

## 2021 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 this 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. 13, 2020:**

- Any IA firm, branch or representative with an “Approved” registration status by 11 p.m. Eastern Time (ET), Nov. 13, will be included on the Preliminary Statement.

**“Pending Approval” status becomes “Approved” before 6 p.m., ET on Dec. 26, 2020:**

- Any IA firm, branch or representative with a “Pending Approval” registration status that becomes approved after 11 p.m. ET, Nov. 13, and prior to 6 p.m. ET, Dec. 26, will have renewal fees included 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 continue to be \$15. See the [NASAA 2021 Fee Announcement](#) for more information.

**\*Important Note to SEC-Registered IA Firms:** *The Renewal Program facilitates the annual renewal of IA firms, its branches and 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. 16, 2020**.

### 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 for the firm, its branches and representatives to maintain registration or notice filing statuses with those jurisdictions in CRD/IARD as of Nov. 13, 2020. See the [Paying Your Renewal Assessment](#) section for payment options.

### B. Post-Dated Form Filings

A post-dated 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, 2020.

Firms should exercise care when filing post-dated forms; CRD/IARD will process these filings upon submission, and they cannot be withdrawn. If a firm submits a post-dated Form U5 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. 19 – Nov. 13, 2020:** 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. 13, 2020:** 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. 16 – Dec. 26, 2020:** 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 if the firm paid their Preliminary Statement in full. On Jan. 2, 2021, any overpayment will be credited to firms' Flex- Funding Accounts from which refund requests can be made.

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## III. Final Statement Period

Beginning Jan. 2, 2021, 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, 2020. Any adjustments as a result of registration approvals or terminations after the Preliminary Statement reflect in this final statement. If your statement reflects an amount due, then FINRA must receive full payment by **Jan. 22, 2021**.

### A. Retrieve your firm's Final Statement in E-Bill on or after Jan. 2, 2021

Your firm's Final Statement will display either "Paid in Full" or an amount due.

- If your statement shows an amount due, then your firm needs to pay the balance to FINRA by **Jan. 22, 2021**. See the [Paying Your Renewal 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 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, 2020, 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.

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#### IV. **Paying Your Renewal Assessment**

Sufficient funds to pay the entire amount assessed on your firm’s Preliminary Statement must be available in your firm’s Flex-Funding or Renewal Account on Dec.14, 2020. Payment for any additional amount reflected on your firm’s Final Statement must be received in full by Jan. 22, 2021. 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. See the [Renewal Account Section of the IARD Accounting](#) page for complete information.

##### **Flex-Funding-to-Renewal-Account Transfers**

FINRA will transfer funds from Flex-Funding Accounts to Renewal Accounts daily beginning Dec.14, 2020, if sufficient funds are available. FINRA will only transfer if the entire renewal amount owed is available in the firm’s Flex-Funding Account. This Flex-Funding Account-to-Renewal-Account transfer process will also be applied daily beginning Jan. 22, 2021, for firms that still owe fees on their Final Statements.

Firms do not have to wait for FINRA to transfer funds; transfers can be requested in E-Bill. Transferring funds ensures that the deposited money is not allocated on other Flex-Funding transactions. E- Bill transfer requests should be made before Dec. 9.

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#### 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. 22, 2021.**

If your firm believes there are discrepancies on your Final Statement, report them in writing directly to FINRA by Jan. 22, 2021. Along with your letter describing the discrepancy, please include a copy of your Final Statement and any supporting documentation to:

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

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## VI. Failure to Renew

An IA firm that has a Preliminary Statement and does not pay it in full will have its representatives' registrations with jurisdictions terminated effective Dec. 31, 2020. Additionally, your IA firm's registration/notice filings with jurisdictions will be terminated effective Dec. 31, 2020, if your firm was registered/notice 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, 2020, if the firm fails to pay the full amount of its 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's [State Directory](#).

**The following jurisdictions participate in the Automatic Fail To Renew Program (current as of Oct. 30, 2020):**

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

## 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](#) 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 Renewal Fee if Also AG" if the individual is

registered with that jurisdiction as both an RA representative and a broker-dealer agent (“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.

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#### **VIII. System Availability and Renewals Schedule**

CRD/IARD will not be available Dec. 27, 2020, due to final statement processing. Dec. 28 through 31, 2020, CRD/IARD will be available for your firm to query and create pending form filings, but you will not be able to submit them until Jan. 2, 2021, when full system functionality resumes. Please refer to the [2021 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 CRD/IARD will be available.

Please note: Availability dates are subject to change.