

2017 Investment Adviser Renewal Bulletin

This document provides firms with information about the annual Renewal Program. You can select a link below to review specific information about a step in the renewal process. If you are new to the renewal process, it will be beneficial to read the document in its entirety.

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I. Renewal Overview

In order for an investment adviser (IA) firm to maintain active registrations and/or notice filing statuses with jurisdictions/states and for its representatives and branches to maintain active registration statuses, firms must pay applicable renewal fees annually. As the operator of IARD, FINRA collects the renewal fees of IA firms and disburses those fees to the appropriate jurisdictions. Additionally, the Renewal Program includes the collection of annual system processing fees for all representatives and state-registered IA firms.

IA firms and representatives that meet one of the following conditions will be included in the Renewal Program:

“Approved” status as of Nov. 11, 2016:

- Any IA firm, branch or representative with an “Approved” registration status by 11 p.m., Eastern Time (ET), Nov. 11, will renew and be included on the Preliminary Statement.

“Pending Approval” status becomes “Approved” before Dec. 27, 2016:

- Any IA firm, branch, or representative with a “Pending Approval” registration status that becomes approved after 11 p.m., ET, Nov. 11, and prior to 6 p.m., ET, Dec. 27, will renew, and the renewal fees will be assessed on the firm’s Final Statement.

Update about Annual System Processing Fees

For the Renewal Program, NASAA will continue to waive the annual \$100 system processing fee for IA firms. The annual system processing fee for representatives will remain \$10.

***Important Note to SEC-Registered IA Firms:** *The Renewal Program facilitates the annual renewal of IA firms and their representatives’ registrations/notice filings with jurisdictions/states. The program is not relevant to, and does not involve fees associated with a firm’s SEC registration.*

II. Preliminary Statement Period

Preliminary Statements will be available for retrieval and printing beginning **Nov. 14, 2016**.

A. To retrieve your firm's Preliminary Statement:

1. Log in to [E-Bill](#).
2. Select the 'Latest Statement' button to view your statement.
3. Print the statement. A copy of the statement's first page should be included with any check payment.

The Preliminary Statement reflects the renewal fees due in order for the firm, its branches, and representatives to maintain registration or notice filing statuses with those jurisdictions in Web CRD/IARD as of Nov. 11, 2016. See the [Paying your Renewal Assessment](#) section for payment options.

B. Post-Dated Form Filings

A post-dated full or partial Form U5, BR Closing/Withdrawal, ADV-W, ADV Amendment or ADV Final Report filing enables representatives, firms or branches to maintain some or all existing registrations until the end of the calendar year. The only date permitted on post-dated filings is Dec. 31, 2016.

Firms should exercise care when filing post-dated forms; Web CRD/IARD will process these filings upon submission, and they cannot be withdrawn. If a firm submits a post-dated filing in error, the firm will need to submit the appropriate filing in January to request the registration again and pay registration fees or contact the regulator directly.

Post-Dated Termination Filings Will Be Accepted During the Following Periods:

- **Oct. 24 – Nov. 11, 2016:** Post-dated Form U5 and BR Closing/Withdrawal filings submitted during this period will ensure the IA firm is not assessed renewal fees on the firm's Preliminary Statement for those registrations or notice filings.
- **Nov. 1 – Nov. 11, 2016:** Post-dated Form ADV-W, ADV Amendment and ADV Final Report filings submitted during this period will ensure the IA firm is not assessed renewal fees on the firm's Preliminary Statement for those terminated registrations or notice filings.
- **Nov. 13 – Dec. 27, 2016:** Post-dated filings submitted during this period will ensure that the IA firm is refunded any renewal fees assessed for those registrations or notice filings terminated at year-end. On Jan. 3, 2017, any overpayment amounts for Preliminary Statements will be credited to firms' Flex-Funding Accounts from which refund requests can be made.

III. Final Statement Period

Beginning Jan. 3, 2017, Final Statements for firms will be available. The Final Statement will reflect the registrations/notice filings of your firm, branches and representatives as of Dec. 31, 2016. Any adjustments as a result of registration approvals or terminations subsequent to the Preliminary Statement reflect in this final reconciled statement. If your statement reflects an amount due, then FINRA must receive full payment by **Jan. 20, 2017**.

