

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 an 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. He 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.

This document is intended to provide general operational guidance on filing scenarios and is not intended to replace the guidance provided by a firm's registration, compliance, and legal departments. The firm is solely responsible for executing the correct filing for a given registration request. NASD is not responsible for any errors that may be present in the document. The materials are not a substitute for official NASD communications or member firm policies and procedures and should in no way be relied upon as such.

<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 Relicensing 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 an 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 this 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>

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