

## Important 2015 Assessment Information

**TO: FINRA Member Firms**  
**RE: 2015 Gross Income and Personnel Assessments**

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Enclosed is your firm's 2015 invoice for the Gross Income Assessment (GIA) and Personnel Assessment (PA). Further information can be found in *Regulatory Notice 09-56*.

Below is a brief description explaining each of these assessments. Note: In November 2014, FINRA filed a [proposed rule change](#) to modify the Gross Income Assessment pricing structure. FINRA will no longer use the three-year average to calculate the GIA and for firms with Gross Focus Revenue up to \$25 million.

### **Gross Income Assessment**

The calculation of the 2015 GIA amount will remain the same.

#### **Number of Years**

- In certain cases, the number of years for the average could be less than 3 years. For example, firms that have not paid GIA in previous years; if the GIA fee was calculated as zero then it is still counted in the average. For example, if a member only began paying GIA in 2014, then FINRA adds the 2014 and 2015 GIA amounts and divides the total by two.

#### **Mergers and Acquisitions**

- In cases where two firms have been merged into one Customer ID, the GIA amounts for the two customers is combined for all years used in the calculation of the average. For example, if Firm A and Firm B merge prior to the 2015 annual billing, Firm A's GIA and Firm B's GIA must be combined for both 2013 and 2014, for purposes of calculating the three-year average. The process for calculating the "2015 Current Year GIA" will not change. That is, the revenue for the two firms will be combined and entered as in previous years.

### **Personnel Assessment**

Each firm pays an annual Personnel Assessment Fee based on the number of principals and representatives under a tiered rate structure. The 2015 Personnel Assessment Fee has not changed. The fee structure is listed below

<b><u># Reps</u></b>	<b><u>New Fee</u></b>
<b>1-5</b>	<b>\$150/rep</b>
<b>6-25</b>	<b>\$140/rep</b>
<b>26+</b>	<b>\$130/rep</b>

The attached invoice shows the tiers and number of billable principals and representatives. The total number of principals and representatives is derived directly from the number of billable registered representatives registered with FINRA as of December 31, 2014.

### **Ebill (Preferred Method)**

- Your firm's Gross Income Assessment (GIA) bill is available through E-Bill—FINRA's electronic billing system. You can view your GIA invoice online and submit payment by credit card, ACH or reallocation. As in the past, you may also pay via wire transfer or check. (For information, see enclosed insert.)

### **Payment**

All firms have the option to pay the entire invoice upon receipt, or in four installments. If you select the installment option your firm will not receive additional invoices. If you wish to exercise the installment option, remit the following payments:

- 25 percent of the total invoice due upon receipt;
- 25 percent of the total invoice by June 1, 2015;
- 25 percent by September 1, 2015; and
- the final 25 percent payment by December 1, 2015.

**Important: Please enclose the invoice stub and reference your invoice number and customer number on the check to ensure proper credit.**

### **Payment Address**

#### **Regular Mail**

FINRA  
P.O. Box 418911  
Boston, MA 02241-8911

#### **Overnight/FedEx/Courier**

Bank of America Lockbox Services  
FINRA 418911  
2 Morrissey Blvd.  
Dorchester, MA 02125

### **Questions**

If you have any questions concerning this invoice, please contact Page Rowe by email at [page.rowe@finra.org](mailto:page.rowe@finra.org) or call (240) 386-5399 or Michelle Glunt by email at [michelle.glunt@finra.org](mailto:michelle.glunt@finra.org) or call (240) 386-5351.

## **FREQUENTLY ASKED QUESTIONS: Member Regulation Fees**

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### **BILLING**

#### **Q1. How often are firms billed for Member Regulation Fees?**

A1. Annually

#### **Q2. How is FINRA's Gross Income Assessment determined?**

A2. The invoice amount is based on the prior year's total gross revenue less commodities revenue, as listed in the firm's quarterly Focus Reports.

#### **Q3. Will I receive a paper invoice?**

A3. FINRA has switched the primary delivery method for GIA invoices to electronic invoicing via [E-Bill](#). FINRA will no longer automatically mail GIA invoices to firms. Instead, firms that choose to receive a paper invoice must opt-in to receive it.

#### **Q4. If a firm is going to amend its Focus report or has filed an amended Focus report, do they need to inform FINRA Finance before they pay their invoice or should they wait for the adjusted invoice?**

A4. Firms should call FINRA Finance if amendments affect the revenue totals and if their gross Focus revenue is greater than \$1 million.

#### **Q5. If a firm files a BDW subsequent to paying their Member Regulation Fees, will they be entitled to a refund?**

A5. Firms will be eligible for a prorated refund of the Gross Income Assessment, unless the BDW is filed in the fourth quarter, in which case no refund is available. Personnel Assessments are neither refunded nor prorated.

#### **Q6. How is the Personnel Assessment determined?**

A6. The Personnel Assessment is based on the firm's number of registered representatives as of December 31 of the previous year. The count is applied to the tiered rate structure reflected on the invoice. If you have questions regarding the firm's PA assessment, please contact Daniel Hardesty at (240) 386-5472.

#### **Q7. If a firm terminates any of their personnel prior to year-end, will they receive a Personnel Assessment refund?**

A7. No. Personnel Assessments are neither refunded nor prorated.

#### **Q8. Will firms be billed for additional Personnel Assessment if they hire new personnel during the year?**

A8. No. As noted above the Personnel Assessment is based solely on the number of registered representatives as of December 31 of the preceding year.

#### **Q9. Can firms view their invoices on the CRD Website?**

A9. No, however, your invoice is available through E-bill, which you can access via the Firm Gateway.

#### **Q10. Can firms pay their invoices through the Flex Funding Account?**

A10. Yes, firms can reallocate funds via E-Bill.

#### **Q11. Who should firms contact to update their billing address and/or contact person specifically in connection with GIA billing?**

A11. Firms may contact:

- Page Rowe at (240) 386-5399 or [Page.rowe@finra.org](mailto:Page.rowe@finra.org); or
- Michelle Glunt at (240) 386-5351 or [Michelle.glunt@finra.org](mailto:Michelle.glunt@finra.org).

(Please note: If a firm's CRD address or contact name has changed, the firm must complete an amended Form BD.)

## **PAYMENT**

### **Q1. When is payment due?**

A1. For the 2015 billing, all firms have the option pay the entire invoice upon receipt or in four installments.

If you wish to exercise the installment option, 25 percent is due upon receipt; 25 percent is due by June 1, 2015; 25 percent is due by September 1, 2015; and the final 25 percent payment is due by December 1, 2015.

### **Q2. What are the options for the form of payment?**

A2. The preferred method of payment is E-Bill.

Firms can pay the invoice by E-Bill via credit card, ACH or Flex Funding Account reallocation. In addition, firms can mail their payments to:

FINRA  
PO Box 418911  
Boston, MA 02241-8911

Firms may send checks via overnight mail or FedEx to:

Bank of America Lockbox Services  
FINRA418911  
MA5-527-02-07  
2 Morrissey Blvd.  
Dorchester, MA 02125

### **Important:**

Please enclose the invoice stub and reference the **INVOICE NUMBER and CUSTOMER NUMBER** on the check to ensure proper credit.

Firms may wire their payment according to the following instructions:

Bank:	Bank of America
ABA Number:	026009593
Account Number:	226005684771
Reference:	<b>INVOICE NUMBER and CUSTOMER NUMBER</b>

### **Q3. Who should I contact if I have a question on how to pay my bill?**

A3. Contact the FINRA Accounts Receivable Department at (240) 386-5909 or [AR@FINRA.org](mailto:AR@FINRA.org).