NFA Individual Application Process Webinar
September 15, 2017
10:30 AM CDT

Christie Hillsman:	Hello, everyone. Welcome to the debut of NFA's new Individual Application and Disclosure Matter Process in ORS. My name is Christie Hillsman, Communications Specialist at NFA.
Patrick Alfich:	I'm Patrick Alfich, Manager of Registration Investigations.
Olivia Navarro:	I'm Olivia Navarro, Business Systems Analyst.
Anita Jonkins:	I'm Anita Jonkins, Senior Business System Analyst.
Yvette Christman:	And I'm Yvette Christman, Vice President of Registration.
Christie Hillsman:	In February 2016, NFA launched the first phase of its Online Registration System, or ORS, rebuild: the NFA Dashboard. This weekend, NFA will launch the second phase of this multi-year project. During the course of this webinar, we will walk you through some key features of the new individual application and disclosure matter page, or DMP, process.
	Before we begin talking about the updates to ORS, I want to share a few notes. First, although you are able to hear us today, you will not be able to ask questions verbally. To ask a question, locate the box labeled "Ask a Question" on the left side of your webinar screen. Please type the question you would like to ask into the box and press "Send." We are able to see questions as they are submitted. You can submit your questions now or at any time during this webinar. We will begin answering questions at the end of our remarks.
	Additionally, a recording of this webinar along with a written transcript will be on NFA's website in the coming weeks, so no need to take detailed notes throughout this presentation.
	And now I'll turn it over to Anita to walk you through the changes to the Form 8-R and the individual application process.
Anita Jonkins:	Thanks, Christie. As Christie said, this weekend we will launch our second phases -- I'm sorry, second phase, of NFA's ORS rebuild, which includes changes to the Form 8-R and updated individual application process, new disclosure matter pages, streamlined investigation, and an update to the filing history page. To begin, I'll walk through the revisions to the Form 8-R, which is a form firms use to register your individuals.
	First, the Form 8-R now has some added or revised term definitions to assist applicants.
	Second, there are now changes to the principal information, fingerprint card information and disciplinary information section. We'll walk through specifics as we navigate through the updated individual application process. To access an individual's application, log in to NFA's Online Registration System, which is linked at the top right of every page on NFA's site. You will be taken to NFA's Dashboard.

From here, click "Apply for Registration" under "ORS Links" on the left-hand side. You will be directed to the Apply for Registration page. As ORS is being updated in phases, you will notice some pages, like this one, have the previous design and navigation and some have been updated. Once all phases of ORS are complete, the navigation and design will be consistent.

Before walking through this application, I want to note that you will see updated ORS navigation on the top of every page of the application. The navigation is grouped by the action you wish to take. Clicking on the action -- for example, "Apply for Registration" -- will bring up a dropdown menu with related links. You will be able to log out of ORS using the blue "Log Out" button on the right side of the ORS navigation bar. As more phases of the ORS redesign are complete, you will see this format appear on additional sections of the system. On the entry page to the application, you will see that you have the option to search by NFA ID or search an individual's application from the list of new NFA IDs that the user at your firm has assigned, or from the list of incomplete individual applications, which you can easily access from the bottom grid.

You can filter both lists by any field within the list. For example, to filter by name, click the arrow by the name to sort the applications. To an open individual application, you must -- first need to find the individual's ID for the individual you wish to register. For purposes of this demonstration, we will do a search by name, but you can also search by NFA ID.

To search by name, enter the last name, which is required, and additional information such as the first and middle name, birth year, and/or last four digits of the individual's Social Security Number, which may help redefine the search. Clicking "Search" will allow you to select the individual from the list of search results.

You may be required to validate an individual before proceeding to the application by entering the first five digits of their Social Security Number. If the applicant does not have a Social Security Number listed in ORS, you may validate on the date and place of birth. The validation step is a new process which has been instituted for security purposes.

