Financial Industry Regulatory Authority

IARD[SM]

Accounting

Accounting is the IARD[SM] function that provides firms with the ability to view detailed financial account information. Firms that are both broker-dealer/investment adviser (joint firms) can view financial account information for both Web CRD® and IARD[SM]. Access IARD at **https://crd.finra.org/iad**.

Accounting Terminology

- **Daily Account -** The Daily Account is the primary account to which your firm will deposit funds for day-to-day registration transactions to occur. If applicable, the "Daily Organization Information" header includes the current amount due for transactions currently funds Deficient; i.e., the amount due for items already processed and the current credit balance.

- **Renewal Account -** The Renewal Account is used to participate in the Annual Renewal Program of state registrations and Notice Filings. This account is used to display the fees associated with registrations and Notice Filings with the jurisdictions that require a yearly renewal.

- **Account Status -** The **Account Status** is defined as either **SUFFICIENT** or **DEFICIENT** throughout a business day. Your account status will remain the same for the entire day, regardless of any payments or withdrawals made during that day. Payments or withdrawals will reflect in the account status the next business day.

  At the start of each business day, your firm's Initial Daily Balance (IDB) will show a credit balance indicating a Sufficient Account Status, or a debit balance indicating a Deficient Account Status. Your firm must have a credit balance in order to process registration transactions.

  - **Sufficient:** If a firm's Account Status is **SUFFICIENT**; i.e., with a credit balance less than $0 (e.g. $-500), form filings can be submitted and all transactions submitted to Web CRD are processed that business day, even if the total amount is more than the actual available funds in the account.

  - **Deficient:** If a firm's Account Status is **DEFICIENT**; i.e., with a debit balance greater than $0 (e.g. $500), form filings can be submitted, however, no transactions will be processed that day. Transactions submitted that day, are held in a Funds Deficient Transactions Queue until the firm's initial daily balance is Sufficient.

    NOTE: Investment Adviser representative (RA) transition filings CANNOT be submitted with an Account Status of **DEFICIENT**. A one-time, non-refundable initial set-up fee of $45 is charged for each transitioning RA.

Questions on IARD? Call the IARD Hotline at **240-386-4848**
8 A.M. - 8 P.M., ET, Monday through Friday

- **Credit Balance:** A credit balance is a favorable balance for a firm that indicates a **Sufficient Account Status**. A credit balance is displayed as a negative amount, for example, a credit balance of $-1,000.00 represents funds of $1,000.00 are available to pay for transactions.

- **Debit Balance:** A debit balance is an unfavorable balance for a firm that indicates a **Deficient Account Status**. A debit balance means the firm has no funds available to pay for transactions, and should deposit funds into the account. A debit balance is displayed as a positive amount, for example, a debit balance of $1,000.00 represents an account is deficient for $1,000.00.

To submit Form ADV filings, a firm must have enough funds deposited to cover all fees associated with the filing.

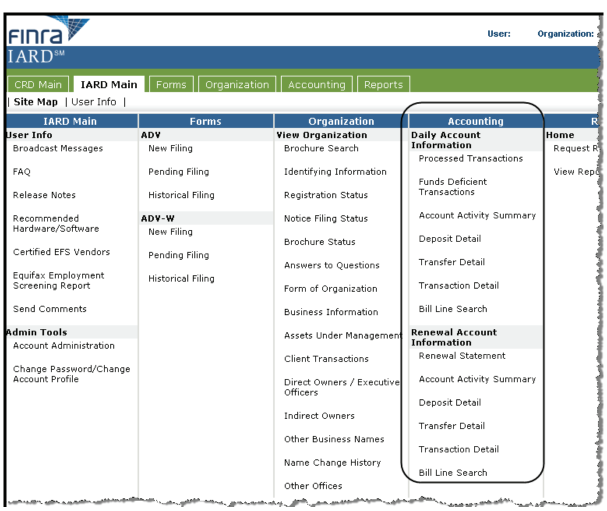
For Form U4 filings for an RA, the firm can submit filings with a **Deficient** Account Status, however, registration requests will show as Funds Deficient and examination windows will not open until the firm has a **Sufficient** Account Status.

Deposit Information: Check deposits and wire transfers received after 2:00 P.M. ET are posted within 2 business days. Deposits received before 2:00 P.M. ET are posted the next business day. Web CRD/IARD E-Pay deposits submitted before 8:30 P.M. ET are posted within 2 business days. See the Web CRD/IARD E-Pay navigation guide for online deposit information.

Finding Accounting Information:

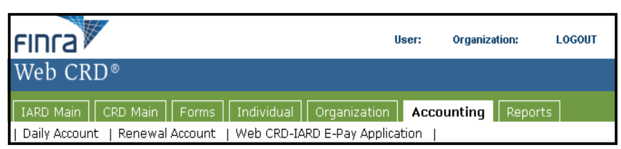
There are 2 ways to access your firm's Accounting information in IARD:

1. From the **Accounting** section of the IARD Site Map, click directly on the hyperlink for a specific accounting sub-section.



