

# Information Notice

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

Effective Date: February 16, 2016

### Executive Summary

Effective February 16, 2016, 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 \$18.40 per million dollars in transactions to a new rate of \$21.80 per million dollars in transactions.

- ▶ **Finance-related questions should be directed to:** Michelle Glunt, Accounting Supervisor, Finance, at (240) 386-5351 or by email [Michelle.Glunt@finra.org](mailto:Michelle.Glunt@finra.org).
- ▶ **Legal and interpretive questions should be directed to:** Brant Brown, Associate General Counsel, Office of General Counsel, at (202) 728-6927 or by email [brant.brown@finra.org](mailto:brant.brown@finra.org).

### Discussion

On January 7, 2016, the Securities and Exchange Commission (SEC) announced in [Fee Rate Advisory #3 for Fiscal Year \(FY\) 2016](#), that effective February 16, 2016, 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 \$18.40 per million dollars in transactions to a new rate of \$21.80 per million dollars in transactions. Until that date, the current rate of \$18.40 per million dollars will remain in effect.<sup>1</sup>

Section 31 of the Exchange Act requires the SEC to annually adjust the fee rates applicable under Section 31, and in some circumstances, to also make a mid-year adjustment, after consultation with the Congressional Budget Office and the Office of Management and Budget. See the SEC's January 7, 2016 [order](#) for more information about the fee rates for FY 2016.

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).

January 20, 2016

### Suggested Routing

- ▶ Compliance
- ▶ Legal
- ▶ Trading

### Key Topic

- ▶ 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

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 February 16, 2016, or later.