If an individual application you are searching for is not listed, click the link to "Assign an NFA ID" using the updated NFA ID assignment form. On this form, enter the individual's last name, first and middle name, date of birth and Social Security Number, if applicable. For non-US applicants who do not have Social Security Numbers, check the box next to the Social Security Number field, then click "Assign NFA ID" to generate a new ID. You will then receive note -- confirmation that the new NFA ID has been assigned.

To begin an application for an individual, click the "Start an Application" button. You will be directed to the applicant agreement screen for which you will be asked to agree that you will access this individual's non-public information for the sole purpose of filing a registration application. Check the box to agree, and click "Start an Individual's Application" to begin the application.

Now Olivia will walk you through the different screens within the individual's application.

Olivia Navarro: Thanks, Anita. Upon starting the application, you will first arrive at this screen, which

contains information about the application. Click "Continue" to begin. To begin the application, you will first select the applicant's sponsor. After completing each section of the application, click "Save and Continue" to advance to the next section.

Next is the Registration Categories screen. On this page, choose the office where the applicant will work and select the registration categories. At this point in the application, you will notice the left-hand navigation has expanded so you can easily toggle through each part of the application. You will also be able to exit the application from this navigation. In addition, at the top of each page you will see the name of the section you are in, along with the individual's NFA ID and name. You will notice some words appear as hyperlinks. Click on the -- clicking on these words will bring up the definition. For example, if I click on "Principal," I see the definition of a Principal. For this demonstration I will select "Associated Person" and "Principal." Based on the registration category selected, different sections may appear throughout the path.

The next section is the Applicant User Name and Password Information screen. The applicant will need this information to review and verify the accuracy of the application you are completing. Please save this information, since the applicant's password only displays once. From this point you may ask the individual applicant to use this information to log in to ORS and complete the rest of the individual application. However, remember that only the firm can submit the application for the applicant.

On the next screen, complete the Principal information. With the recent updates, applicants can select multiple titles for each -- for one Principal. Click all titles that apply, and indicate whether or not the individual has 10% or more interest in the firm. Once again, for term definitions, click the words that appear as hyperlinks.

In the Personal Information section of the application, where you will find the full name, the applicant's date of birth and Social Security Number; all other required fields must be completed.

The next section is the Fingerprint Card Information screen, which may display for some applicants. There are two fingerprint card exemptions that have been added to this screen. These exemptions are not new but now have been incorporated into the application path. These exemptions may display depending on the information entered for the individual. The first is the non-US natural person fingerprint card exemption. Non-US natural person is also a defined term and refers to individuals that have not lived in the US since the age of 18. The second fingerprint card exemption that has been added is for Outside Directors. "Outside Director" is also a defined term. If you select this option, you must send in the notice required pursuant to CFTC Regulation 3.21(c).

Now I will turn it over to Patrick, who will walk through the required disciplinary information disclosures.

Patrick Alfich: Thanks, Olivia. As you can see by the left-hand navigation, there are four types of disclosure questions in the individual application: Criminal, Regulatory, Financial and Employment. The process to complete each disclosure section of the application is similar, so for this demonstration I will walk you through the Criminal Disclosures.

At the top of the Criminal Disclosures page, you'll see a link for instructions for completing this page should you have any questions. By scrolling down, you'll see instructions specific to the Criminal Disclosure questions. If you answer "Yes" to any

question within the disclosure portion of the application, you will be required to provide details in the disclosure matter page, or DMP. Each disclosable event requires its own DMP. If an individual has existing DMPs, they will appear on a disclosure matter summary page on the screen following the applicable set of disciplinary information questions.

If there are no existing DMPs, you are directed to the next set of disciplinary questions. The disclosure information, if applicable, will display in the application path for informational purposes only. This allows you to verify what matters have already been disclosed to NFA and will assist you in determining whether you need to file a DMP with respect to a new matter. In this sample screen, the individual has one current criminal DMP.