A. Retrieve your firm's Final Statement in E-Bill on or after Jan. 3, 2017

Your firm's Final Statement will display either 'Paid In Full' or an 'Amount Due.'

- If your statement shows an 'Amount Due' (*i.e.*, positive amount or debit balance), then your firm needs to pay the balance to FINRA by **Jan. 20, 2017**. See the [Paying your Renewals Assessment](#) section for payment options.

- If the 'Paid In Full' amount on your firm's Final Statement is less than the amount your firm paid for its Preliminary Statement, then your overpayment has been systematically transferred to your Flex-Funding Account. Any refunds should be requested from that account via E-Bill.

The statement reflects the total adjusted amount as of Dec. 31, 2016, for the firm, its branches, and representatives' registrations or notice filings. This statement reflects the amount paid to each regulator and the number of representatives and branches renewed with each jurisdiction.

IV. Paying your Renewal Assessment

FINRA must receive full payment for your firm's Preliminary Statement by Dec. 16, 2016. Payment for any additional amount reflected on your firm's Final Statement must be received in full by Jan. 20, 2017. Sending only a partial payment may cause your firm and representatives to fail to renew.

Firms may pay electronically through E-Bill, send a wire transfer or mail a check; however, it is highly recommended that firms remit funds via E-Bill. Please keep in mind that all payment options require at least one business day to process and post; there are no same-day payment options.

E-Bill Payments/Transfers

Firms may submit electronic payments to fund their renewal accounts through [E-Bill](#) which allows your firm to make a payment directly to your firm's Renewal Account. E-Bill also provides functionality to transfer funds from your firm's Flex-Funding Account to its Renewal Account or to affiliated firms. View additional information in the [SAA Self-Entitlement Guide for E-Bill](#) or [E-Bill User Guide](#).

Wire/ACH & Check Payments

Wire transfer and check payments are initially deposited into a firm's Flex-Funding Account. FINRA will systematically transfer funds from Flex-Funding Accounts to Renewal Accounts daily beginning Dec. 16, 2016, if sufficient funds are available. Firms do not have to wait for FINRA to systematically transfer funds as firms have the ability to transfer funds to their Renewal Accounts using E-Bill. Funds will only be systematically transferred if the entire renewal amount owed is available in the firm's Flex-Funding Account. This automatic Flex-Funding Account-to-Renewal Account transfer process will also be applied daily beginning Jan. 20, 2017, for firms that still owe fees on their Final Statements.

Wire payments sent by 2 p.m., ET, should post the next business day. Wire payments sent after 2 p.m., ET, may take up to two business days to post. Please note that while wire transfers are received by FINRA on the same day they are initiated, ACH bank transfers typically take several days longer.

- Instruct your firm's bank to contact: **Bank of America.**
- Provide your bank with the following information:
 - **Wire ABA Number: 026009593**
 - **ACH ABA Number: 054001204**
 - **Beneficiary: FINRA**
 - **FINRA Account Number: 226005684771**
 - **Reference Number: Firm's CRD number**
- Inform your bank to credit funds to the FINRA bank account and **use your firm's CRD number as a reference.** Omitting the CRD number will delay deposit of funds into your Flex-Funding Account.
- Please record the **confirmation number** of the ACH/wire transfer given to you by your bank.

- Confirm receipt of the ACH/wire payment by checking your firm’s Flex-Funding Account or calling the IARD Call Center at (240) 386-4848. Please have the confirmation number of the ACH/wire transfer provided to you by your bank.

All check payments sent to FINRA are deposited into firm’s Flex-Funding Accounts. Be sure to allow for U.S. mail delivery and payment processing time. Remember that firms do not have to wait for FINRA to systematically transfer funds on Dec. 16. Firms have the ability to transfer funds at any time to their Renewal Accounts using E-Bill.

- Print and enclose a copy of the first page of your Renewal Statement.
- Make the check payable to FINRA and write your firm’s **CRD number** on the face of the check.
- Make sure you **copy the appropriate address exactly as it appears below**.

