

Form Filing Scenarios

USER GROUP: BD-only Firm	
Scenario	Guidance
<p>1. An individual is registered with Firm A (a BD-only firm) as an RR. He is leaving Firm A and is seeking registration with Firm B (a BD-only firm) as an RR. Which relicensing type should Firm B choose?</p> <p>1a. Which Form U-5 filing type is required by Firm A?</p> <p>1b. At what point will U-5 late fees be charged to Firm A?</p>	<p>1. Firm B should choose Relicense CRD.</p> <p>1a. Firm A should choose Full Form U-5 to terminate all RR registrations.</p> <p>1b. Firm A will incur late fees if the Form U-5 is not submitted within 30 days.</p>
<p>2. An individual is registered with Firm A (Joint BD/IA Firm) as a RR/RA¹. He is seeking registration with Firm B (a BD-only firm or a Joint Firm) as an RR only and wishes to retain the IA (RA) registrations with Firm A and terminate the BD (RR) registrations. Which relicensing type should Firm B choose?</p> <p>2a. Which Form U-5 filing type is required by Firm A?</p> <p>2b. At what point will U-5 late fees be charged to Firm A?</p>	<p>2. Firm B should choose Relicense CRD.</p> <p>2a. Firm A should choose Partial Form U-5 to terminate the BD (RR) registrations only and leave the IA (RA) registrations as they are.</p> <p>2b. Firm A will incur late fees if the Form U-5 is not submitted within 30 days.</p>
<p>3. An individual is registered with Firm A (Joint BD/IA Firm) as an RR/RA. Individual is seeking registration with Firm B (Joint BD/IA Firm) as an RA and wishes to retain the BD (RR) registrations and terminate the IA (RA) registrations with Firm A. Which relicensing type should Firm B choose?</p> <p>3a. Which Form U-5 filing type is required by Firm A?</p> <p>3b. At what point will U-5 late fees be charged to Firm A?</p>	<p>3. Firm B should choose Relicense IA.</p> <p>3a. Firm A should choose Partial Form U-5 to terminate all the IA (RA) registrations only and leave the BD (RR) registrations as they are.</p> <p>3b. Firm A will not incur late fees as late fees only apply to individuals on the CRD/IARD system that have at least one NASD registration.</p>

¹ "RA" is a two-letter abbreviation used on Forms U-4 and U-5 to indicate an IA Representative.

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<p>4. An individual is registered as an RR with Firm A. The individual also has a Sole Proprietorship IA firm, Firm B, where he is registered as an RA. The individual wants to leave Firm A and work as an RR for a third firm, Firm C. What relicensing type should Firm C choose?</p>	<p>4. Firm C should choose Relicense CRD and the system will expect a Full Form U-5 from Firm A. The individual's RA status with his IA firm (Firm B) will not be affected by the relicensing. The firm should <u>NOT</u> choose Relicense All, because the system would then require Full Forms U-5 to be filed by both Firm A and Firm B.</p>
<p>5. An individual is registered as an RR in VA, MD, and DC with Firm A. He wishes to leave Firm A and become registered as an RR with Firm B. Firm B files a Relicense CRD Form U-4, chooses the RR (AG) position in VA and MD, and submits the filing. Firm B later realizes it should also have selected DC. What should Firm B do to add the RR (AG) position in DC?</p>	<p>5. Firm B should file a Form U-4 Amendment. If the filing is submitted within 30 days, the system will recognize it as a Relicense filing. If the filing is submitted after 30 days, it will be treated as a regular amendment and not a Relicense filing.</p>
<p>6. Firm B seeks to register an individual as an RR. This individual is currently registered as an RA with Firm A and does not plan to leave Firm A. Firm A and Firm B are not affiliated. What filing type should Firm B choose?</p>	<p>6. Firm B should choose the Dual filing type.</p>
<p>7. Firm A and Firm B are affiliated. Firm A is a BD-only firm. An individual is currently registered with Firm A as an RR. How does the individual register with Firm B as a RA?</p> <p>7a. What kind of fees will Firm A and/or Firm B incur if they are not part of a Simultaneous Filing Group (SFG)?</p> <p>7b. What kind of fees will Firm A and/or Firm B incur if Firm A and Firm B are SFG firms?</p>	<p>7. Firm A should file a Form U-4 Amendment for the individual, add Firm B as an affiliated firm in Section 6 and choose the appropriate RA jurisdiction registrations the individual will hold with Firm B.</p> <p>NOTE: Firm A can submit a Form U-4 Amendment to add Firm B as an affiliate in Section 6 <u>only if Firm A has already indicated that Firm B is an affiliate in Item 10A on Form BD.</u></p> <p>7a. When the Form U-4 Amendment is submitted, Firm B will be charged fees for the SROs and jurisdictions selected. Firm A will be charged exam fees only.</p> <p>7b. The primary firm² of the SFG pays all NASD fees, regardless of whether it is the filing firm. These fees include NASD registration fees, exam fees, and fingerprint card fees, if applicable. Each firm pays its own State registration fees.</p>