On the Criminal Disclosure Matter Summary you will see a current disclosure summary grid, if applicable, and an Archived Disclosure Summary link. The grid contains a summary of current criminal disclosure matters. To verify whether the individual has criminal matters that were archived by NFA, click the "View Archived Criminal Disclosure Matter Summary" link to expand the archive section. To view or edit existing DMPs or to file a new DMP, you must do so using NFA's DMP Filing System, which you can access only after you file the application. I will discuss how to access NFA's DMP Filing System and how to add and edit DMPs later in this presentation.

Now, Olivia will walk you through the remaining sections of the application.

Olivia Navarro: Thanks, Patrick. From the Employment, Education, and Registration -- Residential History page, you will see two sections. The first is the Employment and Education History. In this section, you are required to enter the individual's employment and education history for the past ten years. All times must be accounted for, including self-employment, part-time employment, unemployment, military service and full-time education, if applicable. To add employment or education history, click "Add" and a grid will appear. Continue to add this information until ten consecutive years have been entered. Once the information is completed, click "Save." Once saved, you can edit or delete the information or add additional employment or education.

You are also required to enter the individual's residential history for the past five years. All time must be accounted for, and post office boxes are not accepted. To add this information, click "Add" and follow steps similar to entering employment information.

The next section of the application, because you are registering an associated person, is the Proficiency Requirements screen. This will be populated with the requirements needed for that registration category. In this case, you are asked if the individual passed the Series 3 examination within the past two years. If you answer "Yes," NFA will require proof of passing the exam. If you answer "No," you can indicate if the applicant is eligible to satisfy proficiency requirements using one of the alternatives based on the type of business the applicant conducts, if applicable. In this example, there are alternatives to indicate if the applicant is a registered General Securities Representative and will limit his or her futures activities. If none of the alternatives are applicable, leave it blank.

The final screen of the application is a summary screen which will provide information on what the applicant's category status, additional filings and requirements will be once the application is filed. If any portion of the application is incomplete, you will not be

able to file the application. Links to the section that is incomplete will display. Click the link to an incomplete section to return to that page.

Before filing the application, you can see a preview of the application PDF by clicking "View Application Data." Before the application is filed, the words "Not Filed" will appear as a watermark on the PDF. Once the application is complete and you have read the Sponsor's Agreement, click the "Agree and File Application" button to file the application. You may now address any deficiencies.

Now Patrick will discuss how to file a DMP to address deficiencies.

Patrick Alfich: As mentioned earlier, if you answer yes to any question within the disclosure portion of the application, you will be required to file a DMP. Each disclosable event requires its own DMP. Before requesting that the individual verify his or her application, please ensure all DMPs have been filed.

Now that you have submitted the application, you can access the DMP filing system by clicking on the hyperlinked "DMP Required" deficiency on the Confirmation page. You can also access the DMP Filing System through the Update/Withdraw Registration tab. The Update/Withdraw Registration tab menu contains four disclosure matter summary links. Each disclosure type will have its own disclosure matter summary page. For this demonstration, we will select "Criminal Disclosure Matter Summary." The Regulatory, Financial and Employment matter summary sections work the same.

Once on a disclosure matter summary page, you input the individual's NFA ID number and hit "Enter." On the Criminal Disclosure Matter Summary page, you click the "Add DMP" button to create a DMP. When you click "Add," a DMP will open. In a criminal DMP, you will provide details such as the disciplinary questions the criminal action is disclosable under; the basis for disclosure -- in other words, whether the disclosure is personal, principal-based or both; the court name, location and case number; the date the court formally charged the individual; and charge details including classification, plea and disposition.

The DMP also includes a comments section in which you explain the circumstances surrounding the charges as well as penalty and sentencing information. You must provide NFA with supporting documentation for a disclosure if not previously provided. You will have the option to upload supporting documentation to the DMP. We will accept PDF, Word, .txt and .tif document types. To upload supporting documentation, click the "Add Document" button. If you prefer, you can email, fax or mail supporting documentation to NFA.