OR

1. Click the **Accounting** tab on the toolbar.

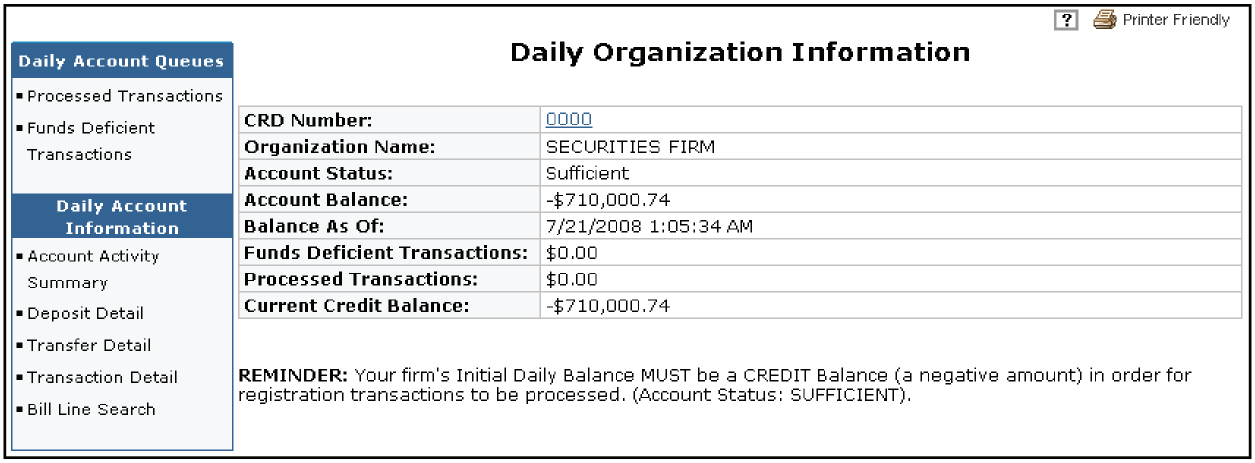


2. Click **Daily Account** or **Renewal Account** from the sub-menu.

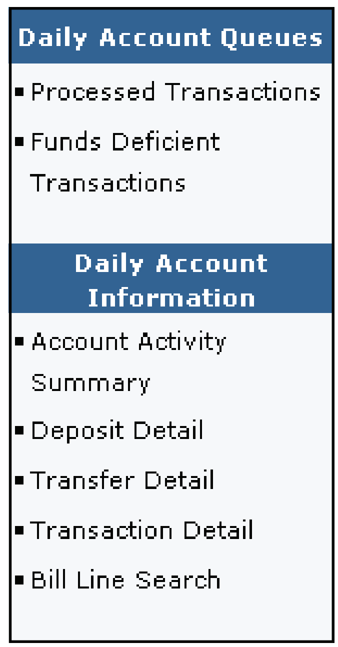
NOTE: The *Web CRD-IARD E-Pay Application Login* screen can be accessed through the Accounting toolbar on all Accounting screens.

Access your firm's account status and opening balance by clicking **Daily Account** from the sub-menu.

The *Daily Organization Information* screen displays, with your firm's opening balance for the current business day and your firm's Account Status.



IARD Accounting provides 2 ways for viewing information about your account.



1. **Daily Account Queues**

    - **Processed Transactions -** Details transactions that have been submitted and processed by IARD. While these transactions have been processed by IARD, they will not be deducted from a firm's account balance until the next business day.
    - **Funds Deficient Transactions -** Details transactions that have been submitted to Web CRD, but have not been processed because the firm's Account Status is Deficient.

2. **Daily Account Information**
   The following sections are queries or searches for Accounting information. Searches are performed for a date range of up to 31 days at one time.

    - **Account Activity Summary:** Search for summary information by date range for payments, transfers, and all transactions, as well as, a beginning and ending balance.
    - **Deposit Detail:** Search for detailed information about specific deposits. **NOTE:** Check deposits received before 2:00 P.M., ET, are available the next business day.
    - **Transfer Detail:** Search for detailed information about specific transfers between accounts (affiliated firm's Renewal and Daily Accounts) and firm requested funds withdrawals.
    - **Transaction Detail:** Search for detailed information about all transactions submitted to IARD. Adjustments made to an account (Notice Filing Fees, IA State Registration Fees) are also shown. This query does NOT include items listed in Transfer Detail or Deposit Detail.