² The primary firm of the SFG is the broker/dealer firm designated to incur all CRD charges.

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<p>8. Firm A is a BD firm and Firm B is an IA firm. Firm A and Firm B are listed as affiliates on their respective Forms BD and ADV. An individual is currently registered with Firm A as an RR, and has been transitioned onto the system as an RA by Firm B. When Firm B submits the Form U-4 Amendment on the individual, can/should it list Firm A as an affiliate in Section 6, Registration Requests with Affiliated Firms?</p>	<p>8. No. The system already recognizes the individual as being registered with BOTH Firm A and Firm B. Section 6 should only be answered Yes if seeking NEW registration with a firm affiliated with the filing firm.</p>
<p>9. When a firm files a Form U-4 Amendment after a mass transfer, the firm receives a completeness check message stating that the firm needs to select a fingerprint option. The firm believes that the fingerprint card should have been moved as a part of the mass transfer process. What does the firm need to do? Which fingerprint card option on the Form U-4 Amendment should the firm select?</p>	<p>9. This situation is limited to only those individuals who were included in the mass transfer who never had a Form U-4 Amendment filed since the mass transfer. The problem is scheduled to be fixed in Summer 2002. Until that time, in order to resolve the completeness check issue, the firm should select the <u>second</u> fingerprint button option (unregistered capacity or exempt fingerprint firm). The registration status should remain as "Approved."</p>
<p>10. A firm wishes to terminate certain Non-Registered Fingerprint individuals (NRFs). How does the firm terminate these individuals?</p>	<p>10. As of March 18, 2002, the personal data (e.g., hair/eye color, weight) are no longer mandatory fields for termination of an NRF. The firm can terminate these individuals by submitting an NRF Amendment filing and simply including the Termination Date. NASD will no longer terminate Non-Registered Fingerprint individuals.</p>
USER GROUP: IA-only Firm	
<p>1. An individual is registered with Firm A (IA-only firm) as an RA. He is seeking registration with Firm B (IA-only firm or Joint BD/IA Firm) as an RA and plans to terminate the RA registration with Firm A. Which relicensing type should Firm B choose?</p> <p>1a. Which Form U-5 filing type is required by Firm A?</p> <p>1b. At what point will U-5 late fees be charged to Firm A?</p>	<p>1. Firm B should choose Relicense IA.</p> <p>1a. Firm A should choose Full Form U-5 to terminate all RA registrations with that firm.</p> <p>1b. Firm A will not incur late fees because late fees only apply to individuals on the CRD/IARD system that have at least one NASD registration.</p>

