2017 NASAA Broker-Dealer Examination & Registration Training

Web CRD® 201 – Registration Processing

FINLa

Financial Industry Regulatory Authority

Topics

- **Individual Processing**
  - Jurisdiction Acceptance Queues
  - Jurisdiction Notice Queues

- **Firm Processing**
  - Organization Queues

- **Disclosure**

- **Registration Resources**

- **Questions**

Jurisdiction Acceptance Queues

Jurisdiction Acceptance Queues

■ **Jurisdiction Acceptance Queues allow state users to monitor requests for individual registration with their jurisdiction.**

- Entitlement can be granted by a CRD administrator.
- Queues can be accessed from the CRD Main page, or the Individual tab.

Queue Search Criteria

- **Users are able to adjust the queue search criteria to filter their queue search results.**

Queue Search Results

- **The results page allows users to assign items to specific staff members, as well as perform other functions.**

Manual Approval Queue Reason Codes

Status	Code for Status	Description
Manual Regulator Default	REGMAN	The regulator review method default is Manual.
Disclosure	DISCLR	The individual was reviewed manually due to disclosure
Manual Individual Review Method	INDMAN	The individual was reviewed manually because the individual is marked as Manual.
Manual Firm Review Method	FIRMMAN	The individual was reviewed manually because the firm is marked as Manual.
Manual Home State Review Method	HOME	The individual was reviewed manually because the regulator reviews Home State individuals.
FINRA Exam Waiver	EXMWVR	The individual was reviewed manually because of FINRA exam waiver.
NFI Change	NFICHG	The individual was reviewed manually because of a change made to the registration through NFI.

Status	Code for Status	Description
S7 Not Passed for RA Position	RANOS7	The individual was reviewed manually because the individual qualified as an RA by having a passing grade for the S66 and a GS position but no passing S7.
No Exam for RA Position	RANOEXAM	The individual was reviewed manually because the individual qualified as an RA by only having been registered with another jurisdiction as an RA within the past two years.
Withdrawal of a Temporary Approval	TEMP_WD	The individual was reviewed manually due to a Withdrawal of a Temporary Approval.
No Passed FINRA Exam for AG Position	AGNOFINRAEXAM	The individual was reviewed manually because the individual qualified as an AG without a passed FINRA Exam.
RA qualification due to a Transition request	RATRANREQ	The individual was reviewed manually because the individual qualified as an RA by only having been registered with the same jurisdiction as an RA that had a Transition Requested or Transition Termination status within the past two years.

Approve Page Function

- **Clicking the "Approve Page" button will automatically approve all registration requests on the entire page.**
  - Access to this function is driven by a specific entitlement, which is discouraged; accidents occur and cannot easily be undone.

Temporary Registrations

- **Individuals enter the Temporary Registrations queue based on the submission of a Relicense U4 for an individual that:**
  - Was previously registered with the jurisdiction within the last 30 days, and
  - Has new or updated disclosure since their last Approval, and
  - The new firm completed Section 15C as part of the Relicense U4 filing, and
  - The individual's review method allows for temporary registration, and
  - The registration request with FINRA was automatically approved

- **30 day clock is reset based on the date of each subsequent U4 amendment filing**

Temporary Registrations Queue

<<Previous Next>>
Rows 1 to 1

Save Updates   Approve Page

Assign/ Review	Individual		Firm Name	Reg Cat	Other Regs	Jurisdiction's Last Approval Date	Queue Date	Disclosure Counts				Reg Note	SD	Home State	Update Status/ Effective Date
	Name	CRD						CR	RA	CC	OT				
☐	LAST, FIRST MI		FIRM NAME 12345	AG	Y	02/28/2013	05/01/2014	0	0	1	2	N	N	WA	Temporary Registration ▾

Available Acceptance Queues

■ **Manual Approval**

- Lists individuals with registrations that the jurisdiction must manually approve.

- A registration status can be updated as follows: Approved, Abandoned, Denied, Pending, Rejected or Restricted Approval.

- The registration requests in this queue have no waivable deficiencies, require manual approval, have an approved FINRA registration, and have a Pending registration status in your jurisdiction.

- Items leave this queue once the individual's registration status is changed to any status other than Pending.

■ **U5 Manual**

- Lists U5 requests that a regulator has blocked or stopped from occurring automatically.

- The registration status of these individuals is Termination Requested.

- Update through this Queue/NFI; caution applying the correct effective date

Available Acceptance Queues (continued)

■ **Temporary Registrations**

- Lists individuals holding a 30-day temporary relicensing registration.

