

Regulatory Notice

14-01

BD and IA Renewals for 2014

Final Renewal Statements for Broker-Dealers, Investment Adviser Firms, Agents and Investment Adviser Representatives, and Branches

Payment Deadline: January 10, 2014

Executive Summary

FINRA is issuing this *Notice* to help firms review, reconcile and respond to their Final Renewal Statements as well as view the reports that are currently available in Web CRD/IARD for the annual registration renewal process. The payment deadline is January 10, 2014.

Questions concerning this *Notice* should be directed to the FINRA Call Center at (301) 869-6699.

Background & Discussion

Final Renewal Statements

On January 2, 2014, Final Renewal Statements and reports became available for viewing and printing in Web CRD/IARD. These statements reflect the final status of broker-dealer, registered representative, investment adviser firm, investment adviser representative, and branch registrations and/or notice filings as of December 31, 2013. Any adjustments in fees owed because of registration terminations, approvals, firm IA registrations, reporting status or notice filings subsequent to the Preliminary Renewal Statement are included in this final reconciled statement.

If the amount assessed on the Final Renewal Statement is greater than the amount assessed on the Preliminary Renewal Statement, the additional renewal fees are due by January 10, 2014. If the amount assessed on the Final Renewal Statement is less than the amount assessed on the Preliminary Renewal Statement, FINRA has issued a credit to the firm's FINRA Flex-Funding Account.

January 2014

Notice Type

- Renewals

Suggested Routing

- Compliance
- Finance
- Legal
- Operations
- Registered Representatives
- Registration
- Senior Management

Key Topics

- IARD™
- Registration
- Renewals
- Web CRD®

Referenced Rules & Notices

- NTM 02-48

The Final Renewal Statements include the following fees (if applicable):

- ▶ Web CRD system processing fees;
- ▶ FINRA branch office and branch processing fees;
- ▶ NYSE MKT LLC (AMEX), BATS Y-Exchange, Inc. (BATS-YX), BATS Z-Exchange, Inc. (BATS-ZX), BOX Options Exchange, LLC (BOX), NASDAQ OMX BX, Inc. (BX), C2 Options Exchange, Incorporated (C2), Chicago Board Options Exchange (CBOE), Chicago Stock Exchange (CHX), EDGA Exchange, Inc. (EDGA), EDGX Exchange, Inc. (EDGX), International Securities Exchange (ISE), ISE GEMINI (GEMINI), NASDAQ Stock Exchange (NQX), National Stock Exchange (NSX), New York Stock Exchange (NYSE), NYSE Arca, Inc. (ARCA), and NASDAQ OMX PHLX, Inc. (PHLX) maintenance fees, if applicable;
- ▶ state broker-dealer firm, branch and agent renewal fees, if applicable;
- ▶ state investment adviser firm, branch and representative renewal fees, if applicable.

FINRA must receive full payment of the Final Renewal Statement fees by January 10, 2014.

Renewal Payment

Web CRD/IARD issues a refund if a firm has fewer individuals, branch offices or jurisdictions registered or notice filed at year-end than it did on the Preliminary Renewal Statement. Note that FINRA transferred overpayments to firms' Flex-Funding Accounts on January 2, 2014. Firms that have a credit balance in their Flex-Funding Accounts may submit a [refund request](#) to FINRA or leave the funds in their account to pay for other future fees.

If the Final Renewal Statement reflects an amount due, FINRA must receive payment no later than January 10, 2014. Firms have four payment options:

1. FINRA's E-Bill System (replaced Web CRD/IARD E-Pay System)
2. Wire transfer
3. Automatic Flex-Funding Account-to-Renewal Account Transfer; or
4. Check

Electronic Payment via E-Bill

[E-Bill](#) allows a firm to authorize electronic payment directly from its designated bank account to its Renewal Account. Payments submitted by 8 p.m., Eastern Time (ET), should post within two business days to the firm's Renewal Account. FINRA does not charge for using E-Bill; however, firms should verify if their banks charge additional fees. Firms must enroll to use E-Bill. For your convenience, a hyperlink to E-Bill is on your firm's renewal statement.

