

New FINRA Registration Categories Effective October 1st

In addition to the changes to its Principal Financial Officer and Principal Operations Officer designations, FINRA is establishing three new registration categories: Compliance Officer, Investment Banking Principal, and Private Securities Offering Principal.

These categories become effective October 1, 2018.



All **Chief Compliance Officers (CCOs)** on Schedule A of the Form BD will have the CCO registration category automatically added to their registration categories on October 1, 2018. Any other individual who currently has the General Securities Principal (Series 24) or Compliance Official (Series 14) registration designation can request this new registration category via CRD. On or after October 1, 2018, CCOs wishing to qualify as CCOs must pass the SIE exam, a representative exam (e.g., Series 7), and the Series 24 principal exam, **or** pass the Compliance Official (Series 14) exam.

All principals responsible for supervising specified investment banking activities must now register as **Investment Banking Principals**. Those with both the Series 79 and 24 licenses will automatically be given this registration category on October 1, 2018. For new registrations in this category, individuals must pass the SIE, Series 79 and Series 24 exams.

All principals responsible for supervising specified activities relating to private securities offerings are now permitted to register as **Private Securities Offerings Principals** instead of General Securities Principals.

WHAT FIRMS SHOULD BE DOING:

- Determine which, if any, associates need or want to add the CCO registration category and submit the request via CRD.
- If appropriate, change the registration of General Securities Principals to Private Securities Offerings Principals.
- Review and amend policies and procedures as well as Written Supervisory Procedures to reflect the designation changes, especially the list of designated principals.
- Firms do NOT need to make the following changes:
 - All CCOs on Schedule A of the Form BD will have the CCO registration category automatically added to their registration categories on October 1, 2018.
 - Principals with both the Series 79 and 24 licenses will automatically be given this registration category on October 1, 2018.



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HOW OYSTER CAN HELP

Every firm needs an experienced and diligent CCO to help navigate the changing regulatory landscape to keep their business running smoothly. Due to the complexity of SEC and FINRA rules, the size of the company and other factors, many broker-dealers outsource the CCO function rather than hiring a full-time individual. Oyster's consultants have been CCO and Compliance Officers for broker-dealers of all shapes and sizes. When you get the services of one consultant, you get the knowledge and experience of them all. [Oyster takes a proactive approach to being CCO](#) by staying ahead of the regulatory curve and making sure your firm is up to date on all proposed and final regulations, filtering through the regulatory noise to find the relevant news and updates.

Oyster can provide comprehensive and targeted [compliance program reviews](#), draft policies and procedures and [Written Supervisory Procedures \(WSPs\)](#) for a newly-created broker-dealer or investment advisor, or assist your firm in reviewing and updating existing documents to match business practices and regulatory changes.

For more information about how Oyster can assist your firm, please complete our [contact form](#), or call (804) 955-5400 and one of our [Relationship Managers](#) will be happy to help you.