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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except private foundations)

▶ Do not enter Social Security numbers on this form as it may be made public By law, the IRS generally cannot redact the information on the form

▶ Information about Form 990 and its instructions is at *www.IRS.gov/form990*

OMB No 1545-0047

2013

Open to Public Inspection

A For the 2013 calendar year, or tax year beginning 01-01-2013 , 2013, and ending 12-31-2013

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
FINRA REGULATION INC

Doing Business As

Number and street (or P O box if mail is not delivered to street address) Room/suite
1735 K STREET NW
Suite

City or town, state or province, country, and ZIP or foreign postal code
WASHINGTON, DC 20006

D Employer identification number
52-1959501

E Telephone number
(202) 728-8949

G Gross receipts $ 756,743,585

F Name and address of principal officer
RICHARD G KETCHUM
1735 K STREET NW
WASHINGTON,DC 200061506

H(a) Is this a group return for subordinates? ☐ Yes ☑ No

H(b) Are all subordinates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶

I Tax-exempt status ☐ 501(c)(3) ☑ 501(c) (6) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ WWW FINRA ORG

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1996 **M** State of legal domicile DE

Part I Summary

Activities & Governance

1 Briefly describe the organization's mission or most significant activities
FINRA IS DEDICATED TO INVESTOR PROTECTION AND MARKET INTEGRITY THROUGH AND MARKET INTEGRITY THROUGH EFFECTIVE AND EFFICIENT REGULATION OF THE SECURITIES INDUSTRY

2 Check this box ▶☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	3	12
4	Number of independent voting members of the governing body (Part VI, line 1b)	4	7
5	Total number of individuals employed in calendar year 2013 (Part V, line 2a)	5	2,678
6	Total number of volunteers (estimate if necessary)	6	0
7a	Total unrelated business revenue from Part VIII, column (C), line 12	7a	35,420
b	Net unrelated business taxable income from Form 990-T, line 34	7b	4,802

			Prior Year	Current Year
Revenue	8	Contributions and grants (Part VIII, line 1h)	0	0
	9	Program service revenue (Part VIII, line 2g)	722,575,229	756,384,367
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	-73,452	0
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	129,755	359,218
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	722,631,532	756,743,585
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	224,100	348,052
	14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	428,400,588	437,082,328
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
	b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
	17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	360,938,585	221,747,268
	18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	789,563,273	659,177,648
	19	Revenue less expenses Subtract line 18 from line 12	-66,931,741	97,565,937
Net Assets or Fund Balances			Beginning of Current Year	End of Year
	20	Total assets (Part X, line 16)	33,863,456	48,496,583
	21	Total liabilities (Part X, line 26)	479,280,769	397,605,472
	22	Net assets or fund balances Subtract line 21 from line 20	-445,417,313	-349,108,889

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge

Sign Here

Signature of officer — Date 2014-11-13

ROBERT A RENNER VICE PRESIDENT
Type or print name and title

Paid Preparer Use Only

Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
BRENDA D GRIESEMER				P00264669

Firm's name ▶ ERNST & YOUNG US LLP — Firm's EIN ▶

Firm's address ▶ TWO NORTH CENTRAL AVENUE STE 2300 PHOENIX, AZ 85004 — Phone no

May the IRS discuss this return with the preparer shown above? (see instructions) ☐ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response or note to any line in this Part III . . . . ☑

1 Briefly describe the organization's mission

FINRA IS DEDICATED TO INVESTOR PROTECTION AND MARKET INTEGRITY THROUGH EFFECTIVE AND EFFICIENT REGULATION OF THE SECURITIES INDUSTRY

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . ☐ **Yes** ☑ **No**

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . ☐ **Yes** ☑ **No**

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ including grants of $) (Revenue $)

SEE SCHEDULE O

4b (Code) (Expenses $ including grants of $) (Revenue $)

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1		No
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2		No
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4		
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21 for escrow or custodial account liability, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line 10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X*	11e		No
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X*	11f	Yes	
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI and XII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Parts I and IV*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or other assistance to or for any foreign organization? *If "Yes," complete Schedule F, Parts II and IV*	15	Yes	
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or other assistance to or for foreign individuals? *If "Yes," complete Schedule F, Parts III and IV*	16		No
17	Did the organization report a total of more than $15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I (see instructions)*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18		No
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospital facilities? *If "Yes," complete Schedule H*	20a		No
b	If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	20b		

