

Information Notice

Presentation Changes and New Functionality in the Central Registration Depository (CRD®) System

Summary

FINRA is introducing enhancements and presentation changes in the Central Registration Depository (CRD) system that relate to the implementation of FINRA's restructured qualification examination program and the adoption of consolidated FINRA registration rules. These changes, effective October 1, 2018, principally affect the Examination Requests and SRO Registrations sections.

Questions regarding this *Notice* should be directed to:

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Discussion

Effective October 1, 2018, in conjunction with the implementation of FINRA's restructured qualification examination program and the adoption of consolidated FINRA registration rules, FINRA is introducing enhancements and presentation changes in the Central Registration Depository (CRD) system.¹ The presentation changes principally affect the Examination Requests and SRO Registrations sections. While many of the changes are driven by FINRA, some are registration category changes requested by exchanges that participate in the CRD system.² In addition, the CRD system will reflect conversions of registrations in several categories and the automatic granting of registrations in several new categories. FINRA also is introducing an auto-select feature for SRO registration requests that firms can use to re-register individuals in capacities that have not lapsed.

September 24, 2018

Suggested Routing

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

Key Topics

- ▶ Central Registration Depository (CRD)
- ▶ Qualification Examinations
- ▶ Registration

Referenced Rules & Notices

- ▶ Regulatory Notice 17-30

Examination Requests

As part of FINRA's restructured representative-level qualification examination program, which is effective October 1, 2018, FINRA has created the Securities Industry Essentials™ (SIE™) examination, revised several representative-level qualification examinations and retired several other examinations.³ New applicants in representative-level registration categories will be required to pass both the SIE examination and a revised representative-level qualification examination (e.g., the revised General Securities Representative (Series 7) examination) appropriate to their job functions at the firm with which they are associating before their registrations can become effective.⁴ The revised representative-level qualification examinations are referred to as “top off” examinations (e.g., “S7TO”), with the exception of the Research Analyst (Series 86 and Series 87) examinations.⁵

On October 1, 2018, the CRD system's Examination Requests section will reflect these changes. Specifically:

- ▶ The SIE examination and the eight new “top-off” examinations (S6TO, S7TO, S22TO, S52TO, S57TO, S79TO, S82TO and S99TO) will be added as options.
- ▶ The Series 6, 7, 22, 52, 57, 79, 82 and 99 examinations, which are being replaced by the eight top-off examinations, will be removed as options.
- ▶ The Series 11, 17, 37, 38, 42, 62 and 72 examinations, which correspond to FINRA registration categories that are being retired, will be removed as options.

Auto-Select Feature

The CRD system will include in the SRO Registrations section (Attachment A) an “Auto-Select Registration Requests” button that firms can use to re-register individuals in capacities that have not lapsed. The Auto-Select Registration Requests feature is optional. When a filer clicks on the Auto-Select Registration Requests button, this new functionality will automatically select all representative-level and principal-level registration categories that the individual currently maintains or previously maintained without a two-year lapse, at all SROs that recognize those registration categories and with which the applicant's employing broker-dealer is a member.⁶ A filer can deselect manually any boxes on the SRO Registrations grid that are automatically selected. To confirm that the automatically selected boxes align with the SRO registrations that the applicant wants to request, firms using the Auto-Select Registration Requests feature must review the automatically selected boxes for accuracy and deselect any auto-selected SRO registrations that the applicant does not want to request.

The Auto-Select Registration Requests feature cannot be used for individuals applying to be registered for the first time or to re-register individuals in capacities that have lapsed. It also does not apply to the exchange-specific registration categories. Filers must continue

to select manually cells in the SRO Registrations grid to request registrations for persons who have not previously been registered, registrations in capacities that have lapsed and registrations in exchange-specific categories. The Auto-Select Registration Requests feature also will not be available for filers who use the Web Electronic Filing Transfer Program (WebEFT™).

Reorganization of the Registration Categories

The available registration categories in the CRD system's SRO Registrations section will be organized into three sets: (1) "representative level"; (2) "principal level"; and (3) "exchange-specific." The representative-level and principal-level registration categories are further organized into two subsets, one for registration categories that will be recognized on or after October 1, 2018, and one for "retired" registration categories.

In addition, the columns in the SRO Registrations grid will be organized so that affiliated SROs are in adjacent columns.

New Registration Categories

The SRO Registrations grid will include three new principal-level FINRA registration categories that become effective on October 1, 2018: (1) Compliance Officer; (2) Investment Banking Principal; and (3) Private Securities Offerings Principal.⁷ Information about how certain General Securities Principal registrations will be converted to Investment Banking Principal or Private Securities Offerings Principal registrations, and about how certain persons will be granted automatically Compliance Officer, Investment Banking Principal or Private Securities Offerings Principal registrations, is below.

