

Government of the District of Columbia

Department of Insurance, Securities and Banking



Thomas E. Hampton
Acting Commissioner

BULLETIN 05-SB-005 11/09

TO: ALL BROKER-DEALERS LICENSED OR REQUIRED TO BE LICENSED IN THE DISTRICT OF COLUMBIA

FROM: THOMAS E. HAMPTON ~~77~~
ACTING COMMISSIONER

RE: PROCEDURES FOR FILING BROKER-DEALER ANNUAL FINANCIAL REPORTS

DATE: November 9, 2005

Except as discussed below, a broker-dealer must file an Annual Financial Report ("AFR") with the Securities Bureau of the Department of Insurance, Securities and Banking ("Department"), pursuant to Section 1814 of Title 17 of the District of Columbia Municipal Regulations (17 D.C.M.R. 1814). 17 D.C.M.R. 1814.1 requires the AFR to be filed annually on a calendar or fiscal year basis. Additionally, the AFR shall (1) be audited by an independent public accountant or independent certified public accountant meeting the qualifications of 17 D.C.M.R. §1815; (2) contain the information required by Securities and Exchange Commission ("SEC") Rule 17a-5(d) (17 C.F.R. §240.17A-5(d)); and (3) be filed not later than 90 days following the end of the calendar or fiscal year, as applicable,

17 D.C.M.R. 1814.2 provides a broker-dealer with an exemption from the requirement to file its AFR with the Department if the broker-dealer meets the following requirements:

1. The broker-dealer is subject to, and in compliance with, the National Association of Securities Dealers ("NASD") filing requirement to file its AFR with the NASD (SEC Rule 17a-5(d)); and
2. The broker-dealer is in compliance with the District of Columbia net capital requirements set forth in 17 D.C.M.R. 1810 and 1811,

If you have any questions regarding the financial reporting requirements, please contact Lucinda Martin, Assistant Director, Licensing Division, at (202) 442-7641 or lucinda.martin@dc.gov.