You cannot file a DMP until you provide data in all the applicable required fields. However, you can save an incomplete DMP as long as you enter data in certain fields. For example, in order to save an incomplete criminal DMP you must enter data in either the Name of Court or Case Number fields. Once you enter the data in the DMP and either save or file the DMP, you will return to the Matter Summary page and the DMP will appear in the grid. If you saved an incomplete DMP, it will appear as "In Process" in the Date DMP Filed column. Users will have the ability to delete an in-process DMP, and a delete icon will appear in the Action column.

As you can see, this grid contains columns notating which disciplinary questions the DMP relates to, the DMP number, which is generated by the system, the date the DMP

was filed, the matter name and the basis for disclosure, among other things. In the grid, in-process DMPs will appear before filed DMPs.

To view or edit a current DMP or an in-process DMP, click the link in the Date DMP Filed column. To view any historical versions of DMPs which cannot be edited, click the link in the Prior Filing(s) column. Any previously-filed matter pages in the old matter page format will appear on the Disclosure Matter Summary page. The matter name from the old matter page will be the matter name that appears on the Disclosure Matter Summary page, and the matter details from the old matter page will prepopulate into the comments section of the new DMP. You will have the ability to update the old matter pages to the new DMP format.

NFA will have the ability to archive matters that do not require disclosure. To verify whether an individual has archived DMPs, click the arrow on the right-hand side of the Archived Criminal Disclosure Matter Summary header which appears below the current disclosure summary thread. If there are no archived DMPs, the system will indicate, "No data is available." If an archived DMP exists and you want to view it, click the link in the Date DMP Filed column. Note that you will not be able to edit archived DMPs.

From the left-hand navigation you can easily access other Disclosure Matter Summaries from within the DMP Filing System. Like the individual application path, you'll see question marks throughout the DMP system which you can use to access help text as well as hyperlinked words which you can click on to view definitions. Once all DMPs have been filed, the individual applicant should verify the application.

Christie Hillsman:	This concludes the prepared portion of our webinar. Throughout this discussion, you've asked some great questions, which we will now answer. We will answer as many questions as we can in the time remaining, and should we not get to your question, an NFA staff member will respond to you via email.
	Our first question is: "Will users now be able to actually view the fingerprint results and disciplinary matter information that we file?" Patrick, would you mind taking that one for us?
Patrick Alfich:	Users will be able to view the details of a disclosure matter page. However, users will not be able to view fingerprint card results. However, if an arrest resulted in a disclosable event, that will appear in a disclosure matter page which would be viewable in our system.
Christie Hillsman:	Great. Thanks, Patrick. Our next question is: "To confirm, if we have a fingerprint exemption for our outside directors, will we still need to forward the exemption letter as we previously have? We can't link to that application?" Olivia, would you mind taking that question for us?
Olivia Navarro:	That is correct. You will still need to send in the CFTC exemption notice, and once we receive that we will update that information.
Christie Hillsman:	Great. Thanks, Olivia. Our next question is: "Have the disclosure questions changed?" Patrick, would you mind taking that for us?
Patrick Alfich:	There have been some minor revisions to the disciplinary questions. For example, "Domestic" -- I'm sorry – "Domestic" has been changed to "US," and "Foreign" has been

changed to "Non-US." Also, there's been one bullet added to Regulatory Disclosure Question E. We also made some verbiage changes to Financial Disclosure Question J.

Christie Hillsman:	Great. Thanks, Patrick. I'm actually going to put our next question to you as well. Someone has asked: "If we submitted a fingerprint card to FINRA within 90 days of applying for registration, do we need to send a separate print to NFA?"
Patrick Alfich:	Typically, if FINRA has results that are less than 90 days old, our system will pick up those results from FINRA's database. However, in some instances we may need the firm to provide us with the FINRA FBI results.
Christie Hillsman:	Great. Thanks, Patrick. Our next question is: "Now that more than one item can be checked in the principal's status, are firms expected to update principals that have more than one status in the pick list? As we know, previously, users could only select one." Yvette, would you mind taking that question?
Yvette Christman:	Yes. Thank you, Christie. No, it won't be mandatory for you to go into the system and update titles for principals, but during your annual update process you can do that -- update the titles, as well as, you can -- you know, on your own, voluntarily go and update titles if you choose.
Christie Hillsman:	Great. Thanks, Yvette. Our next question is: "Will a new 8-R PDF template be made available?" And I can actually answer that. Yes, a new 8-R PDF will be made available on NFA's website.