The SRO Registrations grid also will include one new exchange-specific registration category: Options Member. Information about how certain registrations will be converted to Options Member registrations is below.

Retired Representative-Level Registration Categories

Effective October 1, 2018, the SRO Registrations grid will group eight representative-level registration categories as "retired registration categories": (1) Order Processing Assistant Representative; (2) United Kingdom Securities Representative; (3) Canada Securities Representative (CD); (4) Canada Securities Representative (CN); (5) Options Representative; (6) Corporate Securities Representative; (7) Government Securities Representative; and (8) Foreign Associate. The retired representative-level registration categories are ones that FINRA is eliminating effective October 1, 2018, but that can be maintained on or after that date by certain individuals who are grandfathered into those retired categories.⁸

Removed SRO Registration Categories

Nine registration categories will be removed from the SRO Registrations grid: (1) Branch Office Manager; (2) Market Maker Authorized Trader-Options; (3) Floor Broker; (4) Floor Broker-Options; (5) Market Maker-Options; (6) Floor Clerk Options; (7) Allied Member; (8) Floor Member Conducting Public Business; and (9) Floor Clerk Conducting Public Business.⁹ On October 1, 2018, registrations in the first six of these removed categories will be converted in the CRD system, with no lapse in registration, into registrations in other categories, as explained below. In contrast, registrations in the Allied Member, Floor Member Conducting Public Business and Floor Clerk Conducting Public Business registration categories are being fully eliminated and will not be converted into registrations in any other category.

Conversion of Registrations

- ▶ **General Securities Principal to Investment Banking Principal.** On October 1, 2018, individuals who were registered with FINRA as an Investment Banking Representative and a General Securities Principal prior to October 1, 2018, who continue to maintain those registrations on October 1, 2018, and who do not hold any other registrations that are a prerequisite to registering as a General Securities Principal (such as General Securities Representative) will have their General Securities Principal registrations converted automatically in the CRD system to Investment Banking Principal registrations.¹⁰
- ▶ **General Securities Principal to Private Securities Offerings Principal.** On October 1, 2018, individuals who were registered with FINRA as a Private Securities Offering Representative and a General Securities Principal prior to October 1, 2018, who continue to maintain those registrations on October 1, 2018, and who do not hold any other registrations that are a prerequisite to registering as a General Securities Principal (such as General Securities Representative) will have their General Securities Principal registrations converted automatically in the CRD system to Private Securities Offerings Principal registrations.¹¹
- ▶ **Branch Office Manager to General Securities Sales Supervisor.** On October 1, 2018, individuals who were registered as Branch Office Manager with the NYSE, NYSE-AMER, ISE, ISE GEMX or ISE MRX prior to October 1, 2018, and who continue to maintain that registration on October 1, 2018, will have their Branch Office Manager registrations converted automatically in the CRD system to General Securities Sales Supervisor registrations.
- ▶ **Market Maker Authorized Trader-Options, Floor Broker, Floor Broker-Options and Market Maker-Options to Options Member.** On October 1, 2018, individuals who were registered prior to October 1, 2018, as Market Maker Authorized Trader-Options, Floor Broker, Floor Broker-Options or Market Maker-Options, and who continue to maintain those registrations on October 1, 2018, will have those registrations converted in the CRD system to Options Member registrations.

- ▶ **Floor Clerk Options to Floor Employee.** On October 1, 2018, individuals who were registered prior to October 1, 2018, as Floor Clerk Options, and who continue to maintain that registration on October 1, 2018, will have their Floor Clerk Options registrations converted in the CRD system to Floor Employee registrations.

Automatic Granting of Registrations

- ▶ **Compliance Officer.** On October 1, 2018, an individual who is designated as Chief Compliance Officer (CCO) on Schedule A of the Uniform Application for Broker-Dealer Registration (Form BD) of a member firm and who is registered as a General Securities Representative and a General Securities Principal or as a Compliance Official prior to October 1, 2018, and who continues to maintain the CCO designation and such registration(s) on October 1, 2018, will automatically be granted a Compliance Officer registration in the CRD system.¹²
- ▶ **Investment Banking Principal.** On October 1, 2018, an individual who is registered with FINRA as an Investment Banking Representative and a General Securities Principal prior to October 1, 2018, and who continues to maintain those registrations on October 1, 2018, will automatically be granted an Investment Banking Principal registration in the CRD system.¹³
- ▶ **Private Securities Offerings Principal.** On October 1, 2018, an individual who is registered with FINRA as a Private Securities Offerings Representative and a General Securities Principal prior to October 1, 2018, and who continues to maintain those registrations on October 1, 2018, will automatically be granted a Private Securities Offerings Principal registration in the CRD system.¹⁴

