	Yes	Yes	Virgin Islands	Yes	Yes
Massachusetts	Yes	Yes	Virginia	Yes	Yes
Michigan	Yes	Yes	Washington	Yes	Yes
Minnesota	Yes	Yes	West Virginia	Yes	Yes
Mississippi	Yes	Yes	Wisconsin	Yes	Yes
Missouri	Yes	Yes	Wyoming	No	N/A
Montana	Yes	Yes			