

2010 IARD Renewal Program Bulletin

October 2009

This issue of the *Bulletin* is devoted to the 2010 IARD Renewal Program. It should provide you with the information you need to successfully renew your investment adviser (IA) firm and representatives for 2010 by answering the following questions:

- I. What is the IARD Renewal Program?
- II. Will my IA firm and representatives (RAs) renew electronically through the IARD Renewal Program?
- III. What is a Transition Filing and why should my firm care if the Transition Filing functionality is not available November 4, 2009, through January 4, 2010?
- IV. What is a post-dated form filing and why are these filings accepted during Renewals?
- V. How do I renew my IA firm and representatives electronically through IARD?
- VI. What are renewal reports and what are they used for?
- VII. What will happen if my firm fails to renew?
- VIII. What will be the IARD and Web CRD[®] System availability during the holidays and year-end renewal processing?
- IX. Are there additional resources available that provide Renewal information?
 - A. [2010 IARD Renewal Program Checklist](#)
 - B. [2010 IARD Renewal Program Calendar](#) – this calendar provides key dates and deadlines related to the Renewal Program
 - C. [IA Firm State Registration/Notice Filing Fee Schedule](#) – lists all of the IA firm registration/renewal fees assessed by jurisdictions
 - D. [IA Representative State Registration Filing Fee Schedule](#) – lists all of the IA representative registration/renewal fees assessed by jurisdictions
 - E. [IARD System Availability During November & December 2009](#)
 - F. [Renewal Program Frequently Asked Questions](#)
 - G. [North American Securities Administrators Association \(NASAA\) Web Site](#)
 1. [IA State Directory](#) available on the NASAA Web site

I. What is the IARD Renewal Program?

In order for an investment adviser firm to maintain active registrations and/or notice filing statuses with jurisdictions/states and for investment adviser representatives to maintain active registration statuses, firms must pay applicable renewal fees annually. The IARD Renewal Program facilitates the renewal of registrations/notice filings with jurisdictions that participate in IARD. As the operator of IARD, FINRA collects the renewal fees of electronic IA filers and then 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.

Update about Annual System Processing Fees

For the 2010 Renewal Program, NASAA is waiving the annual \$100 system processing fee for IA firms and the \$45 system processing fee for representatives.

(Important Note to SEC-Registered IA Firms: *The IARD 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. Will my IA firm and representatives (RAs) renew electronically through the IARD Renewal Program?

IA firms and representatives that meet one of the following conditions should be able to renew electronically via the IARD Renewal Program:

- A. "Approved" status as of November 13, 2009:** IA firms and representatives with active "Approved" registration statuses in Web CRD/IARD by 11 p.m. Eastern Time (ET) November 13, will renew electronically and have a Preliminary Renewal Statement available on IARD beginning November 16, 2009.
 - B. "Pending Approval" status as of November 13, 2009, and becomes "Approved" by December 24, 2009:**
 - An IA firm with an "Approved" registration status in IARD but its representatives are "Pending Approval" in Web CRD as of 11 p.m. ET November 13, will have a Preliminary Renewal Statement with only the IA firm's renewal fees assessed. If the firm's representatives are approved prior to 1 p.m. ET December 24, they will also renew electronically, with their representative renewal fees assessed on the firm's Final Renewal Statement, which will become available January 4, 2010.
 - An IA firm and its representatives that are "Pending Approval" in Web CRD/IARD as of 11 p.m. ET November 13, and are approved prior to 1 p.m. ET December 24, will renew electronically. A Preliminary Renewal Statement will not have been generated since the statement is based on registration statuses as of 11 p.m. ET November 13; however, the renewal fees for the IA firm and its representatives will be assessed on the firm's Final Renewal Statement, available January 4.
 - C. "Transitioned" status as of November 4, 2009:**
 - An IA firm and its representatives with "Transitioned" registration statuses in Web CRD/IARD by 11 p.m. ET November 4, will be included in the firm's online Preliminary Renewal Statement in IARD, available beginning on November 16, 2009.
 - A Transition Filing submitted by 11 p.m. ET November 4, for an IA firm but not the firm's representatives, will only enable the firm to renew electronically. An online Preliminary Renewal Statement will be available assessing the firm's 2010 renewal fees. In this case, the firm should contact jurisdictions directly for the renewal payment and processing of the firm's representatives.
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III. What is a Transition Filing and why should my firm care if the Transition Filing functionality is not available November 5, 2009, through January 3, 2010?