Part IV Checklist of Required Schedules *(continued)*

			Yes	No
21	Did the organization report more than $5,000 of grants or other assistance to any domestic organization or government on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	21	Yes	
22	Did the organization report more than $5,000 of grants or other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	22		No
23	Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	23	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25a*	24a		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	24b		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	24c		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	24d		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	25a		
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	25b		
26	Did the organization report any amount on Part X, line 5, 6, or 22 for receivables from or payables to any current or former officers, directors, trustees, key employees, highest compensated employees, or disqualified persons? *If so, complete Schedule L, Part II*	26		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor or employee thereof, a grant selection committee member, or to a 35% controlled entity or family member of any of these persons? *If "Yes," complete Schedule L, Part III*	27		No
28	Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28a		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	28b		No
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? *If "Yes," complete Schedule L, Part IV*	28c	Yes	
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	29		No
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	30		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	31		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	32		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	33		No
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Part II, III, or IV, and Part V, line 1*	34	Yes	
35a	Did the organization have a controlled entity within the meaning of section 512(b)(13)?	35a		No
b	If 'Yes' to line 35a, did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	35b		
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	36		
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	37		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11b and 19? **Note.** All Form 990 filers are required to complete Schedule O	38	Yes	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response or note to any line in this Part V . . . . ☐

					Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	1a	83			
b	Enter the number of Forms W-2G included in line 1a Enter -0- if not applicable	1b	0			
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			1c	Yes	
2a	Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return	2a	2,678			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns? **Note.** If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)			2b	Yes	
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			3a	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No" to line 3b, provide an explanation in Schedule O*			3b	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)?			4a		No
b	If "Yes," enter the name of the foreign country ▶ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year?			5a		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			5b		No
c	If "Yes," to line 5a or 5b, did the organization file Form 8886-T?			5c		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible as charitable contributions?			6a		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			6b		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			7a		
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			7b		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			7c		
d	If "Yes," indicate the number of Forms 8282 filed during the year	7d				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			7e		
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract?			7f		
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			7g		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			7h		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			8		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			9a		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			9b		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12	10a				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	10b				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	11a				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	11b				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			12a		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	12b				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** See the instructions for additional information the organization must report on Schedule O			13a		
b	Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	13b				
c	Enter the amount of reserves on hand	13c				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			14a		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O*			14b		

Part VI **Governance, Management, and Disclosure** *For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.*

Check if Schedule O contains a response or note to any line in this Part VI . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	**1a** 12			
	If there are material differences in voting rights among members of the governing body, or if the governing body delegated broad authority to an executive committee or similar committee, explain in Schedule O				
b	Enter the number of voting members included in line 1a, above, who are independent	**1b** 7			
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		**2**	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		**3**		No
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		**4**		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		**5**		No
6	Did the organization have members or stockholders?		**6**	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		**7a**	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		**7b**	Yes	
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		**8a**	Yes	
b	Each committee with authority to act on behalf of the governing body?		**8b**	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? *If "Yes," provide the names and addresses in Schedule O*		**9**		No

Section B. Policies (*This Section B requests information about policies not required by the Internal Revenue Code.*)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	**10a**		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	**10b**		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	**11a**	Yes	
b	Describe in Schedule O the process, if any, used by the organization to review this Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	**12a**	Yes	
b	Were officers, directors, or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	**12b**	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? *If "Yes," describe in Schedule O how this was done*	**12c**	Yes	
13	Did the organization have a written whistleblower policy?	**13**	Yes	
14	Did the organization have a written document retention and destruction policy?	**14**	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	**15a**		No
b	Other officers or key employees of the organization	**15b**	Yes	
	If "Yes" to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	**16a**		No
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	**16b**		

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶CA

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request ☐ Other (explain in Schedule O)

19 Describe in Schedule O whether (and if so, how) the organization made its governing documents, conflict of interest policy, and financial statements available to the public during the tax year

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization
▶MARCIA E ASQUITH 1735 K STREET NW
WASHINGTON,DC 200061506 (202) 728-8949

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response or note to any line in this Part VII . . . . ☑

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** *(continued)*

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee): Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
1b Sub-Total ▶										
c Total from continuation sheets to Part VII, Section A ▶										
d Total (add lines 1b and 1c) ▶								11,970,843	15,770,689	1,764,614

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶1,368

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	3	Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	4	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	5		No

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
PROMETRIC, PO BOX 223608 PITTSBURGH PA 15251	TESTING SERVICES	18,425,268
NCS PEARSON INCORPORATED, 21866 NETWORK PLACE CHICAGO IL 60673	TESTING SERVICES	7,212,089
VERITEXT YORK, PO BOX 71303 CHICAGO IL 60694	TECH CONSULTING	2,317,795
KPMG LLP, 3 CHESTNUT RIDGE ROAD MONTVALE NJ 07645	CONSULTING	856,744
TIGER TEAM CONSULTING, 11781 LEE JACKSON MEMORIAL HWY FAIRFAX VA 22033	TECH CONSULTING	775,702

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶30

Part VIII Statement of Revenue

Check if Schedule O contains a response or note to any line in this Part VIII . . . . ☐