Our next question is: "If a DMP has been previously filed, will the information already be in the file with the new release as it has been in the old format?" Patrick, can you take that one for us? |
Patrick Alfich:	In the current matter page in our system, there's only two fields: matter name and matter details. When the new system goes into place, the matter name from the old matter page will appear on the current disclosure summary page. And if you were to click on the link for that DMP, when it opens you'll see that the matter details from the old matter page will be prepopulated into the comments section of the new DMP. Users will have the ability to update the DMP to the current format if they wish. It's something we would like users to do, but it is not mandatory.
Christie Hillsman:	Great. Thanks, Patrick. Our next question is related to proficiency requirements. So, we've got kind of a scenario here: "In the following scenario, if the individual has passed the Series 3 within the last two years, how do we handle this particular example? Say an individual passed the Series 3 five years ago and has been continuously registered with another NFA Member firm carrying that license actively during that time. The individual is now transferring to a different firm. Therefore, that individual has not passed the exam within the past two years, but the Series 3 is active due to the fact that the license is carried by another NFA Member firm. How should we answer the question, has the individual passed the Series 3 within the past two years in the system?"
Yvette Christman:	Yes. What'll happen, our system already knows that the individual has taken the exam and has been registered within the past two years, so you will not even have that question display in the application path. And that's not new; that's currently how our system works. So, if we know -- the system knows the individual's taken the exam and they are not required to retake it, then you won't see that screen in the path.

Christie Hillsman:	Great. Thanks, Yvette. Our next question is: "If an employee had a DMP with a previous firm, would the current firm have access to or be able to view that prior DMP?" Patrick, can you answer that for us?
Patrick Alfich:	Sure. When the new firm is in the application path, they will be able to see the disciplinary information or disclosed information on the current disclosure summary page. Also, once the firm files the application they will be able to access the DMP filing system and see all the details in full.
Christie Hillsman:	Great. Thanks, Patrick. Our next question is to please define what "not lived in the US since the age of 18" means. Do business trips to the US count? Yvette, can you take that one for us?
Yvette Christman:	Yes, I can. Thank you, Christie. No, business trips do not count. We're only talking about individuals that actually resided in the US, so they have a US address. So, business trips will not count.
Christie Hillsman:	Great. Thanks, Yvette. Our next question is: "Is an individual update required for currently registered personnel or can the firm continue to update information annually?" Anita, can you take that question for us?
Anita Jonkins:	Thanks, Christie. The firm can update that information for the individual.
Christie Hillsman:	Perfect. Thanks, Anita. Our next question is: "Will the historical version of DMPs be automatically populated into the new format, or are we required to review the historical ones and convert them to the new format?" Patrick, can you take that question?
Patrick Alfich:	Thanks, Christie. When I referred to historical versions of DMPs earlier, I was just talk -- we -- if you were to edit a DMP, the changes are saved, it creates a new version of the DMP, and the prior version goes to the "Prior Versions" column within the DMP Filing System. With respect to the convert -- the DMPs that are going to convert from the old system to the new system, the matter name will show up on the matter summary page and then the matter details will prepopulate into the comments section of the new DMP. Again, it's not mandatory to update the -- these DMPs to the current format.
Christie Hillsman:	Great. Thanks, Patrick. Our next question is: "Has the 8-T Form changed in any way?" Anita, can you take that question for us?
Anita Jonkins:	Sure. The 8-T hasn't changed at all.
Christie Hillsman:	Perfect. Thanks, Anita. Our next question is: "Should firms still mail in their fingerprint cards?" Anita, can you take that one as well?
Anita Jonkins:	Yes, they should be mailing in fingerprint cards.
Christie Hillsman:	Great. Thank you. Our next question is: "Which option should we select for fingerprints if the cards were submitted to FINRA in the last 90 days?" Olivia, can you take that question for us?
Olivia Navarro:	Sure, Christie. They should be sent in to FINRA. They won't even get the option to submit those fingerprint cards if the results are within 90 days.