Transition Filings are only submitted for IA firms and representatives that are currently registered with jurisdictions/states through paper filings and are changing to electronic filing. A Transition Filing is submitted to establish an electronic record in IARD/Web CRD of a firm and/or representative's existing approved registration statuses. IA firms or representatives registered through paper filings that have not submitted an electronic Transition Filing by 11 p.m. ET November 4 will not be able to renew electronically through IARD and should contact jurisdictions directly for renewal payment and processing. The Transition Filing functionality will **not** be available November 5, 2009, through January 3, 2010, in order to allow for renewal processing.

IV. What is a post-dated form filing and why are these filings accepted during Renewals?

A post-dated full or partial Form U5, ADV-W or BR Closing/Withdrawal filing that is submitted with a termination date of December 31, 2009, enables representatives, firms or firm branches to maintain some or all existing registrations until the end of the calendar year. The only termination date that may be entered for a post-dated form filing is December 31, 2009.

A. Types of Post-Dated Termination Filings:

- **A Post-Dated Form U5 or BR Closing/Withdrawal Filing:** Beginning November 4, 2009, firms may submit a full or partial post-dated Form U5 or BR Closing/Withdrawal with a termination date of December 31, 2009. The post-dated Form U5 will allow an IA representative to maintain his/her registration(s) and continue doing business until the end of the calendar year. A post-dated Form BR Closing/Withdrawal will allow an IA firm to maintain its branch registration(s) until the end of the calendar year.
- **A Post-Dated Form ADV-W Filing:** Beginning November 4, 2009, firms may submit a full or partial post-dated Form ADV-W with a termination date of December 31, 2009. A post-dated Form ADV-W will allow an IA firm to maintain its registration(s) and continue doing business as an adviser until the end of the calendar year.

B. Period In Which Post-Dated Termination Filings Will Be Accepted:

- **November 4 – November 13, 2009:** Post-dated Form U5, Form ADV-W or BR Closing/Withdrawal termination filings submitted during this period will ensure the IA firm is not assessed renewal fees on the firm's Preliminary Renewal Statement for registrations that will be terminated at year-end.
- **November 16 – December 24, 2009:** Post-dated Form U5, ADV-W or BR Closing/Withdrawal filings submitted during this period will ensure that the IA firm is refunded for any renewal fees assessed for those registrations that will be terminated at year-end. On January 4, 2010, any overpayment amounts for Preliminary Renewal Statements will be credited to firms' Daily Accounts and refund requests can then be made from those accounts.

C. Post-Dated Termination Filings Cannot Be Withdrawn

Firms should exercise care when filing post-dated Forms U5, ADV-W or BR Closing/Withdrawal since Web CRD and IARD will process these filings as they are submitted and cannot be withdrawn once filed.

- If a post-dated **full** Form U5, ADV-W or BR Closing/Withdrawal filing has been submitted but the firm decides it does not want to terminate registration, then a new Form U4, ADV or BR as appropriate, must be submitted on or after January 4, 2010, to re-register the IA representative, firm or branch. All applicable registration fees will be assessed.
 - If a post-dated **partial** Form U5, ADV-W, BR Closing/Withdrawal filing has been submitted but the firm decides it does not want to terminate those registrations, then a Form U4 Amendment, ADV Amendment, ADV or BR as appropriate, must be submitted on or after January 4, 2010, to re-request registration. All applicable registration fees will be assessed.
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V. How do I renew my IA firm and representatives electronically through IARD?

A. Log on to IARD/Web CRD

Users of IARD and Web CRD must have a valid system user account with a user ID and password in order to access either, or both systems. Contact your firm's account administrator if you would like to establish a user account. If you have a user ID but have forgotten your password, click on the "Forgot Password?" link that is on the login page for IARD/Web CRD and provide the information requested. Once you have provided the information requested, you will be emailed a new temporary password that you may use to log onto IARD/Web CRD.

B. Retrieve your firm's online Preliminary Renewal Statement in IARD

Preliminary Renewal Statements will be available online for retrieval and printing via IARD beginning November 16, 2009 for IA firms and their representatives with approved or transitioned registration statuses in Web CRD/IARD as of 11 p.m. ET November 13, 2009. FINRA must receive full payment of your firm's Preliminary Renewal Statement by **Friday, December 11, 2009**.

To retrieve your firm's Preliminary Renewal Statement:

1. Log onto [IARD](#).
2. Enter your user ID and password.
3. Review and accept the terms and conditions.
4. From the site map, select the *Renewal Statement* link under the *Accounting* section.
5. Print the statement. A copy of the statement's first page should be included with any check payment.
6. FINRA must receive full payment of your firm's Preliminary Renewal Statement by **Friday, December 11, 2009**. Sending only a partial payment may cause your firm and representatives to fail to renew.