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512-514
Contributions, Gifts, Grants and Other Similar Amounts	1a	Federated campaigns . .	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations . . .	1d				
	e	Government grants (contributions)	1e				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f				
	g	Noncash contributions included in lines 1a-1f $					
	h	**Total.** Add lines 1a-1f . . . . ▶		0			
Program Service Revenue			Business Code				
	2a	REGULATORY FEES	900099	418,620,540	418,620,540		
	b	USER FEES	900099	199,046,292	199,010,872	35,420	
	c	CONTRACT SERVICE FEES	900099	77,966,439	77,966,439		
	d	FINES	900099	60,361,640	60,361,640		
	e	ALL OTHER PROGRAM SERVICE REVENUE	900099	389,456	389,456		
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f . . . . ▶		756,384,367			
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) . . . . ▶		0			
	4	Income from investment of tax-exempt bond proceeds . . ▶		0			
	5	Royalties . . . . ▶		359,218			359,218
			(i) Real / (ii) Personal				
	6a	Gross rents					
	b	Less rental expenses					
	c	Rental income or (loss)	(i) 0 / (ii) 0				
	d	Net rental income or (loss) . . . . ▶		0			
			(i) Securities / (ii) Other				
	7a	Gross amount from sales of assets other than inventory					
	b	Less cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) . . . . ▶		0			
	8a	Gross income from fundraising events (not including $ ________ of contributions reported on line 1c) See Part IV, line 18 . .	a				
	b	Less direct expenses . . .	b				
	c	Net income or (loss) from fundraising events . . ▶		0			
	9a	Gross income from gaming activities See Part IV, line 19 . . .	a				
	b	Less direct expenses . . .	b				
	c	Net income or (loss) from gaming activities . . ▶		0			
	10a	Gross sales of inventory, less returns and allowances .	a				
	b	Less cost of goods sold . .	b				
	c	Net income or (loss) from sales of inventory . . ▶		0			
		Miscellaneous Revenue	Business Code				
	11a						
	b						
	c						
	d	All other revenue					
	e	**Total.** Add lines 11a–11d . . . . ▶		0			
	12	**Total revenue.** See Instructions . . . . . ▶		756,743,585	756,348,947	35,420	359,218

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns All other organizations must complete column (A)

Check if Schedule O contains a response or note to any line in this Part IX . . . . ☐

	Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.	(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	348,052			
2	Grants and other assistance to individuals in the United States See Part IV, line 22	0			
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16	0			
4	Benefits paid to or for members	0			
5	Compensation of current officers, directors, trustees, and key employees	5,734,873			
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0			
7	Other salaries and wages	310,867,256			
8	Pension plan accruals and contributions (include section 401(k) and 403(b) employer contributions)	71,175,191			
9	Other employee benefits	28,451,370			
10	Payroll taxes	20,853,638			
11	Fees for services (non-employees)				
a	Management	2,878,614			
b	Legal	424,484			
c	Accounting	97,100			
d	Lobbying	0			
e	Professional fundraising services See Part IV, line 17	0			
f	Investment management fees	0			
g	Other (If line 11g amount exceeds 10% of line 25, column (A) amount, list line 11g expenses on Schedule O)	24,099,972			
12	Advertising and promotion	17,028			
13	Office expenses	4,067,855			
14	Information technology	54,094,785			
15	Royalties . .	0			
16	Occupancy	31,016,413			
17	Travel	11,901,378			
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0			
19	Conferences, conventions, and meetings	2,548,963			
20	Interest	0			
21	Payments to affiliates	0			
22	Depreciation, depletion, and amortization	3,517,869			
23	Insurance	0			
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24e If line 24e amount exceeds 10% of line 25, column (A) amount, list line 24e expenses on Schedule O)				
a	OVERHEAD ALLOCATION	83,950,622			
b	TEMPORARY HELP	868,083			
c	BAD DEBT EXPENSE	1,744,097			
d	PUBLICATIONS/PRINTING	366,559			
e	All other expenses	153,446			
25	**Total functional expenses.** Add lines 1 through 24e	659,177,648			
26	**Joint costs.** Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation Check here ▶ ☐ if following SOP 98-2 (ASC 958-720)				

Part X Balance Sheet

Check if Schedule O contains a response or note to any line in this Part X . . . . ☐

