



A General Guide to becoming an Independent Introducing Broker

The following is a general guide to registration and the expected fees as an Independent (non-guaranteed) Introducing Broker. There are three parts that must be satisfied to gain successful registration: **(1)** Forms and NFA Fees, **(2)** Net Capital and filing of a Form 1-FR or Focus Report, **(3)** Preparation and submission of written procedures and policies.

(1) Forms and NFA Fees

- Form 7R, Completed and filed on behalf of the your firm
- Form 8R, Completed and filed on behalf of each principal of your firm
- Finger print cards for each principal
- Series 3 for each principal who is required to be an Associated Person

(2) Net Capital Requirement and Form 1-FR or Focus Report

- Form 1-FR or Focus Report with a minimum Net Capital of \$45,000
- File an audited 1-FR or Focus ("Report") with in 45 days of the statement date,
- File a Material Inadequacy Letter and Statement of the Source of Current Assets

(3) Preparation and Submission of Written Procedures and Policies

The following written operational procedures and written policies must be prepared and submitted to NFA:

- General Operating Procedures incorporating NFA Rule 2-29, NFA Rule 2-30, etc.
- Anti-Money Laundering Procedures
- Business Continuity and Disaster Recovery Plan
- Ethics Training Policy

For questions and more information call Mike Coglianese at 630-461-5841 or visit the website at cogcpa.com.