Firms are encouraged to submit their electronic (*i.e.*, E-Pay, wire transfer) renewal payment no later than December 9 in order for payment to post to their FINRA Renewal Accounts by the December 11 deadline. Firms paying by check should account for U.S. mail processing time when sending payment.

The statement will reflect the total amount due for the following approved or transitioned registration statuses in Web CRD/IARD as of November 13, 2009:

- The IA firm's approved or transitioned registrations and/or notice filings and the renewal fees due in order to maintain registrations/notice filings with those jurisdictions.
- The IA firm's branch office registrations and/or notice filings and the renewal fees due in order to maintain branch office registrations/notice filings with those jurisdictions.
- The IA representatives of the firm and their approved or transitioned registrations and the renewal fees due in order to maintain registrations with those jurisdictions.
- For the 2010 Renewal Program, NASAA is waiving the annual \$100 system processing fee for IA firms and the \$45 system processing fee for IA representatives.

C. Pay your firm's Preliminary Renewal Statement by the December 11, 2009 receipt deadline

Keep in mind that there is an increased volume of accounting transactions during the renewal season, particularly to fund firm Renewal Accounts. Please be sure to allow sufficient time for deposited funds to be processed and reflected in your firm's Renewal Account by the December 11 deadline. Firms paying by check should account for U.S. mail processing time when sending payment.

- **Acceptable Renewal Payment Methods:**
 - Automatic Daily-to-Renewal Account Transfer
 - Electronic Payment via Web CRD/IARD E-Pay
 - Check
 - Wire Transfer

- **Automatic Daily-to-Renewal Account Transfer**

To facilitate renewal payment processing for all firms, FINRA will automatically transfer funds from a firm's Daily Account to its Renewal Account on the December 11 Preliminary Renewal Statement payment deadline. FINRA will transfer funds only when a firm has sufficient funds available in its Daily Account on December 11 to cover the amount due. **Please Note:** If your firm does not want funds automatically transferred, your firm should ensure that its payment is received in its Renewal Account by the December 11 deadline. Separately, if your firm wishes to transfer funds between affiliated firms, you should contact the IARD Call Center at (240) 386-4848 for further instructions prior to the renewal deadline.

- **Electronic Payment via Web CRD/IARD E-Pay**

Electronic payments (ACH payments) that are submitted by 8 p.m. ET should be posted within two business days to a firm's Renewal Account with FINRA.

E-Pay, allows a firm to authorize electronic payment directly from its designated bank account to the firm's Renewal Account. FINRA does not charge firms any fees for utilizing E-Pay. Firms should verify with their banks whether ACH transaction fees are assessed by the bank for using E-Pay. Enrollment is required to use the E-Pay application. The E-Pay hyperlink can be found in your firm's online Preliminary and Final Renewal Statements as well as this site. A [Web CRD/IARD E-Pay Navigation Guide](#) that provides detailed instructions on how to enroll and use the Web E-Pay payment method is also available on this site.

- **Payment by Check:**

- Processing of check payments may take up to two business days.
- Print and enclose a copy of the first page of your online Renewal Statement.
- Have your firm's **CRD Number** and the word "**Renewal**" written on the face of the check. This is important to ensure that your funds are properly credited to your Renewal Account.
- The addresses provided for Renewal check payments are DIFFERENT from the addresses for funding your firm's Daily Account.
- Make sure you **copy the appropriate address exactly as it appears in this Bulletin**. If you exclude any of the information, it may delay the receipt of your payment.
- **Send ALL RENEWAL PAYMENT CHECKS directly to:**

US Mail	Express/Overnight Delivery
FINRA PO Box 7777 - 8705 Philadelphia, PA 19175-8705 (Note: This PO Box address will not accept courier or overnight deliveries.)	FINRA 8705 Mellon Bank Room 3490 701 Market Street Philadelphia, PA 19106 Phone number: (240) 386-4848

- **Payment by Wire Transfers:**

IA firms may wire funds into their IARD Renewal Accounts.

- 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 to your Renewal Account.
- Instruct your IA firm's bank to contact: "**Mellon Financial, Philadelphia, PA.**"
- Provide your bank with the following information to initiate a wire transfer:
 - ABA Number: **031 000 037**
 - Beneficiary: **FINRA**
 - FINRA Account Number: **8-234-353**
 - Reference Number: **Your firm's CRD Number and the word "Renewals"**
- Remember to inform your bank that funds are to be credited to the FINRA Bank Account and to use your firm's CRD Number and the word "Renewals" as a reference only.
- Please record the **Confirmation Number** of the wire transfer given to you by your bank. You will need this if you choose to call your bank later to confirm the wire transfer.

