

# Information Notice

## New Rate for Fees Paid Under Section 31 of the Exchange Act

Effective Date: May 14, 2022

### Summary

Effective May 14, 2022, the Section 31 fee rate applicable to specified securities transactions on the exchanges and in the over-the-counter markets will increase from its current rate of \$5.10 per million dollars in transactions to a new rate of \$22.90 per million dollars in transactions.

Finance-related questions should be directed to Amanda Rath, Manager, Finance, at (240) 386-6637 or [Amanda.Rath@finra.org](mailto:Amanda.Rath@finra.org).

Legal and interpretive questions should be directed to:

- ▶ Jacqueline Gorham, Associate General Counsel, Office of General Counsel (OGC), at (212) 858-4119 or [jacqueline.gorham@finra.org](mailto:jacqueline.gorham@finra.org); or
- ▶ Faisal Sheikh, Principal Counsel, OGC, at (202) 728-8379 or [faisal.sheikh@finra.org](mailto:faisal.sheikh@finra.org).

### Discussion

On April 8, 2022, the Securities and Exchange Commission (SEC) announced in [Fee Rate Advisory #1 for Fiscal Year 2022](#) that, effective May 14, 2022, the Section 31 fee rate applicable to specified securities transactions on the exchanges and in the over-the-counter markets will increase from its current rate of \$5.10 per million dollars in transactions to a new rate of \$22.90 per million dollars in transactions. Until that date, the current rate of \$5.10 per million dollars will remain in effect.<sup>1</sup> The assessment on security futures transactions will remain unchanged at \$0.0042 for each round turn transaction.

Section 31 of the Exchange Act requires the SEC to annually adjust the fee rates applicable under Section 31 and, in some circumstances, to make a mid-year adjustment, after consultation with the Congressional Budget Office and the Office of Management and Budget.

April 21, 2022

### Suggested Routing

- ▶ Compliance
- ▶ Legal
- ▶ Trading

### Key Topic

- ▶ Regulatory Transaction Fee
- ▶ Section 31 Fee

### Referenced Rules & Notices

- ▶ Section 3 of Schedule A to the FINRA By-Laws
- ▶ Section 31 of the Securities Exchange Act of 1934

The SEC will issue further notices as appropriate, and the notices will be posted on the SEC's website at [www.sec.gov](http://www.sec.gov).

FINRA obtains its Section 31 fees from member firms, in accordance with Section 3 of Schedule A to the By-Laws. Section 3 specifies that the amount assessed on firms will be determined periodically in accordance with Section 31 of the Exchange Act.

## Endnotes

1. For purposes of FINRA calculations, the "charge date" is the trade date, not the settlement date. See 17 CFR 240.31(a)(3). Thus, the new rate will apply to applicable covered sales in the over-the-counter market with a trade date of May 14, 2022, or later.