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<p>2. An IA-only firm has transitioned an investment adviser representative (RA) onto the CRD/IARD system. What filing does the firm need to make to complete that individual's record on the system?</p>	<p>2. If the individual is only an RA with that firm, the firm should file a Form U-4 Amendment to complete the individual's record on the system.</p>
<p>3. Firm A is an IA-only firm and has transitioned an investment adviser representative (RA) onto the CRD/IARD system who is dually registered with Firm B as an RR. What filing does Firm A need to make to complete that individual's record on the system?</p>	<p>3. Firm A should file a Form U-4 Amendment for the individual to complete the individual's record on the system for Firm A, even though Firm B already filed a Form U-4 on behalf of the individual.</p>
<p>4. Firm A and Firm B are affiliated, and both firms are IA firms. An individual is registered as an RA via a paper filing with both Firm A and Firm B. Do both Firm A and Firm B need to transition that individual?</p>	<p>4. Yes. Both Firm A and Firm B need to transition the individual.</p>
<p>5. Firm A and Firm B are affiliated. Firm A is an IA-only firm and Firm B is a BD-only firm. An individual is currently registered with Firm A as an RA. How does the individual register with Firm B as an RR?</p> <p>5a. What kind of fees will Firm A and/or Firm B incur?</p>	<p>5. Firm A should file a Form U-4 Amendment for the individual, add Firm B as an affiliated firm in Section 6 and choose the appropriate RR registrations the individual will hold with Firm B.</p> <p>NOTE: Firm A can submit a Form U-4 Amendment to add Firm B as an affiliate in Section 6 <u>only if Firm A has already indicated that Firm B is an affiliate on Schedule D of the Form ADV.</u></p> <p>5a. When the Form U-4 Amendment is submitted, Firm B will be charged the fees for the SROs and jurisdictions selected. Firm A will be charged exam fees only.</p>
<p>6. Firm A is a BD firm and Firm B is an IA firm. Firm A and Firm B are listed as affiliates on their respective Forms BD and ADV. An individual is currently registered with Firm A as an RR, and has been transitioned onto the system as an RA by Firm B. When Firm B submits the Form U-4 Amendment on the individual, can/should it list Firm A as an affiliate in Section 6, Registration Requests with Affiliated Firms?</p>	<p>6. No. The system already recognizes the individual as being registered with BOTH Firm A and Firm B. Section 6 should only be answered Yes if seeking NEW registration with a firm affiliated with the filing firm.</p>

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<p>7. Firm A and Firm B are NOT affiliated. An individual is currently registered with Firm A as an RR. How does the individual register with Firm B (an IA-only or Joint firm) as an RA, assuming that the individual does not intend to leave Firm A?</p>	<p>7. Firm B should choose the Dual filing type.</p>
<p>USER GROUP: Joint BD/IA Firm</p>	
<p>1. An individual is registered with Firm A (Joint BD/IA Firm) as a RR/RA. He is seeking registration with Firm B (a BD-only firm or a Joint Firm) as an RR, and wishes to terminate the RR registration with Firm A. Which relicensing type should Firm B choose?</p> <p>1a. Which Form U-5 filing type is required by Firm A?</p> <p>1b. At what point will U-5 late fees be charged to Firm A?</p>	<p>1. Firm B should choose Relicense CRD.</p> <p>1a. Firm A should choose Partial Form U-5 to terminate the BD (RR) registrations only and leave the IA (RA) registrations as they are.</p> <p>1b. Yes. Firm A will incur late fees if the Form U-5 is not submitted within 30 days.</p>
<p>2. An individual is registered with Firm A (IA-only firm) as an RA. He is seeking registration with Firm B (IA-only firm or Joint BD/IA firm) as an RA, and wishes to terminate the RA registration with Firm A. Which relicensing type should Firm B choose?</p> <p>2a. Which Form U-5 filing type is required by Firm A?</p> <p>2b. At what point will U-5 late fees be charged to Firm A?</p>	<p>2. Firm B should choose Relicense IA.</p> <p>2a. Firm A should choose Full Form U-5 to terminate all RA registrations.</p> <p>2b. Firm A will not incur late fees as late fees only apply to individuals on the CRD/IARD system that have at least one NASD registration.</p>

