

Notice to Members

JANUARY 2004

SUGGESTED ROUTING

Executive Representatives
Legal & Compliance
Operations
Registered Representative
Registration
Senior Management

KEY TOPICS

Maintenance Fees
Registration
Renewals
Web CRD
Web IARD

ACTION REQUIRED

Broker/Dealer, Investment Adviser, and Individual (AG/RA) Renewals

2004 Renewal Reports and Final Renewal Statements

Executive Summary

The 2004 NASD Broker/Dealer and Investment Adviser Registration Renewal Program began its second phase this month. NASD is issuing this *Notice* to help firms review, reconcile, and respond to the Final Renewal Statements and Reports that are available on Web CRD/IARD.

Final Renewal Statements And Reports

On January 2, 2004, Final Renewal Statements and Reports became available for viewing and printing on Web CRD/IARD. The 2004 Final Renewal Statement reflects the final status of agent, investment adviser representative, and firm registrations and/or Notice Filings as of December 31, 2003. Any adjustments in fees owed as a result of registration terminations, approvals, firm IA registrations, or Notice Filings subsequent to the Preliminary Renewal Statement have been made in this final reconciled statement.

If a firm had more agents, investment adviser representatives, branch offices, or additional registrations or Notice Filings on Web CRD/IARD at year's end than it did in on November 1, 2003, when the Preliminary Renewal Statement was generated, additional fees were assessed. If a firm had fewer agents, investment adviser representatives, or branch offices, registrations and/or Notice Filings at year's end than it did when the Preliminary Renewal Statement was generated, a credit was applied to the firm's Daily Account.

04-02

The 2004 Final Renewal Statements reflect the year-end 2003 total fees (where applicable) for:

- ▶ Web CRD/IARD System Processing Fees
- ▶ NASD Branch Office Fees
- ▶ American Stock Exchange (AMEX), Chicago Board Options Exchange (CBOE), International Securities Exchange (ISE), New York Stock Exchange (NYSE), Pacific Exchange (PCX), and Philadelphia Stock Exchange (PHLX) Maintenance Fees
- ▶ Jurisdiction Agent Renewal Fees
- ▶ Jurisdiction Broker/Dealer Renewal Fees
- ▶ Jurisdiction Investment Adviser Representative Renewal Fees
- ▶ Jurisdiction Investment Adviser Firm Renewal Fees

Final Renewal Statements that reflect zero balances require no further action by the firm.

On January 2, 2004, all Renewal overpayments were systematically transferred to firms' Daily Accounts. All refund requests should be made from that account. If you believe your firm is due a Renewal refund, please check your firm's Daily Account to verify that funds are available. To request a refund check, have an appropriate signatory send a request on firm letterhead to:

NASD
Discoverly
User Support—CRD Accounting
9509 Key West Avenue
Rockville, MD 20850
(301) 869-6699

If the Final Renewal Statement reflects an **amount due**, NASD should receive Renewal payment no later than February 6, 2004. Firms may submit their payments by:

- ▶ **Electronic Payment via Web CRD/IARD E-Pay**
You can access Web CRD/IARD E-Pay at www.nasdr.com/3400.asp, or at <https://tradelinks2.mellon.com/cgi-bin/tsmenu.pl/nasd>. There is also a hyperlink to Web CRD/IARD E-Pay on your online Renewal Statement.

▶ **Wire Transfer**

Firms may wire full payment of the Final Renewal Statement by requesting their bank to initiate a wire transfer to "The Riggs National Bank in Washington, DC."

You will need to provide your bank with the following information:

- ▶ Transfer funds to: Riggs National Bank in Washington, DC
- ▶ ABA Number: 054-000030
- ▶ Beneficiary: NASD
- ▶ Account Number: 086-761-52
- ▶ Reference Number: Firm CRD Number and the word "Renewals"

▶ **To ensure prompt processing of your Renewal Payment by wire transfer:**

- ▶ Remember to inform your bank the funds are to be credited to the NASD Bank Account.
- ▶ Provide your firm's CRD Number and the word "Renewals" as reference only.
- ▶ Record the Confirmation Number of the wire transfer given by your bank.

▶ **Transfer Available Funds from Daily Account to Renewal Account**

If a firm has sufficient funds in its Daily Account to cover full payment of its Renewal Fees, the firm can contact the Gateway Call Center at (301) 869-6699, or send an e-mail to webcrd@nasd.com, to request a transfer of funds.

▶ **Check**

Make checks payable to NASD and be sure to indicate your firm's CRD Number and the word "Renewals" on the memo line of the check. Print your Statement and mail the first page with your firm's check to:

▶ **US Mail:**

NASD, CRD-IARD
P.O. Box 7777-W8705
Philadelphia, PA 19175-8705

(The P.O. Box will **not** accept courier or overnight deliveries.)

▶ **EXPRESS DELIVERY:**

NASD, CRD-IARD
W8705 c/o Mellon Bank, Rm 3490
701 Market Street
Philadelphia, PA 19106

Phone Number: (301) 869-6699

Please note that the Renewal Payment addresses noted above are different than the payment addresses for your firm's Daily (Registration) Account.

Reviewing the Final Renewal Reports

Renewal Reports include all individual registrations renewed for 2004. Registrations that were pending approval or were deficient at year-end 2003 were not assessed Renewal fees; therefore, they will not be reported on the **Firm (Agent) Renewal Report**. Firms should examine their report(s) carefully to ensure that all registration approvals and terminations are properly listed. It is also suggested that these reports be made a permanent part of your records. For detailed instructions, please refer to "A Guide to Renewal Reports/Requesting Renewal Reports" in the CRD Fall *Bulletin*. *The Bulletin* can be viewed at www.nasdr.com/2004_renewal_bulletin.asp.

Firm (Agent) Renewal Report—applicable to Broker/Dealer and Investment Adviser firms. This report will list all renewed personnel with NASD, AMEX, CBOE, ISE, NYSE, PCX, PHLX, and/or each jurisdiction. Individuals whose registrations are "approved" with any of these regulators during November and December of 2003 will be included in this report, while registrations that are still pending approval or are deficient at year's end will not be included in the 2004 Renewal Program nor will they be listed on the report. If the firm has supplied billing codes, they will be included in this report.

Branches Renewal Report—applicable to NASD members. This report lists each branch registered with NASD and lists branch offices for which the firm was assessed a fee. Firms should use this report to reconcile their records for Renewal purposes. If a firm finds any discrepancies between its records and those maintained on Web CRD/IARD, the discrepancy must be reported to NASD at the same address used for refund requests.

Discrepancies—NASD, AMEX/CBOE/ISE/NYSE/PCX/PHLX/Jurisdictions: All discrepancies should be reported by February 6, 2004. Firms should contact the Gateway Call Center at (301) 869-6699, to report discrepancies. Copies of appropriate documentation, such as Web CRD-generated notice of termination, notification of deficient condition, or notice of approval from its Firm Queues, should be readily available.

The Bulletin contains detailed instructions to help firms complete the Renewal Process. This publication can also be found at www.nasdr.com/2004_renewal_bulletin.asp.

Questions/Further Information

Questions regarding this *Notice* may also be directed to the Gateway Call Center at (301) 869-6699.

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