				(A) Beginning of year		(B) End of year
Assets	1	Cash–non-interest-bearing		-1,180,915	1	25,194,002
	2	Savings and temporary cash investments		0	2	0
	3	Pledges and grants receivable, net		0	3	0
	4	Accounts receivable, net		30,675,378	4	20,505,968
	5	Loans and other receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L		0	5	0
	6	Loans and other receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions) Complete Part II of Schedule L		0	6	0
	7	Notes and loans receivable, net		0	7	0
	8	Inventories for sale or use		0	8	0
	9	Prepaid expenses and deferred charges		343,399	9	279,847
	10a	Land, buildings, and equipment cost or other basis Complete Part VI of Schedule D	10a 185,449,079			
	b	Less accumulated depreciation	10b 183,093,148	3,672,480	10c	2,355,931
	11	Investments—publicly traded securities		0	11	0
	12	Investments—other securities See Part IV, line 11		0	12	0
	13	Investments—program-related See Part IV, line 11		0	13	0
	14	Intangible assets		353,114	14	160,835
	15	Other assets See Part IV, line 11		0	15	0
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		33,863,456	16	48,496,583
Liabilities	17	Accounts payable and accrued expenses		400,425,017	17	318,838,310
	18	Grants payable		0	18	0
	19	Deferred revenue		78,855,752	19	78,767,162
	20	Tax-exempt bond liabilities		0	20	0
	21	Escrow or custodial account liability Complete Part IV of Schedule D		0	21	0
	22	Loans and other payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons Complete Part II of Schedule L		0	22	0
	23	Secured mortgages and notes payable to unrelated third parties		0	23	0
	24	Unsecured notes and loans payable to unrelated third parties		0	24	0
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		0	25	0
	26	**Total liabilities.** Add lines 17 through 25		479,280,769	26	397,605,472
Net Assets or Fund Balances		**Organizations that follow SFAS 117 (ASC 958), check here ▶ ☐ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets			27	
	28	Temporarily restricted net assets			28	
	29	Permanently restricted net assets			29	
		Organizations that do not follow SFAS 117 (ASC 958), check here ▶ ☑ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds		350,000	30	350,000
	31	Paid-in or capital surplus, or land, building or equipment fund		50,000,000	31	50,000,000
	32	Retained earnings, endowment, accumulated income, or other funds		-495,767,313	32	-399,458,889
	33	Total net assets or fund balances		-445,417,313	33	-349,108,889
	34	Total liabilities and net assets/fund balances		33,863,456	34	48,496,583

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response or note to any line in this Part XI . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12)	1	756,743,585
2	Total expenses (must equal Part IX, column (A), line 25)	2	659,177,648
3	Revenue less expenses Subtract line 2 from line 1	3	97,565,937
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	-445,417,313
5	Net unrealized gains (losses) on investments	5	
6	Donated services and use of facilities	6	
7	Investment expenses	7	
8	Prior period adjustments	8	
9	Other changes in net assets or fund balances (explain in Schedule O)	9	-1,257,513
10	Net assets or fund balances at end of year Combine lines 3 through 9 (must equal Part X, line 33, column (B))	10	-349,108,889

Part XII Financial Statements and Reporting

Check if Schedule O contains a response or note to any line in this Part XII . . . . ☐

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other ____________ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant?	2a		No
	If 'Yes,' check a box below to indicate whether the financial statements for the year were compiled or reviewed on a separate basis, consolidated basis, or both ☐ Separate basis ☐ Consolidated basis ☐ Both consolidated and separate basis			
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
	If 'Yes,' check a box below to indicate whether the financial statements for the year were audited on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separate basis			
c	If "Yes," to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant?	2c	Yes	
	If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a		No
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits	3b		

Additional Data

Software ID:
Software Version:
EIN: 52-1959501
Name: FINRA REGULATION INC

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
HARVEY J GOLDSCHMID CHAIR, REG POLICY COMMITTEE	3 0	X						0	72,500	0
JED BANDES REGULATORY POLICY COMMITTEE	2 0	X						0	45,264	0
CHARLES A BOWSHER REGULATORY POLICY COMMITTEE	2 0	X						0	71,899	0
KEVIN CARRENO REGULATORY POLICY COMMITTEE	2 0	X						0	61,628	0
MARK S CASADY REGULATORY POLICY COMMITTEE	3 0	X						0	65,541	0
W DENNIS FERGUSON REGULATORY POLICY COMMITTEE	3 0	X						0	72,229	0
DR SHIRLEY ANN JACKSON REGULATORY POLICY COMMITTEE	2 0	X						0	32,597	0
KEN NORENSBERG REGULATORY POLICY COMMITTEE	2 0	X						0	66,143	0
RICHARD S PECHTER REGULATORY POLICY COMMITTEE	2 0	X						0	76,477	0
JOHN W SCHMIDLIN REGULATORY POLICY COMMITTEE	2 0	X						0	69,254	0
JOEL SELIGMAN REGULATORY POLICY COMMITTEE	2 0	X						0	65,613	0
GARY H STERN REGULATORY POLICY COMMITTEE	2 0	X						0	68,757	0
KURT P STOCKER REGULATORY POLICY COMMITTEE	2 0	X						0	71,439	0
JAMES D WEDDLE REGULATORY POLICY COMMITTEE	2 0	X						0	73,051	0
RICHARD G KETCHUM CEO	60 0			X				0	2,551,022	72,734
TODD T DIGANCI EXECUTIVE VP AND CFO	60 0			X				0	1,178,423	63,965
MARCIA E ASQUITH SENIOR VP AND CORP SECRETARY	60 0			X				0	660,939	58,263
F GREGORY AHERN EXECUTIVE VICE PRESIDENT	60 0				X			0	666,950	142,197
SUSAN F AXELROD EXECUTIVE VICE PRESIDENT	60 0				X			1,091,066	0	69,601
J BRADLEY BENNETT EXECUTIVE VICE PRESIDENT	60 0				X			1,188,462	0	36,568
MARTIN P COLBURN EXECUTIVE VP AND CTO	60 0				X			0	4,221,296	18,566
ROBERT L D COLBY EVP & CHIEF LEGAL OFFICER	60 0				X			0	802,999	145,421
CARLO DI FLORIO CHIEF RISK OFFICER	60 0				X			0	216,491	46,233
LINDA D FIENBERG PRESIDENT - DISPUTE RESOLUTION	60 0				X			0	838,369	82,663
THOMAS R GIRA EXECUTIVE VICE PRESIDENT	60 0				X			854,365	0	107,533