If you send your wire transfer by 2 p.m. ET your IA firm may confirm receipt of the wire payment by FINRA the next business day by checking your Renewal Account online or calling the IARD Call Center at (240) 386-4848. Please have the **Confirmation Number** of the wire transfer provided to you by your bank.

- **Check Your Renewal Account to Confirm Receipt of Payment:**

We recommend that you check your firm's Renewal Account online to confirm your payment has been received and posted. Please allow sufficient time for payment processing including delivery time if your firm sends a check payment via U.S. Mail.

D. Retrieve your firm's online Final Renewal Statement in IARD on or after January 4, 2010

Beginning January 4, 2010, online Final Renewal Statements for investment advisers will be available in IARD. These statements will reflect the final registration statuses of your IA firm and representatives as of December 31, 2009. Any adjustments as a result of registration approvals or terminations subsequent to the Preliminary Renewal Statement will be made in this final reconciled statement. If your firm's statement shows an amount due then FINRA must receive full payment of your firm's Final Renewal Statement by **February 5, 2010**.

To retrieve your firm's Final Renewal Statement:

1. Log onto [IARD](#).
2. Enter your user ID and password.
3. Review and accept the terms and conditions.
4. From the site map, select the *Renewal Statement* link under the *Accounting* section.
5. The total adjusted amount on your firm's Final Renewal Statement will display either 'Paid In Full' or an 'Amount Due.'
 - o 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 **February 5, 2010**.
 - Print the statement. Include a copy of the statement's first page you are paying with a check.
 - [Acceptable Renewal Payment Methods](#) listed previously for Preliminary Renewal Statement payment are also accepted for payment of your Final Renewal Statement.

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

The statement will reflect the total adjusted amount for approved or terminated registration statuses in Web CRD/IARD as of December 31, 2009:

- The jurisdictions with which the firm is registered and the amount paid to jurisdictions to renew those registrations/notice filings.
- The jurisdictions with which the firm's branch office(s) are registered and the amount paid to jurisdictions to renew those branch office registrations/notice filings.
- The number of representatives with approved registrations with jurisdictions and the amount paid to renew those registrations.
- Renewal fees owed by your IA firm for any firm or representative registrations that were approved after the Preliminary Renewal Statement was generated but prior to system shutdown on December 24, 2009.
- For the 2010 Renewal Program, NASAA is waiving the annual \$100 system processing fee for IA firms and the \$45 system processing fee for representatives.

E. Pay your firm's Final Renewal Statement by the February 5, 2010 receipt deadline if your statement shows an amount due.

[Acceptable Renewal Payment Methods](#) listed previously for Preliminary Renewal Statement payment are also accepted for payment of your Final Renewal Statement.

Automatic Daily-to-Renewal Account Transfer

To facilitate renewal payment processing for all firms, FINRA will automatically transfer funds from a firm's Daily Account to its Renewal Account on February 5, 2010, the Final Renewal Statement payment deadline. FINRA will transfer funds only when a firm has sufficient funds available in its Daily Account on February 5 to cover the full amount due. **Please Note:** If your firm does not want funds, your firm should ensure that its payment is received in its Renewal Account by the February 5 deadline. Separately, if your firm wishes to transfer funds between affiliated firms, you should contact the IARD Call Center at (240) 386-4848 for further instructions prior to the renewal deadline.

We recommend that you check your firm's Renewal Account online to confirm your payment has been received and posted. Please allow sufficient time for payment processing including delivery time if your firm sends a check payment via U.S. mail.

- **Request a refund for an overpayment of renewal fees:**

In conjunction with renewal processing, all 2010 renewal overpayments by firms made to FINRA will be systematically transferred to the firms' Daily Accounts. Firms may leave the funds in their Daily Accounts to use for future registration fees or request refund checks from FINRA from their Daily Accounts. To request a refund check, have an appropriate signatory sign the first page of the Final Renewal Statement and either mail or fax it to FINRA by February 5, 2010.

