

Regulatory Notice

25-02

Regulatory Relief

Guidance to Members Affected by California Wildfires

Summary

FINRA recognizes that member firms and their personnel have been experiencing significant disruptions to their business operations due to the devastating impact of the California wildfires, which started on January 7, 2025. The wildfires have also had a major impact on customers. For instance, customers may be unable to communicate with their financial professional or receive mail during this time. This *Notice* provides guidance to those members and other affected persons, including relief from certain regulatory requirements, in such areas as emergency office relocations, regulatory filings and inquiries, fees, customer communications, holding customer mail, delivery of customer checks, donations, examination windows and registered personnel engaged in active military duty.

FINRA will continue to closely monitor the impact of the California wildfires and may provide additional relief, as appropriate.¹ Members or other affected persons with questions or requiring additional assistance are encouraged to contact FINRA for further guidance.

Questions regarding this *Notice* may be directed to:

- ▶ Ornella Bergeron, Senior Vice President, Office of Risk Monitoring, FINRA Member Supervision at (646) 315-8410, or via [email](#);
- ▶ Nicole McCafferty, Vice President, Examinations Firm Group, FINRA Member Supervision at (212) 858-5115, or via [email](#); and
- ▶ the FINRA Support Center at (301) 590-6500, or via [email](#).

January 27, 2025

Notice Type

- ▶ Guidance

Suggested Routing

- ▶ Compliance
- ▶ Executive Representative
- ▶ Finance
- ▶ Legal
- ▶ Operations
- ▶ Registration
- ▶ Regulatory Reporting
- ▶ Systems

Key Topics

- ▶ Communicating with Customers
- ▶ Delivery of Checks
- ▶ Donations
- ▶ Emergency Contact Information
- ▶ Emergency Office Relocation
- ▶ Examination Windows
- ▶ Fees
- ▶ Hearings
- ▶ Holding Mail
- ▶ Military Personnel & National Guard
- ▶ Regulatory Filings and Inquiries
- ▶ Remote Offices
- ▶ Uniform Forms

Referenced Rules & Notices

- ▶ FINRA Rule 1210
- ▶ FINRA Rule 3150
- ▶ FINRA Rule 3220
- ▶ FINRA Rule 4370
- ▶ Form BR
- ▶ Form U4

Background and Discussion

Emergency Office Relocations

FINRA recognizes that members may need to relocate personnel to temporary locations. FINRA also recognizes that members may need to expand the use of remote offices or telework arrangements for their associated persons impacted by the California wildfires.

To facilitate these emergency changes, FINRA is temporarily suspending the requirement to maintain updated Form U4 (Uniform Application for Securities Industry Registration or Transfer) information regarding office of employment address and other general information for registered persons forced to relocate due to the California wildfires. In addition, members are not required to submit a Form BR (Uniform Branch Office Registration Form) for any newly opened temporary office locations or space-sharing arrangements established in response to the California wildfires. FINRA also recognizes that a member's scheduled inspections of impacted branch offices and non-branch locations may need to be temporarily postponed due to the wildfires.

Regulatory Filings and Responses to FINRA Inquiries, Matters and Investigations

FINRA recognizes that members impacted by the California wildfires may have difficulty making timely regulatory filings and responding to regulatory inquiries or investigations. Members also may have difficulty with timely collection of customer margin payments. Members that require additional time to satisfy their regulatory obligations should contact their Risk Monitoring Analyst or the relevant FINRA department to seek an extension. Where proceedings involving members or persons affected by the wildfires are underway, FINRA adjudicators have authority to reschedule those proceedings or proceed via video conference.

Fees

FINRA is prepared to delay the payment deadline for the Gross Income Assessment and the Personnel Assessment and waive any late fees incurred by a member whose ability to pay is impaired by the California wildfires. FINRA also is prepared to submit a proposed rule change to waive certain late trade reporting fees for members whose trade reporting is affected by the California wildfires.

Customer Communication

If registered representatives are unavailable to service their customers due to the California wildfires, members are encouraged to promptly place a notice on their websites indicating to customers who they may contact concerning information about their accounts, the execution of trades, and access to funds or securities.

Holding of Customer Mail; Delivery of Customer Checks

The California wildfires have damaged or destroyed numerous residential and other structures preventing many firm customers in affected areas from receiving their mail. The inability of many members' customers in affected areas to receive mail also poses challenges for members delivering checks to those customers.

FINRA reminds members that they are permitted to hold customer mail, including customer account statements or other communications relating to a customer's account, subject to the requirements of FINRA Rule 3150 (Holding of Customer Mail). Members should try to contact customers with addresses in affected areas to discuss how to handle their mail and alternative methods of delivery of any check or funds (e.g., electronic transfer).

FINRA recognizes that in some cases, members may face challenges contacting customers in affected areas to obtain the instructions and consent required by Rule 3150. Members may also have difficulty contacting customers in affected areas to discuss alternative methods of delivery of any check or funds.

In the event that a member cannot contact a customer to obtain instructions and consent to hold their mail or to discuss alternative methods for delivering any check or funds,² the member should contact its Risk Monitoring Analyst.

Donations to Employees of Institutional Customers

Members or associated persons that wish to donate goods or money (either directly or through a fundraising platform) to customers affected by the California wildfires should review FINRA's recently published [guidance](#) on donations made in response to federally declared major disasters. As stated in that guidance, FINRA would not consider donations by a member or an associated person to an institutional customer's employee who has been affected by the California wildfires to be subject to FINRA Rule 3220(a) (Influencing or Rewarding Employees of Others).

Qualification Examinations

FINRA has extended the qualification examination windows for California residents impacted by the wildfires. Impacted individuals with examination windows that expired or are due to expire on or before February 16, 2025, will have their window extended to March 16, 2025. As more information becomes available, FINRA may provide for additional extensions.

Military Personnel and National Guard

The disaster and emergency declarations for the California wildfires have resulted in some persons volunteering or being called into active military duty. FINRA Rule 1210 (Registration Requirements) provides specific relief to persons registered with FINRA who volunteer or are called into active military duty. For more information on personnel on active duty, visit [FINRA's Active Military Leave Guidance](#) webpage.

Contacting FINRA; Compliance Expectations

Beyond the specific instances noted above, members affected by the California wildfires should contact their FINRA Risk Monitoring Analyst to discuss any issues they may be facing, additional areas where relief may be necessary, and, if emergency contact information has changed, where FINRA can contact the firm.³

Members affected by the wildfires should comply and document their compliance with pertinent rule requirements to the best of their ability,⁴ while taking all feasible steps to protect their customers' interests.

Endnotes

- 1 For purposes of this *Notice*, an affected or impacted member or person is an individual residing, or member with business locations, in a county or region declared a “major disaster” by the President as a result of the California wildfires (“affected areas”).
- 2 Members relying on an exemption from Rule 15c3-3 under the Securities Exchange Act of 1934 should ensure that, while accommodating customers, they do not hold customer funds in a manner that is inconsistent with the exemption’s requirements.
- 3 Members may register and update their emergency contact persons through the FINRA Contact System ([FCS](#)). Visit FINRA’s FCS webpage to access the system.
- 4 *See, e.g.*, FINRA Rule 4370 (Business Continuity Plans and Emergency Contact Information).