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week (list any hours for related organizations below dotted line)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee) Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former	(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
STEVEN A JOACHIM EXECUTIVE VICE PRESIDENT	60 0				X			0	854,659	100,847
TRACY B JOHNSON SENIOR VICE PRESIDENT	60 0				X			0	702,895	36,194
DEREK W LINDEN EXECUTIVE VICE PRESIDENT	60 0				X			661,222	0	80,316
STEVEN J RANDICH EXECUTIVE VICE PRES & CIO	60 0				X			0	394,073	120,752
STEPHEN M SCHOENEMAN SENIOR VICE PRESIDENT	60 0				X			0	794,807	72,167
THOMAS M SELMAN EXECUTIVE VICE PRESIDENT	60 0				X			1,779,519	0	68,255
JONATHAN J SOKOBIN SENIOR VICE PRESIDENT	60 0				X			0	187,063	30,363
GRACE B VOGEL EXECUTIVE VICE PRESIDENT	60 0				X			1,173,889	0	69,338
CAMERON K FUNKHOUSER EXECUTIVE VICE PRESIDENT	60 0					X		1,361,786	0	73,122
EMILY P GORDY SENIOR VICE PRESIDENT	60 0					X		996,792	0	69,794
JOHN F MALITZIS EXECUTIVE VICE PRESIDENT	60 0					X		950,936	0	49,620
ROBERT A MARCHMAN EXECUTIVE VICE PRESIDENT	60 0					X		908,877	0	69,422
MICHAEL G RUFINO EXECUTIVE VICE PRESIDENT	60 0					X		826,696	0	70,951
T GRANT CALLERY EXEC VP AND GENERAL COUNSEL							X	0	280,926	2,500
MARC MENCHEL EXEC VP AND GENERAL COUNSEL							X	177,233	0	3,082
HOWARD M SCHLOSS EXECUTIVE VICE PRESIDENT							X	0	507,385	4,147

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SCHEDULE D
(Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions. ▶ Information about Schedule D (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)

☐ Preservation of land for public use (e g , recreation or education)
☐ Preservation of an historically important land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

			Held at the End of the Year
a	Total number of conservation easements	2a	
b	Total acreage restricted by conservation easements	2b	
c	Number of conservation easements on a certified historic structure included in (a)	2c	
d	Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d	

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶______

4 Number of states where property subject to conservation easement is located ▶______

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶______

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ ______

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIII, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIII, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

(ii) Assets included in Form 990, Part X ▶ $ ______

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ ______

b Assets included in Form 990, Part X ▶ $ ______

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply)

a ☐ Public exhibition
d ☐ Loan or exchange programs
b ☐ Scholarly research
e ☐ Other
c ☐ Preservation for future generations

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIII

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIII Check here if the explanation has been provided in Part XIII . . . . ☐

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a)Current year	(b)Prior year	b (c)Two years back	(d)Three years back	(e)Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the current year end balance (line 1g, column (a)) held as

a Board designated or quasi-endowment ▶

b Permanent endowment ▶

c Temporarily restricted endowment ▶

The percentages in lines 2a, 2b, and 2c should equal 100%

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIII the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11a. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b)Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements		26,840,120	26,269,452	570,668
d Equipment		9,348,667	9,065,669	282,998
e Other		149,260,292	147,758,027	1,502,265
Total. Add lines 1a through 1e *(Column (d) must equal Form 990, Part X, column (B), line 10(c).)* ▶				2,355,931

Part VII Investments—Other Securities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11b. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) must equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11c. See Form 990, Part X, line 13.

(a) Description of investment	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) must equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11d See Form 990, Part X, line 15

(a) Description	(b) Book value
Total. *(Column (b) must equal Form 990, Part X, col.(B) line 15.)* . . . . ▶	

Part X Other Liabilities. Complete if the organization answered 'Yes' to Form 990, Part IV, line 11e or 11f. See Form 990, Part X, line 25.