- The jurisdiction may manually approve these registrations or the jurisdiction may elect to let the 30 days expire, which allows Web CRD to automatically approve the registration.

- Registration requests in this queue have an approved FINRA registration, no waivable deficiencies, relicensing registration with the temporary registration page completed and the relicensing method allowed for temporary approval.

■ **Waivable Deficiencies**

- Lists individuals with registration deficiencies that the jurisdiction can clear (Exam, Dual, FINRA-AR, etc.).

- The registration requests in this queue do not have non-waivable deficiencies (Disclosure, Fingerprint, etc.) and have approved FINRA registrations.

Acceptance Queue Totals

■ **Lists of all the Acceptance Queues with the number of broker-dealer agents (AG) and RAs in each queue.**

• Clicking the hyperlinked AG/RA counts will display yearly and quarterly subtotals.

Jurisdiction Notice Queues

Jurisdiction Notice Queues

■ **Jurisdiction Notice Queues allow regulators to monitor status updates for individuals registered in their jurisdiction.**

- Entitlement to Jurisdiction Notice Queues can be granted by a CRD administrator.
- Queues can be accessed from the CRD Main page, or the Individual tab.

Jurisdiction Notice Queues

Automatic Approval

CHRI Received from FBI

Delinquent U5 Notice

Disclosure Notice

SRO Inactive Notice

SRO Termination Notice

Jurisdiction Termination for Cause Notice

Amended Date and Reason for Termination Notice

Notice Queue Totals

Queue Search Criteria

■ **Users are able to adjust the queue search criteria to filter their queue search results.**

Queue Search Results

- **The results page allows users to assign items to specific staff members, as well as perform other functions.**

- **Clicking the "Remove Page" button will remove all of the notices on the entire page from the queue.**
  - Access to this function is driven by granting a specific entitlement, which is discouraged; accidents occur and cannot easily be undone.

Available Notice Queues

- **Automatic Approval**
  - Lists notices of registrations that have been automatically approved in the jurisdiction.
  - Notices remain in this queue, unless they are manually deleted.

- **CHRI Received from FBI**
  - Lists all individuals registered or registering with the jurisdiction that have Criminal History Record Information (CHRI).
  - This queue includes a fingerprint barcode hyperlink that links to the CHRI.
  - _Specific CHRI entitlement is required for access to this queue, and users must accept additional terms and conditions before viewing the data._

Available Notice Queues (continued)

- **Delinquent U5 Notice**
  - Lists AGs and RAs whose current employers have filed a Form U4 – Relicense filing, but whose prior employers have yet to file U5 form filings.

- **Disclosure Notice**
  - Lists notices of disclosure filings against individuals with registrations in the jurisdiction.
  - Notices remain in this queue unless they are manually deleted.

- **SRO Inactive Notice**
  - Lists notices of individuals that have an inactive registration(s) due to a registration status of Inactive Prints, CE Inactive or Suspension.
  - Notices remain in this queue until the status changes to a status that is not inactive.

Available Notice Queues (continued)

■ **SRO Termination Notice**

- Lists notices of individuals who are registered in your jurisdiction and who have had registration(s) terminated by an SRO without filing a Form U5.
- Notices remain in this queue for 30 days, unless they are manually deleted.

■ **Jurisdiction Termination for Cause Notice**

- Lists notices of individuals who:
  - have been terminated for cause (e.g., Discharged, Permitted to Resign or Other), or
  - have a Yes answer(s) and DRP(s) submitted on a full Form U5.

■ **Amended Date and Reason for Termination Notice**

- Lists all individuals who are registered with the jurisdiction or were registered with the jurisdiction and have had either the date or the reason for termination updated on a U5 Amendment filing.

Notice Queue Totals

■ **Lists six of the Notice Queues with the number of AGs and RAs in each queue.**

- Clicking the hyperlinked AG/RA counts will display yearly and quarterly subtotals.

ⓘNote: The refresh process can be time-intensive and can only be performed once every 60 minutes.