Endnotes

1. Most of the presentation changes in the CRD system correspond to FINRA's consolidated registration rules that become effective on October 1, 2018. See Securities Exchange Act Release No. 81098 (July 7, 2017), 82 FR 32419 (July 13, 2017) (Order Approving File No. SR-FINRA-2017-007); [Regulatory Notice 17-30](#) (Oct. 2017). FINRA has published on its website informational materials, including operational and substantive FAQs, regarding these changes.
2. Questions that pertain to non-FINRA registration categories should be directed to the self-regulatory organizations (SROs) that recognize(d) those categories.
3. See [Regulatory Notice 17-30](#), at pp. 4-10, 20-21.

4. *See Regulatory Notice 17-30*, at p. 4. In conjunction with FINRA's rule change to restructure its representative-level qualification examination program, the MSRB also restructured the Municipal Securities Representative (Series 52) examination program by requiring individuals registering as Municipal Securities Representatives to take and pass the SIE examination in addition to a revised Series 52 examination. *See Securities Exchange Act Release No. 83483 (June 20, 2018), 83 FR 29855 (June 26, 2018) (Notice of Filing and Immediate Effectiveness of File No. SR-MSRB-2018-04).*
5. The revised Series 86 and Series 87 examinations have the same number of scored questions and session times as the current Series 86 and Series 87 examinations.
6. The Auto-Select Registration Requests feature will automatically recognize an applicant as eligible to apply for registration in a specific registration category if the applicant has passed, or is considered to have passed, the required qualification examination(s) or has received a waiver of the examination requirement(s), and the applicant's eligibility to be registered in the registration category has not lapsed. Representative-level and principal-level registration categories continue to be subject to a two-year lapse of registration period.
7. *See Regulatory Notice 17-30*, at pp. 18-20.
8. *See Regulatory Notice 17-30*, at pp. 20-21. An individual registered as a Foreign Associate on September 30, 2018, may continue to maintain that same registration on October 1, 2018, but if that individual subsequently terminates his or her Foreign Associate registration with FINRA, he or she will not be able to re-register as a Foreign Associate. *Id.* at 21.
9. These nine registration categories are not FINRA registration categories, but categories that other SROs recognized.
10. *See Regulatory Notice 17-30*, at p. 19 & n.54.
11. *See Regulatory Notice 17-30*, at p. 19 & n.56.
12. *See Regulatory Notice 17-30*, at p. 18.
13. *See Regulatory Notice 17-30*, at p. 19.
14. *See Regulatory Notice 17-30*, at p. 19.