1 (a) Description of liability	(b) Book value
Federal income taxes	0
Total. *(Column (b) must equal Form 990, Part X, col (B) line 25)* ▶	0

2. Liability for uncertain tax positions In Part XIII, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740) Check here if the text of the footnote has been provided in Part XIII ☑

Part XI **Reconciliation of Revenue per Audited Financial Statements With Revenue per Return** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total revenue Add lines **3** and **4c.** (This must equal Form 990, Part I, line 12)			5	

Part XII **Reconciliation of Expenses per Audited Financial Statements With Expenses per Return.** Complete if the organization answered 'Yes' to Form 990, Part IV, line 12a.

1	Total expenses and losses per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIII)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIII)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This must equal Form 990, Part I, line 18)			5	

Part XIII **Supplemental Information**

Provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, line 2, Part XI, lines 2d and 4b, and Part XII, lines 2d and 4b Also complete this part to provide any additional information

Return Reference	Explanation
SCHEDULE D, PART X, LINE 2	U S GAAP PROVIDES A TWO-STEP APPROACH FOR EVALUATING TAX POSITIONS RECOGNITION (STEP 1) OCCURS WHEN AN ENTITY CONCLUDES THAT A TAX POSITION, BASED SOLELY ON ITS TECHNICAL MERITS, IS MORE LIKELY THAN NOT TO BE SUSTAINED UPON EXAMINATION IN STEP 2 (MEASUREMENT), THE TAX BENEFIT IS MEASURED AS THE LARGEST AMOUNT OF BENEFIT, DETERMINED ON A CUMULATIVE PROBABILITY BASIS, THAT IS MORE LIKELY THAN NOT TO BE REALIZED UPON ULTIMATE SETTLEMENT DURING THE YEARS FROM 2010 TO 2013, WHICH REPRESENT THE YEARS MANAGEMENT CONSIDERS TO BE OPEN FOR EXAMINATION BY TAXING AUTHORITIES, MANAGEMENT DID NOT IDENTIFY THE EXISTENCE OF ANY UNCERTAIN TAX POSITIONS ACCORDINGLY, ALL TAX POSITIONS ARE RECOGNIZED AND MEASURED AT THEIR FULL BENEFIT IN THE CONSOLIDATED BALANCE SHEETS AND STATEMENTS OF OPERATIONS

Part XIII Supplemental Information *(continued)*

Return Reference	Explanation

efile GRAPHIC print - DO NOT PROCESS | As Filed Data - | DLN: 93493321003024

SCHEDULE F (Form 990)

Department of the Treasury
Internal Revenue Service

Statement of Activities Outside the United States

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 14b, 15, or 16.

▶ Attach to Form 990. ▶ See separate instructions.

▶ Information about Schedule F (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Part I General Information on Activities Outside the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 14b.

1 **For grantmakers.** Does the organization maintain records to substantiate the amount of its grants and other assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . ☐ Yes ☐ No

2 **For grantmakers.** Describe in Part V the organization's procedures for monitoring the use of its grants and other assistance outside the United States.

3 Activites per Region (The following Part I, line 3 table can be duplicated if additional space is needed)

(a) Region	**(b)** Number of offices in the region	**(c)** Number of employees, agents, and independent contractors in region	**(d)** Activities conducted in region (by type) (e g , fundraising, program services, investments, grants to recipients located in the region)	**(e)** If activity listed in (d) is a program service, describe specific type of service(s) in region	**(f)** Total expenditures for and investments in region
(1)					
(2)					
(3)					
(4)					
(5)					
3a Sub-total					
b Total from continuation sheets to Part I					
c Totals (add lines 3a and 3b)					

Part II **Grants and Other Assistance to Organizations or Entities Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 15, for any recipient who received more than $5,000. Part II can be duplicated if additional space is needed.

1 **(a)** Name of organization	**(b)** IRS code section and EIN (if applicable)	**(c)** Region	**(d)** Purpose of grant	**(e)** Amount of cash grant	**(f)** Manner of cash disbursement	**(g)** Amount of non-cash assistance	**(h)** Description of non-cash assistance	**(i)** Method of valuation (book, FMV, appraisal, other)
(1)		North America	2013 SPONSOR	15,000	CHECK			
(2)								
(3)								
(4)								

2 Enter total number of recipient organizations listed above that are recognized as charities by the foreign country, recognized as tax-exempt by the IRS, or for which the grantee or counsel has provided a section 501(c)(3) equivalency letter . . . . ▶

3 Enter total number of other organizations or entities . . . . ▶ 1

Part III **Grants and Other Assistance to Individuals Outside the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 16. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Region	(c) Number of recipients	(d) Amount of cash grant	(e) Manner of cash disbursement	(f) Amount of non-cash assistance	(g) Description of non-cash assistance	(h) Method of valuation (book, FMV, appraisal, other)
(1)							
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							
(8)							
(9)							
(10)							
(11)							
(12)							
(13)							
(14)							
(15)							
(16)							
(17)							
(18)							

