

## Supplemental FOCUS Information

### FINRA Updates Supplemental Statement of Income

**Implementation Date:** The updated SSOI applies beginning with all SSOI filings that report on the period January 1 through March 31, 2019, and are due by April 26, 2019.

#### Summary

FINRA is updating the Supplemental Statement of Income (SSOI) to conform with amendments adopted by the SEC<sup>1</sup> that simplify and update certain of the FOCUS reporting requirements for broker-dealers.<sup>2</sup> Pursuant to Rule 4524, the SSOI must be filed by all FINRA members as a supplement to the FOCUS Report<sup>3</sup> within 20 business days after the end of each calendar quarter.<sup>4</sup> FINRA is making available the updated SSOI instructions and form, as well as a resource that illustrates the SSOI form updates.

The updated SSOI applies beginning with all SSOI filings that report on the period January 1 through March 31, 2019, and are due by April 26, 2019.

Questions concerning this *Notice* should be directed to:

- ▶ Yui Chan, Senior Director, Risk Oversight and Operational Regulation (ROOR), at (646) 315-8426 or [Yui.Chan@finra.org](mailto:Yui.Chan@finra.org);
- ▶ Ann Duguid, Senior Director, ROOR, at (646) 315-7260 or [Ann.Duguid@finra.org](mailto:Ann.Duguid@finra.org); or
- ▶ Anthony Vinci, Director, ROOR, at (646) 315-8335 or [Anthony.Vinci@finra.org](mailto:Anthony.Vinci@finra.org).

#### Background & Discussion

On August 17, 2018, the SEC adopted amendments that simplify and update, among other rules and forms, certain of the FOCUS reporting requirements for brokers and dealers and make changes to the annual audit requirements.<sup>5</sup> As previously announced in [Regulatory Notice 18-38](#), FINRA has updated the eFOCUS forms to reflect the SEC's FOCUS Report amendments. Further, to assist members in their financial reporting obligations, FINRA is updating

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#### Notice Type

- ▶ Guidance

#### Suggested Routing

- ▶ Compliance
- ▶ Finance
- ▶ Legal
- ▶ Operations
- ▶ Regulatory Reporting
- ▶ Senior Management

#### Key Topics

- ▶ FOCUS Reporting
- ▶ Supplemental Statement of Income

#### Referenced Rules & Notices

- ▶ FINRA Rule 4524
- ▶ Regulatory Notice 12-11
- ▶ Regulatory Notice 18-38

the SSOI instructions and form to conform with the SEC's amendments:

- ▶ [Updated SSOI Instructions](#)
- ▶ [Updated SSOI Form](#)

The following resource illustrates the SSOI form updates:

- ▶ [Illustration of SSOI Updates](#)

The updated eFOCUS forms are available on Firm Gateway. The updated SSOI form will be available on Firm Gateway beginning February 8, 2019. Requests for technical assistance with the eFOCUS and SSOI forms may be directed to the FINRA Gateway Call Center at (800) 321-6273.

As noted above, the updated SSOI applies beginning with all SSOI filings that report on the period January 1 through March 31, 2019, and are due by April 26, 2019.

## Endnotes

- 1 See Exchange Act Release No. 83875 (August 17, 2018), 83 FR 50148 (October 4, 2018) (Final Rule: Disclosure Update and Simplification) (the SEC's Adopting Release). FINRA issued [Regulatory Notice 18-38](#) to announce updates to the FINRA eFOCUS System designed to correspond with the new FOCUS requirements and to inform members of the effective date of the new requirements pursuant to specified relief granted by the staff of the SEC Division of Trading and Markets. See also [letter](#) from Michael A. Macchiaroli, Associate Director, Division of Trading and Markets, SEC, to Ann Duguid, Senior Director, FINRA, dated October 29, 2018.
- 2 See Exchange Act Release No. 84855 (December 19, 2018), 83 FR 66828 (December 27, 2018) (Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Make Technical Revisions and One Minor Correction to the Supplemental Statement of Income Required to be Filed Pursuant to FINRA Rule 4524 (Supplemental FOCUS Information); File No. SR-FINRA-2018-041).
- 3 Members must submit their FOCUS Reports and SSOIs electronically through the eFOCUS System via the FINRA Firm Gateway.
- 4 FINRA Rule 4524 (Supplemental FOCUS Information) requires each member, as FINRA shall designate, to file such additional financial or operational schedules or reports as FINRA may deem necessary or appropriate for the protection of investors or in the public interest as a supplement to filing FOCUS reports. FINRA implemented the SSOI pursuant to Rule 4524 in 2012. See [Regulatory Notice 12-11](#) (Supplemental FOCUS Information) (February 2012) (announcing the SEC's approval of Rule 4524 and the SSOI).
- 5 See note 1. See also, for example, the SEC's Adopting Release at 83 FR 50179, 50182 and 50183.