Total Items In Notice Queues

Queue	AG Count	RA Count	Last Refreshed
Automatic Approval Notice Queue	5894	1490	5/6/2014 12:42:32 AM [Refresh]
Delinquent U5 Notice Queue	11	36	5/6/2014 12:42:33 AM [Refresh]

Queue	DR Count	DM Count	Last Refreshed
Disclosure Notice Queue	2142	0	5/6/2014 12:42:33 AM [Refresh]

Queue	Item Count	Last Refreshed
CHRI Received from FBI Notice Queue	937	5/6/2014 12:42:34 AM [Refresh]
Jurisdiction Termination for Cause Notice Queue	1096	5/6/2014 12:43:04 AM [Refresh]
Amended Date and Reason for Termination Notice Queue	66	5/6/2014 12:43:18 AM [Refresh]

Organization Queues

Organization Queues

- **Organization Queues notify jurisdictions of broker-dealer and branch form filings, status changes, and other related items.**

Queue Search Criteria & Results

■ **Users are able to use criteria to filter the queue results.**

No Status (NOSTAT) Notice Queue Search Criteria

Include Assignments

◉ All

○ Only Unassigned
○ Starts With [   ]

Select Sort Criteria

[Notice Date ▼]

○ Ascending
◉ Descending

[Display Queue]

■ **Click the ">" work button to open the notice and take action.**

No Status (NOSTAT) Notice Queue

<<Previous   Next>>
Rows 1 to 2

[Save Updates]   [Remove Page]

Assigned To		Notice Date	Filing Date	CRD #	SEC #	Registration Status	Organization Name	Remove
UAT	>	04/17/2013	04/17/2013	12345	12345	No Status	FIRM NAME	☐
UAT	>	04/16/2013	04/16/2013	12345	12345	No Status	FIRM NAME	☐

Viewing Notices

Available Organization Queues

- **Alert**
  - Lists notices of broker-dealers who have not corrected deficiencies within 30, 60 or 90 days.
  - Notices are automatically deleted after 120 days.

- **Amend (Form BD)**
  - Lists notices of Form BD filings pertaining to firms with one of the following statuses: No Status, Approved, Termination Requested, or Pending Approval.
  - Branch amendments will appear in the Branch queue only and not in the Amend queue.
  - Notices are automatically deleted after 30 days.

Available Organization Queues (continued)

■ **Broker-Dealer Withdrawal (BDW)**

- Lists notices of broker-dealer full or partial withdrawal requests from the user's state or SRO.
- The status of these firms is Termination or Withdrawal Requested.
- Notices are automatically deleted after 120 days.

■ **Branch**

- Notifies the regulator of Form BR filings made for a branch located within a jurisdiction.
- Notices are automatically deleted after 120 days.

■ **Non-Filing Branch**

- Lists notices of branches whose branch status has changed without a Form BR filing.
- Notices are automatically deleted after 30 days.

Available Organization Queues (continued)

■ **Branch Deficiencies**

- Notifies the regulator of deficiencies for each branch office.

■ **Mass Transfer (MT)**

- Notifies the regulator of the status of Mass Transfers scheduled for firms in that jurisdiction.

■ **Name Change**

- Lists notices of broker-dealer name changes.
- Notices are automatically deleted after 30 days.

■ **No Status**

- Lists notices of broker-dealer filings pertaining to firms with a No Status registration status.
- Notices are automatically deleted after 120 days.

Available Organization Queues (continued)

■ **Regulatory Disclosure**

- Lists notices of disclosure actions taken by other jurisdictions, the SEC, FINRA and other SROs through a Form U6.
- Notices are automatically deleted after 30 days.

■ **Status Change**

- Lists notices of registration status changes.
- Regulators will see all changes that terminate broker-dealers.
- Notices are automatically deleted after 30 days.

Organization Queue Totals

■ **Lists all of the queues with the number of items in each queue.**

Total Items In Notice Queues	
Alert	42
Amend (Form BD)	70
Broker Dealer Withdrawal	0
Branch	175
Non Filing Branch	1
Branch Deficiencies	8
Mass Transfer (MT)	0
Name Change	0
No Status (NOSTAT)	0
Regulatory Disclosure	0
Status Change	13

Disclosure

FINRA
Financial Industry Regulatory Authority

FINRA Disclosure Review Process

■ **FINRA's Registration and Disclosure (RAD) department includes a team of analysts that reviews all disclosure that is filed through Web CRD.**

■ **RAD staff's disclosure review process includes:**
- Review U4/U5/U6/BD disclosure data and create/match Disclosure Reporting Pages (DRPs) to occurrences.
- Determine if additional disclosure is required.
- Set the "reportable" and "disclosable" flags, as appropriate.
- Create letters or set registration deficiencies, as appropriate.
- Set Continuing Education (CE), as appropriate (for Regulatory Actions).
- Perform Statutory Disqualification (SD) reviews, as appropriate.