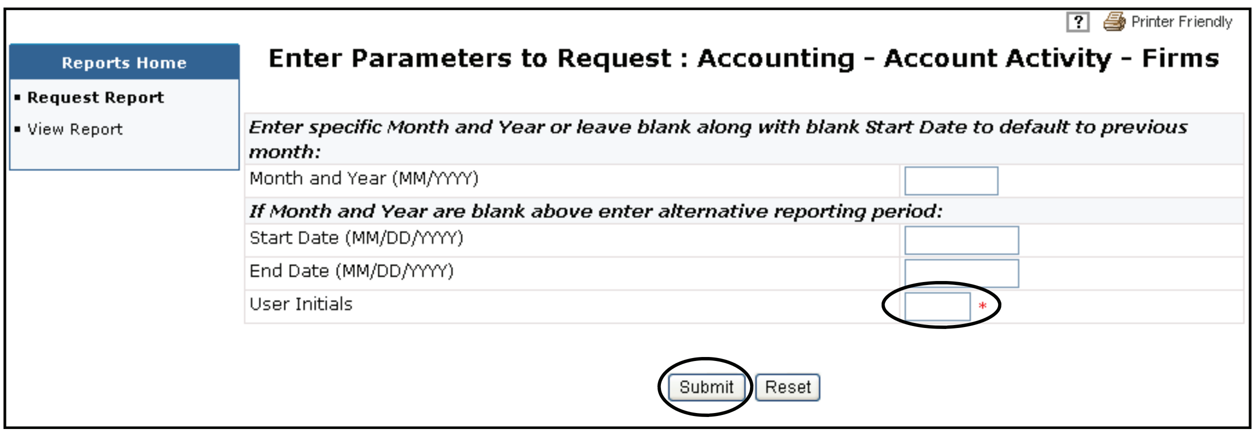
- **Bill Line Search:** Search for specific transactions by IARD Number, IARD Transaction Number, Branch CRD Number or Charge Code (a unique code for every fee that is generated) by a given date range. For firms that are both broker-dealer/ investment adviser, searches are performed for IA transactions and/or Web CRD transactions.

Accounting Report

The **Account Activity Report** details all of a firm's accounting transactions for the previous month. The report can be requested online during Web CRD operating hours for up to 120 days at a time.

Requesting a Monthly Account Activity Report:

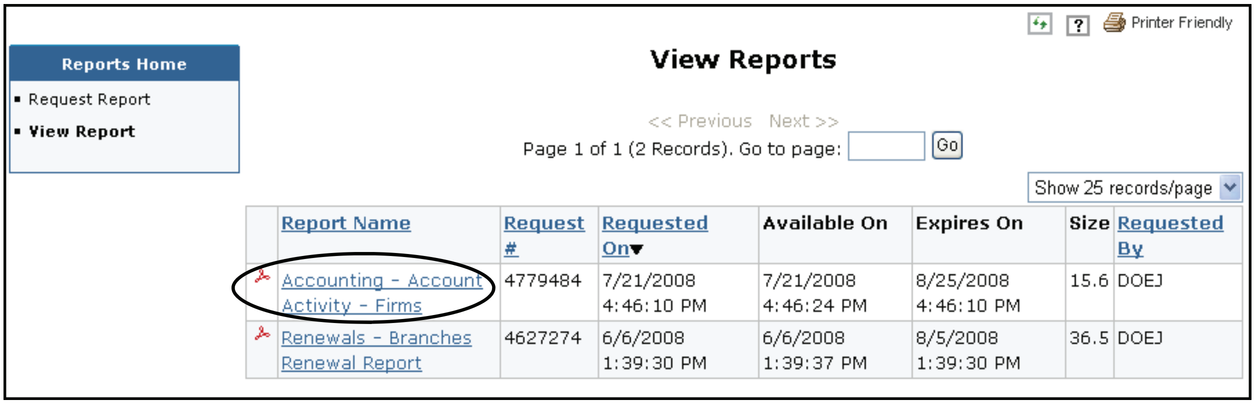
1. Click the Reports tab on the IARD Site Map.
2. Select **Request Report** from the navigation bar.
3. Select the **Accounting-Account Activity-Firms** hyperlink from the Report Name column.
4. Enter the report parameters.
5. Enter User Initials (required).
6. Click **Submit**.



Viewing an Account Activity Report:

- Click the **Reports** tab on the IARD Site Map.
- Select **View Reports** from the navigation bar.
- Locate the requested Account Activity Report under Report Name.
- Click the **Report Name** hyperlink to view the report.

An example of a *View Reports* screen in shown on the following page



Renewal Statements

To View Renewal Statements:

1. Click the **Renewal Statement** hyperlink from the Accounting section of the IARD Site Map.

NOTE: Preliminary, Final and Past Due Statements will NOT be mailed to your firm. These invoices must be viewed or printed through IARD.