

# Regulatory Notice

## 25-12

## SEC Financial Responsibility Rules

### FINRA Announces Update of the Interpretations of Financial and Operational Rules

October 7, 2025

#### Notice Type

- Guidance

#### Suggested Routing

- Compliance
- Finance
- Legal
- Operations
- Regulatory Reporting
- Senior Management

#### Key Topic

- Customer Protection
- Net Capital

#### Referenced Rules & Notices

- SEA Rule 15c3-1
- SEA Rule 15c3-3

#### Summary

FINRA is making available updates to the [Interpretations of Financial and Operational Rules](#) (Interpretations). The updates include several new interpretations to Securities Exchange Act (SEA) Rules 15c3-1 and 15c3-3 that have been communicated to FINRA by the staff of the SEC's Division of Trading and Markets.

Additionally, as part of the [FINRA Forward](#) initiative and FINRA's commitment to assist firms in fulfilling their regulatory obligations, FINRA has implemented enhancements to the information available in the Interpretations. The enhancements consist of the addition of hyperlinks that now provide firms with one-click access to source documents that are referenced throughout the Interpretations, including SEC Staff No-Action Letters, FINRA Regulatory Notices, NYSE Information Memos, and other guidance.

Questions concerning this *Notice* should be directed to:

- Ann Duguid, Senior Director, Office of Financial and Operational Risk Policy (OFORP), at (646) 315-7260 or by [email](#);
- Kathryn Mahoney, Senior Director, OFORP, at (646) 315-8428 or by [email](#); or
- Anthony Vinci, Senior Director, OFORP, at (646) 315-8335 or by [email](#).

#### Background & Discussion

##### Updates to the Interpretations of Financial and Operational Rules

FINRA is updating the Interpretations to provide several new interpretations to SEA Rules 15c3-1 and 15c3-3, as set forth below.

The following interpretations have been **added** to SEA Rule 15c3-1 - Net Capital Requirements for broker-dealers:

- ▶ 15c3-1(c)(2)(vi)(I)/01 Non-Convertible Debt Securities, Certain Convertible Debt Securities and Preferred Stock with a Ready Market and More Than Minimal Amount of Credit Risk or for which No Assessment of Creditworthiness has been Made
- ▶ 15c3-1(c)(2)(vi)(J)/04 Non-Convertible Debt Securities, Certain Convertible Debt Securities and Preferred Stock with a Ready Market and More Than Minimal Amount of Credit Risk or for which No Assessment of Creditworthiness has been Made
- ▶ 15c3-1(c)(2)(vii)/041 Net Capital Treatment of Non-Transferable or Restricted from Sale Securities owed as Compensation to a Registered Person
- ▶ 15c3-1(c)(2)(viii)(C)/034 Open Contractual Commitment Charges in Competitive Sales

The following interpretation has been **added** to SEA Rule 15c3-3—Customer Protection—reserves and custody of securities:

- ▶ 15c3-3(a)(5)/011 Treatment of a Free Credit Balance in a Customer's Individual Retirement Account(s) (IRA accounts)

The text of the interpretation updates is available at [FINRA's Interpretations of Financial and Operational Rules](#) page.

#### **Enhancements to the Interpretations published on FINRA.org**

As part of the FINRA Forward initiative and FINRA's commitment to assist firms in fulfilling their regulatory obligations, FINRA has implemented enhancements that modernize access to the information referenced in the Interpretations. Specifically, FINRA has added direct hyperlinks that now provide firms with one-click access to source documents that are referenced throughout the Interpretations, including SEC Staff No-Action Letters, FINRA Regulatory Notices, NYSE Information Memos and other guidance.

FINRA will continue to enhance the Interpretations by identifying and linking additional source documents over time.