Attachment A

4. SRO Registrations																							
Select appropriate SRO Registration requests. Qualifying examinations will be automatically scheduled if needed. If you are only scheduling or rescheduling an exam, skip this section and complete Section 7 (EXAMINATION REQUESTS).																							
<p> Click the Auto-Select Registration Requests button below to have the system automatically select all eligible registration categories (i.e., those you have held without a lapse) with all SROs that recognize those categories for the Representative and Principal Levels. Once the auto-selected requests have populated, you may deselect any registration request that has been automatically selected.</p> <p>Please note: The Auto-Select functionality will not select any Exchange-Specific Registration Categories. You must manually select these registration requests.</p>																							
Auto-Select Registration Requests																							
REPRESENTATIVE LEVEL REGISTRATION CATEGORIES																							
REGISTRATION CATEGORIES	FINRA	NYSE	NYSE-AMER	NYSE-ARCA	NYSE-NAT	CBOE	CBOE C2	CBOE BYX	CBOE BZX	CBOE EDGA	CBOE EDGX	NQX	BX	ISE	ISE GEMX	ISE MBX	PHLX	MIAX Options	MIAX PEARL	BOX	CHX	IEX	
IR - Investment Company and Variable Contracts Products Rep. (S6TO)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
GS - Full Registration/General Securities Representative (S7TO)	<input type="checkbox"/>																						
DR - Direct Participation Program Representative (S22TO)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
MR - Municipal Securities Representative (S52TO)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>																		
TD - Securities Trader (S57TO)	<input type="checkbox"/>																						
IB - Investment Banking Representative (S79TO)	<input type="checkbox"/>																						
PR - Limited Representative - Private Securities Offerings (S82TO)	<input type="checkbox"/>																						
RS - Research Analyst (S86 and S87)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
OS - Operations Professional (S99TO)	<input type="checkbox"/>																						
Other _____ (Paper Form Only)																							
RETIRED REGISTRATION CATEGORIES																							
AR - Assistant Representative/Order Processing	<input type="checkbox"/>				<input type="checkbox"/>							<input type="checkbox"/>											<input type="checkbox"/>
CD - Canada-Limited General Securities Registered Representative	<input type="checkbox"/>																						
CN - Canada-Limited General Securities Registered Representative	<input type="checkbox"/>																						
CS - Corporate Securities Representative	<input type="checkbox"/>							<input type="checkbox"/>											<input type="checkbox"/>				
FA - Foreign Associate	<input type="checkbox"/>																						
IE - United Kingdom - Limited General Securities Registered Representative	<input type="checkbox"/>																						
OR - Options Representative	<input type="checkbox"/>											<input type="checkbox"/>	<input type="checkbox"/>								<input type="checkbox"/>	<input type="checkbox"/>	
RG - Government Securities Representative	<input type="checkbox"/>																						
PRINCIPAL LEVEL REGISTRATION CATEGORIES																							
REGISTRATION CATEGORIES	FINRA	NYSE	NYSE-AMER	NYSE-ARCA	NYSE-NAT	CBOE	CBOE C2	CBOE BYX	CBOE BZX	CBOE EDGA	CBOE EDGX	NQX	BX	ISE	ISE GEMX	ISE MBX	PHLX	MIAX Options	MIAX PEARL	BOX	CHX	IEX	
OP - Registered Options Principal (S4)	<input type="checkbox"/>																						
SU - General Securities Sales Supervisor (S9 and S10)	<input type="checkbox"/>																						
CO - Compliance Official (S14)	<input type="checkbox"/>			<input type="checkbox"/>																			
CR - Compliance Officer (S14)	<input type="checkbox"/>																						
SA - Supervisory Analyst (S16)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
GP - General Securities Principal (S24)	<input type="checkbox"/>			<input type="checkbox"/>																			
RP - Research Principal (S24)	<input type="checkbox"/>																						
BP - Investment Banking Principal (S24)	<input type="checkbox"/>																						
TP - Securities Trader Principal (S24)	<input type="checkbox"/>																						
PO - Private Securities Offerings Principal (S24)	<input type="checkbox"/>																						
IP - Investment Company and Variable Contracts Products Principal (S26)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
FN - Financial and Operations Principal (S27)	<input type="checkbox"/>																						
FI - Introducing Broker-Dealer/Financial and Operations Principal (S28)	<input type="checkbox"/>																	<input type="checkbox"/>	<input type="checkbox"/>				
DP - Direct Participation Program Principal (S39)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>																				
FP - Municipal Fund (S51)	<input type="checkbox"/>																						
MP - Municipal Securities Principal (S53)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>																		<input type="checkbox"/>
PG - Government Securities Principal	<input type="checkbox"/>																						
Other _____ (Paper Form Only)																							
RETIRED REGISTRATION CATEGORIES																							
SM - Securities Manager	<input type="checkbox"/>	<input type="checkbox"/>																					

Attachment A continued

EXCHANGE-SPECIFIC REGISTRATION CATEGORIES																							
 The Auto-Select functionality will not select any Exchange-Specific Registration Categories. You must manually select these registration requests.																							
REGISTRATION CATEGORIES	FINRA	NYSE	NYSE-AMER	NYSE-ARCA	NYSE-NAT	CBOE	CBOE C2	CBOE BYX	CBOE BZX	CBOE EDGA	CBOE EDGX	NQX	BX	ISE	ISE GEMX	ISE MRX	PHLX	MIAX Options	MIAX PEARL	BOX	CHX	TEX	
AP - Approved Person		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>	<input type="checkbox"/>														<input type="checkbox"/>		
CF - Compliance Official Specialist		<input type="checkbox"/>	<input type="checkbox"/>																				
FE - Floor Employee		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>													<input type="checkbox"/>				<input type="checkbox"/>		
LE - Securities Lending Representative		<input type="checkbox"/>	<input type="checkbox"/>																				
LS - Securities Lending Supervisor		<input type="checkbox"/>	<input type="checkbox"/>																				
ME - Member Exchange		<input type="checkbox"/>															<input type="checkbox"/>				<input type="checkbox"/>	<input type="checkbox"/>	
MT - Market Maker Authorized Trader-Equities		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>			<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>												
OM - Options Member			<input type="checkbox"/>	<input type="checkbox"/>																			
CT - Securities Trader Compliance Officer (S14)						<input type="checkbox"/>																	
FL - Floor Clerk - Equities (S19)		<input type="checkbox"/>																					