U.S. Mail	Express/Overnight Delivery
FINRA P.O. Box 418911 Boston, MA 02241-8911 <i>Note: This address will not accept courier or overnight deliveries.</i>	Bank of America Lockbox Services FINRA 418911 MA5-527-02-07 2 Morrissey Blvd. Dorchester, MA 02125 <i>Provide the following phone number if one is required for the recipient: (240) 386-4848</i>

V. Requesting a Refund/Reporting a Discrepancy

A. Request a refund for an overpayment of renewal fees:

In conjunction with renewal processing, all renewal overpayments to FINRA will be transferred to the firm’s Flex-Funding Account. Firms may leave the funds in their Flex-Funding Account to use for future transactions or submit a [refund request](#) via E-Bill.

B. Report any discrepancies on your firm’s Final Statement by Jan. 20, 2017.

If your firm believes there are discrepancies on your Final Statement, report them in writing directly to FINRA by Jan. 20, 2017. Along with your letter describing the discrepancy, please include a copy of your Final Statement and any supporting documentation to:

FINRA
 Registration & Disclosure – Regulatory Services & Operations
 9509 Key West Avenue
 Rockville, MD 20850
 (240) 386-4848

VI. Failure to Renew

An IA firm that has a Preliminary Statement and does not pay it in full will have all of its representatives’ registrations with jurisdictions terminated effective Dec. 31, 2016. Additionally, your IA firm’s registration/notice filings with jurisdictions will be terminated effective Dec. 31, 2016, if your firm was registered/noticed filed in a jurisdiction that participates in the Automatic Failure To Renew Program. This program provides jurisdictions the ability to authorize FINRA to systematically terminate the firm’s registration, on behalf of the jurisdiction, with a termination date of Dec. 31, 2016, if the firm fails to pay the

full amount of its online Preliminary Statement. **If this should occur, firms are advised to contact each jurisdiction directly to determine the appropriate reinstatement procedures.**

Please be advised that many jurisdictions levy fines for failure to renew properly. A complete list of each state office’s contact information is provided on the NASAA website [IA State Directory](#).

The following jurisdictions participate in the Automatic Fail To Renew Program (current as of Oct. 10, 2016):

Jurisdictions Participating In Auto Fail To Renew		
Alabama	Maine	Oklahoma
Alaska	Maryland	Oregon
Arkansas	Massachusetts	Puerto Rico
California	Michigan	Rhode Island
Connecticut	Minnesota	South Carolina
Delaware	Mississippi	South Dakota
District Of Columbia	Missouri	Texas
Florida	Montana	Utah
Georgia	Nebraska	Vermont
Hawaii	Nevada	Virgin Islands
Indiana	New Jersey	Virginia
Iowa	New Mexico	Washington
Kansas	North Carolina	West Virginia
Kentucky	North Dakota	Wisconsin
Louisiana	Ohio	

VII. Reports

- **Preliminary and Final Firm Renewal Reports:**

When statements are made available, firms can request, print, or download their preliminary or final renewal reports. These reports cannot be reproduced by FINRA so firms should print them.

- **To request either a preliminary or final renewal report via IARD, follow the steps outlined in the [IARD Reports Quick Reference Guide](#).**

The Firm Renewal Report and Download is a spreadsheet that contains all individuals who are eligible for renewal or were renewed for the firm. Download reports are especially useful to large firms that plan to import and format data within a spreadsheet or database. After downloading the report, firms may need an application to unzip the file.

There are no fees associated with this report request; however, please note that proper entitlements are required to access these reports. Please contact your firm’s Super Account Administrator for assistance with gaining access to IARD Reports.

- **Please note the following regarding reports:**

- A jurisdiction will only apply the ‘RA Discount Fee’ if the individual is registered with that jurisdiction as both an RA representative and a broker-dealer agent (denoted in Web CRD as “AG”).
- All reports expire after a defined period of time, which displays in either the *Days to View* column on the *Request Report* screen prior to selecting a report or from the *Expires On* column of the *View Report* screen after a report has been requested.

VIII. System Availability and Renewals Schedule

Web CRD/IARD will not be available Dec. 28, 2016, due to final statement processing. Dec. 29 through 31, 2016, the system will be available for your firm to query and create pending form filings, but you will not be able to submit them until Jan. 3, 2017, when full system functionality resumes. Please refer to the [2017 IARD Renewal Program Calendar](#) for important renewal dates and deadlines. In addition, please check the [IARD System Availability Schedule](#) for updates or changes to when Web CRD/IARD will be available.

Please note: Availability dates are subject to change.