Statutory Disqualification

- **A person is disqualified from association with a member if such person is subject to any disqualifying events as specified in Section 3(a)(39) of the Exchange Act.**

- **FINRA's By-Laws permit a disqualified person or member to request permission to enter or remain in the securities industry. FINRA Rules 9520 through 9527 set forth procedures for a member to sponsor the proposed association of a person subject to disqualification or for a member to obtain approval to remain a member notwithstanding the existence of a disqualification.**

- **For more information on Statutory Disqualification (SD) and related processes:**
  - http://www.finra.org/industry/statutory-disqualification-process

Statutory Disqualification (continued)

■ **Web CRD displays an individual's SD status (if applicable) on the Composite Information page.**

- Click the "Statutory Disqualification Status" hyperlink to display a list of possible statuses and the definitions.

Material Difference

- **For dually registered individuals, a Material Difference flag will be set when the same Form U4 DRP is updated by different firms with conflicting information.**

- **Example:**
    - Firm A updates a U4 Complaint DRP with a settlement amount of $100.
    - Firm B updates the same DRP with a settlement amount of $100,000.
    - RAD staff reviews the filings and sets the Material Difference flag.
    - Firm A receives a notification in their "Other Form U4 Filing" queue, prompting them to either concur with Firm B's filing or file a U4 amendment.

Material Difference (continued)

Composite Information

Individual CRD#:		Individual Name: Representative, Reggie				

Full Legal Name	Representative, Reggie					
Social Security Number	xxx-xx-xxxx [View SSN]					
Date Of Birth						
Employment	**Name**	FIRM A (000)				
	Position	Registered Representative				
	Independent Contractor	No				
	CRD Branch Number	**FINRA OSJ**	**Address**		**Firm Billing Code**	**NYSE Branch Code Number**
	BD Main - Located At					1213
	Name	FIRM B (111)				
	Position	Registered Representative				
	Independent Contractor	Yes				
	CRD Branch Number	**FINRA OSJ**	**Address**		**Firm Billing Code**	**NYSE Branch Code Number**
	BD Main - Located At					
Registered With Multiple Firms	This individual is registered with more than one broker-dealer or investment adviser firm. Those firms are displayed here under Employment. While each firm has the ability to file Forms U4 on this individual, only information from the most recent Form U4 filed will display when querying under 'View Individual.' If you wish to see Forms U4 filed by other firms with which this individual is registered, or other historical Form filings, select Filing History.					
Residential Address	123 Elm Street Rockville, MD 20850, United States					
Reportable Disclosures?	Yes					
Statutory Disqualification Status	Yes - Limited - Tier 1	**Last Updated**	06/01/2016			
Has Material Difference in Disclosure?	Yes					
Current CE Status	Satisfied					
Disclosure Counts - Current Disclosures	**Criminal** 1	**Regulatory Action** 1		**Customer Complaint** 1		**Other** 3
Disclosure Counts - Historical Disclosures	**Criminal** 0	**Regulatory Action** 0		**Customer Complaint** 0		**Other** 3

Registration Resources

FINra
Financial Industry Regulatory Authority

Registration Resources

- **CRD Navigation Guides:**
  - http://www.finra.org/industry/web-crd/web-crd-quick-reference-guides

- **CRD System AG Qualification Requirements:**
  - http://www.finra.org/industry/web-crd/crd-system-ag-qualification-requirements

- **Qualification Examinations:**
  - http://www.finra.org/industry/qualification-exams

- **SRO/Jurisdiction Fee and Setting Schedule – Web CRD:**
  - http://www.finra.org/sites/default/files/srojurisdiction-fee-and-setting-schedule.pdf

- **IARD Navigation Guides:**
  - http://www.iard.com/nav_guides.asp

- **IA Firm State Registration/Notice Filing Fee Schedule:**
  - http://www.iard.com/pdf/reg_directory.pdf

- **IA Representative Fee and Setting Schedule:**
  - http://www.iard.com/pdf/rep_fee_sch.pdf

- **Qualifying For An IA Representative (RA) Registration:**
  - http://www.iard.com/qual_ia.asp

Registration Resources (Continued)

- **FINRA BrokerCheck:**
  - www.finra.org/brokercheck

- **FINRA Arbitration Awards Online:**
  - http://www.finra.org/arbitration-and-mediation/arbitration-awards

- **FINRA Disciplinary Actions Online:**
  - http://disciplinaryactions.finra.org/

Questions