<p>3. An individual is registered with Firm A (Joint BD/IA firm) as an RR/RA. Individual is seeking registration with Firm B (Joint BD/IA Firm) as an RA and wishes to retain the BD (RR) registrations and terminate the IA (RA) registrations with Firm A. Which relicensing type should Firm B choose?</p> <p>3a. Which Form U-5 filing type is required by Firm A?</p> <p>3b. At what point will U-5 late fees be charged to Firm A?</p>	<p>3. Firm B should choose Relicense IA.</p> <p>3a. Firm A should choose Partial Form U-5 to terminate all the IA (RA) registrations only and leave the BD (RR) registrations as they are.</p> <p>3b. Firm A will not incur late fees as late fees only apply to individuals on the CRD/IARD system that have at least one NASD registration.</p>
<p>4. An individual is registered with Firm A (Joint BD/IA firm) as an RR/RA. He is seeking registration with Firm B (Joint BD/IA firm) as an RR/RA, and wishes to terminate all RR/RA registrations with Firm A. Which relicensing type should Firm B choose?</p> <p>4a. Which Form U-5 filing type is required by Firm A?</p> <p>4b. At what point will U-5 late fees be charged to Firm A?</p>	<p>4. Firm B should choose Relicense All because the individual will be terminating all RR and RA registrations with Firm A and will be solely registered with Firm B.</p> <p>4a. Firm A should choose Full Form U-5 to terminate all RR and RA registrations with Firm A.</p> <p>4b. Firm A will incur late fees if the Form U-5 is not submitted within 30 days.</p>
<p>5. An individual is registered as an RR with Firm A. The individual also has a Sole Proprietorship IA firm, Firm B, where he is registered as an RA. The individual wants to leave Firm A and work as an RR for a third firm, Firm C. What relicensing type should Firm C choose?</p>	<p>5. Firm C should choose Relicense CRD and the system will expect a Full Form U-5 from Firm A. The individual's RA status with his IA firm (Firm B) will not be affected by the relicensing. The firm should <u>NOT</u> choose Relicense All, because the system would then require Full Forms U-5 to be filed by Firm A and Firm B.</p>

<p>6. An individual is registered with Firm A as an RR and registered as an RA (via paper filing). Firm A has NOT yet transitioned the individual. The individual is leaving Firm A to go to Firm B and taking his/her RR and RA registrations to Firm B. The individual is not registered with any firm other than Firm A. What does Firm B need to do to get the individual Relicensed and on the system as an RR and an RA?</p> <p>6a. Which Form U-5 filing type is Firm A required to file?</p> <p>6b. At what point will U-5 late fees be charged to Firm A?</p> <p>6c. Will the S65 exam automatically schedule for Firm B as the individual has not yet transitioned?</p> <p>6d. What should Firm B do after submitting the Relicense All filing?</p>	<p>6. Firm B should choose Relicense All as he intends to <u>completely</u> terminate employment with Firm A. (Note: Only the RR positions will be relicensed because the RA is still only paper filed). On the Relicense All Form U-4, Firm B should select the appropriate RR AND RA positions. The RR positions will relicense and the RA positions will be handled as new registration requests.</p> <p>6a. Firm A should choose Full Form U-5 to terminate all registrations.</p> <p>6b. Yes. Firm A will incur late fees if the Form U-5 is not submitted within 30 days.</p> <p>6c. The S65 window will not automatically schedule. The individual will appear in the state(s)' Waivable Deficiencies Queue rather than the Manual Approval Queue.</p> <p>6d. Firm B should contact the state(s) and tell the state(s) that an individual has entered its Waivable Deficiencies Queue. The firm will most likely have to demonstrate to the state(s) that the individual is qualified as an RA and does not need to take the S-65 exam. It is the firm's responsibility to know whether or not the individual is qualified as an RA; if the individual is NOT qualified as an RA currently, the firm should select the S65 exam at the time it is relicensing the individual.</p>
<p>7. Firm A is a BD firm and Firm B is an IA firm. Firm A and Firm B are listed as affiliates on their respective Forms BD and ADV. An individual is currently registered with Firm A as an RR, and has been transitioned onto the system as an RA by Firm B. When Firm B submits the Form U-4 Amendment on the individual, can/should it list Firm A as an affiliate in Section 6, Registration Requests with Affiliated Firms?</p>	<p>7. No. The system already recognizes the individual as being registered with BOTH Firm A and Firm B. Section 6 should only be answered Yes if seeking NEW registration with a firm affiliated with the filing firm.</p>
<p>8. A Joint BD/IA firm has transitioned an RA onto the CRD/IARD system. On the BD side the individual is already registered as an RR. What filing does the firm need to do to complete that individual's record on the system?</p>	<p>8. The firm does NOT have to file a Form U-4 Amendment to complete the individual's RR/RA record. The individual is already registered as an RR with the BD and therefore a Form U-4 has already been filed on the CRD/IARD system for this individual.</p>