Christie Hillsman:	Great. Thanks, Olivia. Our next question is: "When will the new Form 8-R be made available?" And it'll actually be made available at the same time that we transition over to the new ORS, so stay tuned for that shortly. Our next question is: "If we are transferring an existing registration for an associated person or principal from one firm to another, will we, the new firm, be required to submit a new set of fingerprints, or can NFA use the ones that were previously submitted?" Anita, can you take that question for us?
Anita Jonkins:	Sure, Christie. Yes, you will be required to submit a new set of fingerprints if the individual is transferring from one firm to another. But if the results from the prior firm are within 90 days of you submitting that transfer, no, you will not be required to submit print cards.
Christie Hillsman:	Great. Thanks, Anita. Our next question is: "Will all pending registration applicants have their individual applicants deleted and have to recomplete them since their sponsor is not approved, they are not approved?" Yvette, can you handle that question for us?
Yvette Christman:	I can, Christie, thank you. And if I'm understanding the question, no, the individuals that are currently pending, their applications will not be deleted. And I think what you might be referring to is the notice we sent out saying we wanted all open applications deleted by five o'clock today, and we mean those applications that have been completed but have not been submitted yet. So, all pending applications will not be deleted.
Christie Hillsman:	Great. Thanks, Yvette. Our next question is: "Do we have to go back into the system and add a branch manager onto the individual for the new setup, or does it do it automatically? And will the system take us to the branch manager page once we check off the person as a branch manager?" Anita, can you take that question for us?
Anita Jonkins:	Sure. In the application path, when you're processing the application, you have the option to select a branch office if it exists for the firm. And otherwise, if you're doing updates to the record for the individual, if the firm has branch offices, you can go into the update version of the ORS system and go to the employees' location and update, transferring them from one branch office to another. Thanks Christie.
Christie Hillsman:	Great. Thanks, Anita. Our next question is: "If an employee passed the Series 3 Examination 3 years ago and would like to register as an AP, would the individual have to pass the Series 3 examination a second time since it is outside of the two-year requirement?" Olivia, can you answer that question for us?
Olivia Navarro:	Sure, Christie. Yes. If it's past the three years and you have not been registered within the last two years, then they will have to retake the exam.
Christie Hillsman:	Thanks, Olivia. Our next question is: "Are there any plans to have an electronic feed showing registration information, something like what FINRA has on their site?" Yvette, can you answer that question for us?
Yvette Christman:	Yes. Thanks, Christie. Not at this time. As we indicated at the beginning of the presentation, NFA is going through a multi-year rebuild of our ORS system, so we do have plans to address reporting at a later date.

Christie Hillsman: Great. Thanks, Yvette. And it looks like our last question is: "Will applicants still have to log on and verify information entered on their behalf within 90 days of filing the Form 8-R?" Olivia, can you answer that question for us?

Olivia Navarro: Thanks, Christie. I will answer that question. Yes, they do. They will have to verify -- applicants will have to verify their own applications.

Christie Hillsman: Great. Thanks, Olivia, and thank you all for your participation today. If we did not get to your question today, an NFA staff member will respond to you with an answer via email. We hope that you've found the information provided today to be helpful, and that you find the enhancements made to ORS to be useful. If you have any questions about the individual application process or ORS, please don't hesitate to contact us. You can reach us by emailing NFA's Information Center at information@nfa.futures.org or calling (312) 781-1410 or toll-free at (800) 621-3570. Our contact information is also on the screen right now.

To close, I would like to remind you that you will be able to access a recording and a transcript of today's webinar on NFA's website within the next week. Thank you for participating in today's webinar.