<p>Mail renewal refund requests to:</p> <p>FINRA Finance Department 9509 Key West Avenue Rockville, MD 20850</p>	<p>Or fax renewal refund requests to:</p> <p>Attention: Finance Department Fax number: (240) 386-5344</p>
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- **Report any discrepancies on your firm's Final Renewal Statement by February 5, 2010:**

If your firm believes there are discrepancies on your Final Renewal Statement, report them in writing directly to FINRA by February 5, 2010. Along with your letter describing the discrepancy, please include a copy of your Final Renewal Statement and any supporting documentation such as Forms U4, U5, ADV, ADV-W, BR Closing/Withdrawal or Amendment Filings. Send Final Renewal Statement Discrepancy letters to:

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

VI. What are renewal reports and what are they used for?

A firm renewal report is sorted by regulator and lists all of your firm's representatives with approved registration statuses in Web CRD. Firms should use this report to verify the number of representatives and their approved registration statuses for which the firm is being assessed 2010 renewal fees. A branches renewal report lists each branch included in the 2010 Renewal Program processing for which the firm is being assessed a fee. Both of these reports include billing codes if the firm has supplied them. Firms should keep a copy of applicable renewal reports for their records.

- **Preliminary Firm Renewal Reports:**

On or after November 16, 2009, firms may begin to request, print, and/or download their preliminary renewal reports.

- **Final Firm Renewal Reports:**

Beginning January 4, 2010, the preliminary information will be updated and populated with the final renewal reports and firms may begin to request, print, and/or download these reports.

- **To request either a preliminary or final renewal report via IARD, follow these steps:**

1. Log onto [IARD](#).
2. Enter your user ID and password.
3. Review and accept the terms and conditions.
4. From the site map, select *Request Reports* under the *Reports* section. If you do not have entitlement to access Reports, please contact your firm's Account Administrator.
5. Select the report that you would like to receive by clicking on the title of the report. A form will open up and you will need to submit all required information for fields with an asterisk (*) next to them.
6. Select the *Submit* button. You will receive a Report ID Number. Record this number for reference when you view your report. Most reports will be available to view shortly after you submit your request.

- **To view the report once it is available:**

1. From the site map, select *View Report* under the *Reports* section. A new browser window will appear that will list all of the reports that you have requested.
2. Select the Report ID Number you wish to view. The link will either open the report in the browser window or prompt you to save the document to your computer depending on the type of report that you requested.

- **Firm Renewal Report Download:**

The *firm renewal download* is a downloadable report of all individuals who are eligible for renewal or were renewed for the firm. Download reports are usually requested by large firms that plan to import the downloadable data into a spreadsheet or database in order to format or sort the data differently. Your firm will be able to download this report from *View Reports* (Reports Tab). After downloading the report, firms may need an application to unzip the file. There are no fees associated with this report request. Detailed instructions are available on [how to download this report](#).

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

- The 'RA Discount Fee' is only applicable to an individual that is both an IA representative (RA) and a broker-dealer agent (AG).
- Reports expire after a pre-defined period of time. You can see the length of time each report is viewable 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.

VII. What will happen if my firm fails to renew?

An IA firm that has an online Preliminary Renewal Statement and does not pay it in full, will have all of its representatives' (RAs) registrations with jurisdictions terminated effective December 31, 2009. Additionally, your IA firm's registration/notice filings with jurisdictions will be terminated effective December 31, 2009, if your firm was registered/noticed filed in a jurisdiction that participates in the IARD 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 December 31, 2009, if the firm fails to pay the full amount of its online Preliminary Renewal Statement. **If this should occur, firms are advised to contact each jurisdiction directly to determine the appropriate reinstatement procedures.**

NOTE: An IA firm and its representatives that are approved between November 16 and December 24, 2009, will have their applicable renewal fees assessed and collected in the firm's online Final Renewal Statement, which will be available on IARD beginning January 4, 2010. These firms will neither have an online Preliminary Renewal Statement nor will they automatically fail to renew on December 31, 2009.

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 Web Site [IA State Directory](#).

The following jurisdictions are participating in the Automatic Fail To Renew Program for 2010 (current as of 10/13/2009):

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	

VIII. What will be the IARD and Web CRD System Availability during the holidays and year-end renewal processing?

Please check the [IARD System Availability Schedule](#) and the IARD Broadcast Message regularly for updates or changes to when IARD will be available during the holidays and year-end renewal processing. **PLEASE NOTE:** Availability dates are subject to change.

IARD and Web CRD will not be available December 25 through December 27, 2009, and January 1 through January 3, 2010. Please note that no Web CRD/IARD System processing will occur between December 28 and December 31, 2009. During this renewal processing period, the system may be available for your firm to query the system and create pending form filings but you will not be able to submit them until January 4, 2010, when full system functionality becomes available again. Please refer to the [2010 IARD Renewal Program Calendar](#) for important Renewal dates and deadlines.