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<p>9. An individual is registered as an RR with Firm A and an RR with Firm B. He is seeking to transition a state RA registration for Firm C. Firms A, B and C are affiliated Joint BD/IA firms. What should Firm C do after it transitions the state RA registration, if the primary firm already indicated that Firm C is an affiliate on the Forms BD and ADV, as appropriate, prior to Firm C performing the Transition Filing?</p> <p>9a. An individual is registered as an RR with Firm A and an RR with Firm B. He is seeking to transition a state RA registration for Firm C. Firms A, B and C are affiliated Joint BD/IA firms. What should Firm C do after it transitions the state RA registration, if the primary firm has not already indicated that Firm C is an affiliate on Forms BD and ADV, as appropriate, prior to Firm C performing the Transition Filing?</p>	<p>9. Firm C does nothing after the Transition Filing. It does not have to submit a Form U-4 Amendment for this individual because a Form U-4 has been previously filed on the CRD/IARD system with this firm.</p> <p>NOTE: If Firm A adds Firm C as an affiliate in Section 6, Registration Requests with Affiliated Firms, on a Form U-4 Amendment, an SRO registration or an RA position must be selected for Firm C, and Firm C will be billed for the position. If Firm C does not wish to add any NEW registrations for the individual, they should follow Question 9A instead.</p> <p>9a. Firm C should transition the RA and then submit a Form U-4 Amendment for the individual.</p>
<p>10. Firm A and Firm B are affiliated, and both firms are Joint BD/IA firms. An individual is registered as an RR and as an RA (via paper filing) with both Firm A and Firm B. Do both Firm A and Firm B need to transition that individual?</p>	<p>10. Yes. Both Firm A and Firm B need to transition the individual.</p>
<p>11. Firm A is a Joint BD/IA firm and seeks to add an RR registration for an individual who is already an RA with the firm. What filing type should the firm choose?</p>	<p>11. The firm should choose Form U-4 Amendment to add the RR registration.</p>
<p>12. Firm A and Firm B are NOT affiliated. An individual is currently registered with Firm A as an RR. How does the individual register with Firm B (an IA-only or Joint firm) as a RA if the individual does not intend to leave Firm A?</p>	<p>12. Firm B should choose the Dual filing type.</p>

<p>13. When a firm files a Form U-4 Amendment after a mass transfer, the firm receives a completeness check message stating that the firm needs to select a fingerprint option. The firm believes the fingerprint card should have been moved as a part of the mass transfer process. What does the firm need to do? Which fingerprint card option on the Form U-4 Amendment should the firm select?</p>	<p>13. This situation is limited to only those individuals who were included in the mass transfer who never had a Form U-4 Amendment filed since the mass transfer. The problem is scheduled to be fixed in Summer 2002. Until that time, in order to resolve the completeness check issue, the firm should select the <u>second</u> fingerprint button option (unregistered capacity or exempt fingerprint firm). The registration status should remain as "Approved."</p>
<p>14. A firm wishes to terminate certain Non-Registered Fingerprint individuals (NRFs). How does the firm terminate these individuals?</p>	<p>14. As of March 18, 2002, the personal data (e.g., hair/eye color, weight) are no longer mandatory fields for termination of an NRF. The firm can terminate these individuals by submitting an NRF Amendment filing and simply including the Termination Date. NASD will no longer terminate Non-Registered Fingerprint individuals.</p>