Wire Payment

Firms may wire full payment of their Final Renewal Statements. Firms should provide their banks with the following information:

Transfer funds to:	BNY Mellon Financial, Philadelphia, PA
ABA Number:	031000037
Beneficiary:	FINRA
FINRA Account Number:	8-234-353
Reference Number:	Firm CRD number and “Renewal”

To ensure prompt processing of a renewal payment by wire transfer, remember to:

- ▶ Inform the bank to credit funds to the **FINRA bank account**.
- ▶ Provide the firm’s CRD number and “Renewal” as reference only.
- ▶ Record the confirmation number of the wire transfer provided by the bank.

Automatic Flex-Funding Account-to-Renewal Account Transfer

If a firm has sufficient funds available in its Flex-Funding Account to cover the total renewal fees due, then FINRA will automatically transfer funds from a firm’s Flex-Funding Account to its Renewal Account beginning on January 13, 2014, until any outstanding renewal assessment is satisfied. **Please Note:** If your firm does not want funds automatically transferred then ensure FINRA receives payment by January 10, 2014, in your firm’s Renewal Account using E-Bill or by wire transfer. Separately, if your firm needs to transfer funds between affiliated firms, you should submit a [Web CRD/IARD Funds Transfer Request form](#).

Check

All Web CRD/IARD check payments sent to FINRA are deposited into firms’ Flex-Funding Accounts. If you mail a check to pay your firm’s renewal fees, it will not be applied to your Renewal Account until January 13, 2014, when FINRA begins the automatic Flex-Funding Account-to-Renewal Account transfer noted above. For inclusion in the automatic transfer, please ensure that you have sufficient funds in your Flex-Funding Account to cover the total renewal fees due. If you would like your renewal payment to be applied before January 13, 2014, then you must pay using E-Bill or with a wire transfer directly to your Renewal Account.

The check must be drawn on the FINRA-registered firm's account and include the firm's CRD number and "Renewal" in the memo line. Firms paying by check should account for U.S. mail delivery and payment processing time. To ensure prompt processing of checks:

- ▶ Include a print-out of the first page of your Final Renewal Statement with payment.
- ▶ Do not include any other forms or fee submissions.
- ▶ Make the check payable to FINRA and write your firm's CRD number and "Renewal" on the check memo line.

Send payment in the blue, pre-addressed renewal payment envelope mailed to your firm in early November or write the address on an envelope exactly as noted in this *Notice*:

U.S. Mail	Overnight or Express Delivery
FINRA P.O. Box 7777-W9995 Philadelphia, PA 19175-9995 <i>Note: This box will not accept courier or overnight deliveries.</i>	FINRA Attention: 9995 500 Ross Street 154-0455 Pittsburgh, PA 15262 Telephone: (301) 869-6699

If your firm's accounting software (e.g., Quicken, Quickbooks) stores vendor addresses, please ensure it reflects the addresses shown above.

Renewal Reports

Renewal reports include all individual registrations renewed for 2014; however, they do not include registrations that were "pending approval" or "deficient" at year-end. Firms should examine their reports carefully to ensure that all registration approvals are correct. FINRA also suggests that firms include these reports in firms' permanent records.

- ▶ **Firm Renewal Report:** This report lists all renewed personnel with FINRA and participating regulators. Individuals whose registrations are "approved" with any of these regulators during November and December will be included in this report, while registrations that are still pending or deficient will not be included. Firms should use this report to reconcile their records for renewal purposes.
- ▶ **Branches Renewal Report:** This report lists each branch registered with FINRA and other regulators that renew branches registered with them through Web CRD/IARD for which the firm was assessed a fee. Firms should use this report to reconcile their records for renewal purposes.

Discrepancies

If a firm finds any discrepancies between its records and those maintained on Web CRD/IARD, the firm must report the discrepancy to FINRA. Firms must report all discrepancies by January 10, 2014. Copies of appropriate documentation from the firm's Web CRD/IARD queues, such as a Web CRD-generated notice of termination, notification of deficient condition or notice of approval, should be readily available upon request by FINRA. Documentation should be mailed to:

FINRA
Registration Management
9509 Key West Ave
Rockville, MD 20850

The Renewal Program Bulletin contains detailed instructions to help firms complete the renewal process. This publication is available at www.finra.org/renewals.