Part IV Foreign Forms

1	Was the organization a U S transferor of property to a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 926, Return by a U.S. Transferor of Property to a Foreign Corporation (see Instructions for Form 926)*	☐ Yes	☑ No
2	Did the organization have an interest in a foreign trust during the tax year? *If "Yes," the organization may be required to file Form 3520, Annual Return to Report Transactions with Foreign Trusts and Receipt of Certain Foreign Gifts, and/or Form 3520-A, Annual Information Return of Foreign Trust With a U.S. Owner (see Instructions for Forms 3520 and 3520-A)*	☐ Yes	☑ No
3	Did the organization have an ownership interest in a foreign corporation during the tax year? *If "Yes," the organization may be required to file Form 5471, Information Return of U.S. Persons with Respect to Certain Foreign Corporations. (see Instructions for Form 5471)*	☐ Yes	☑ No
4	Was the organization a direct or indirect shareholder of a passive foreign investment company or a qualified electing fund during the tax year? *If "Yes," the organization may be required to file Form 8621, Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund. (see Instructions for Form 8621)*	☐ Yes	☑ No
5	Did the organization have an ownership interest in a foreign partnership during the tax year? *If "Yes," the organization may be required to file Form 8865, Return of U.S. Persons with Respect to Certain Foreign Partnerships. (see Instructions for Form 8865)*	☐ Yes	☑ No
6	Did the organization have any operations in or related to any boycotting countries during the tax year? *If "Yes," the organization may be required to file Form 5713, International Boycott Report (see Instructions for Form 5713).*	☐ Yes	☑ No

Additional Data

Software ID:
Software Version:
EIN: 52-1959501
Name: FINRA REGULATION INC

Part V **Supplemental Information**

Provide the information required by Part I, line 2 (monitoring of funds); Part I, line 3, column (f) (accounting method; amounts of investments vs. expenditures per region); Part II, line 1 (accounting method); Part III (accounting method); and Part III, column (c) (estimated number of recipients), as applicable. Also complete this part to provide any additional information (see instructions).

Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990
▶ Information about Schedule I (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . ☑ **Yes** ☐ **No**

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than $5,000. Part II can be duplicated if additional space is needed.

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
(1) AMERICAN RED CROSS PO BOX 37243 WASHINGTON,DC 20013	53-0196605	501(C)(3)	87,552				DISASTER RELIEF
(2) APPLESEED FOUNDATION INC 727 15TH STREET NW WASHINGTON,DC 20005	52-1835698	501(C)(3)	10,000				AWARDS DINNER
(3) AUTISM SPEAKS 1 E 33RD STREET NEW YORK,NY 10016	20-2329938	501(C)(3)	15,000				AWARDS DINNER
(4) CONSUMER FEDERATION OF AMERICA 1424 16TH STREET NW WASHINGTON,DC 20036	52-0880625	501(C)(3)	27,500				2013 CONTRIBUTION
(5) COUNCIL FOR ECONOMIC EDUCATION 122 E 42ND STREET NEW YORK,NY 10168	13-1623848	501(C)(3)	10,000				AWARDS DINNER
(6) EMPLOYEE BENEFIT RESEARCH INSTITUTE 1100 13TH STREET WASHINGTON,DC 20005	52-1190398	501(C)(3)	32,500				AWARDS DINNER
(7) JUMPSTART COALITION FOR PERSONAL LITERACY 919 18TH STREET NW WASHINGTON,DC 20004	52-2031287	501(C)(3)	20,000				AWARDS DINNER
(8) OPERATION HOPE 707 WILSHIRE BLVD LOS ANGELES,CA 90017	93-0959834	501(C)(3)	20,000				2013 CONTRIBUTION
(9) SEC HISTORICAL SOCIETY 1101 PENNSYLVANIA AVE WASHINGTON,DC 20004	52-2213646	501(C)(3)	15,000				AWARDS DINNER
(10) SIFMA INVESTOR EDUCATION FOUNDATION 120 BROADWAY NEW YORK,NY 10271	52-1087193	501(C)(3)	140,000				2013 CONTRIBUTION
(11) TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA 3620 LOCUST WALK PHILADELPHIA,PA 19104	52-2213646	501(C)(3)	10,000				2013 CONTRIBUTION

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . ▶ 11

3 Enter total number of other organizations listed in the line 1 table . . . ▶

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Return Reference	Explanation
Form 990, Schedule I	VOLUNTARY DISCLOSURE FOR APPLESEED FOUNDATION CONTRIBUTION DURING 2013 RICHARD G KETCHUM, FINRA CEO, SERVED AS A BOARD MEMBER OF THE APPLESEED FOUNDATION
SCHEDULE I, PART I, LINE 2	CHARITABLE CONTRIBUTIONS ARE REVIEWED AND APPROVED BY THE APPROPRIATE BUSINESS UNIT HEAD (OR THEIR DESIGNEE) THE ORGANIZATION MAINTAINS RECORDS TO SUBSTANTIATE THE AMOUNT AND THE PURPOSE OF THE CHARITABLE CONTRIBUTIONS

Additional Data

Software ID:
Software Version:
EIN: 52-1959501
Name: FINRA REGULATION INC

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AMERICAN RED CROSS PO BOX 37243 WASHINGTON,DC 20013	53-0196605	501(C)(3)	87,552				DISASTER RELIEF

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
APPLESEED FOUNDATION INC 727 15TH STREET NW WASHINGTON,DC 20005	52-1835698	501(C)(3)	10,000				AWARDS DINNER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
AUTISM SPEAKS 1 E 33RD STREET NEW YORK, NY 10016	20-2329938	501(C)(3)	15,000				AWARDS DINNER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
CONSUMER FEDERATION OF AMERICA 1424 16TH STREET NW WASHINGTON, DC 20036	52-0880625	501(C)(3)	27,500				2013 CONTRIBUTION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
COUNCIL FOR ECONOMIC EDUCATION 122 E 42ND STREET NEW YORK, NY 10168	13-1623848	501(C)(3)	10,000				AWARDS DINNER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
EMPLOYEE BENEFIT RESEARCH INSTITUTE 1100 13TH STREET WASHINGTON,DC 20005	52-1190398	501(C)(3)	32,500				AWARDS DINNER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
JUMPSTART COALITION FOR PERSONAL LITERACY 919 18TH STREET NW WASHINGTON,DC 20004	52-2031287	501(C)(3)	20,000				AWARDS DINNER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
OPERATION HOPE 707 WILSHIRE BLVD LOS ANGELES,CA 90017	93-0959834	501(C)(3)	20,000				2013 CONTRIBUTION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SEC HISTORICAL SOCIETY 1101 PENNSYLVANIA AVE WASHINGTON,DC 20004	52-2213646	501(C)(3)	15,000				AWARDS DINNER

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
SIFMA INVESTOR EDUCATION FOUNDATION 120 BROADWAY NEW YORK, NY 10271	52-1087193	501(C)(3)	140,000				2013 CONTRIBUTION

Form 990,Schedule I, Part II, Grants and Other Assistance to Governments and Organizations in the United States

(a) Name and address of organization or government	**(b)** EIN	**(c)** IRC Code section if applicable	**(d)** Amount of cash grant	**(e)** Amount of non-cash assistance	**(f)** Method of valuation (book, FMV, appraisal, other)	**(g)** Description of non-cash assistance	**(h)** Purpose of grant or assistance
TRUSTEES OF THE UNIVERSITY OF PENNSYLVANIA 3620 LOCUST WALK PHILADELPHIA,PA 19104	52-2213646	501(C)(3)	10,000				2013 CONTRIBUTION

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
► Complete if the organization answered "Yes" to Form 990, Part IV, line 23.
► Attach to Form 990. ► See separate instructions.
► Information about Schedule J (Form 990) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items ☑ First-class or charter travel ☐ Housing allowance or residence for personal use ☑ Travel for companions ☐ Payments for business use of personal residence ☑ Tax idemnification and gross-up payments ☑ Health or social club dues or initiation fees ☐ Discretionary spending account ☑ Personal services (e g , maid, chauffeur, chef)			
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement or provision of all of the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all directors, trustees, officers, including the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the filing organization used to establish the compensation of the organization's CEO/Executive Director Check all that apply Do not check any boxes for methods used by a related organization to establish compensation of the CEO/Executive Director, but explain in Part III ☐ Compensation committee ☐ Written employment contract ☐ Independent compensation consultant ☐ Compensation survey or study ☐ Form 990 of other organizations ☐ Approval by the board or compensation committee			
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**	Yes	
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**	Yes	
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**		
b	Any related organization?	**5b**		
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**		
b	Any related organization?	**6b**		
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regulations section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use duplicate copies if additional space is needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions, on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, applicable column (D) and (E) amounts for that individual

(A) Name and Title		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported as deferred in prior Form 990
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
See Additional Data Table								

Part III Supplemental Information

Provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 3, 4a, 4b, 4c, 5a, 5b, 6a, 6b, 7, and 8, and for Part II
Also complete this part for any additional information

Return Reference	Explanation
SUPPLEMENTAL COMPENSATION INFORMATION	FOR THE HIGHEST COMPENSATED EXECUTIVES, BASE SALARY AND INCENTIVE COMPENSATION (EARNED IN THE PRIOR YEAR) REPORTED IN COLUMNS B(I) AND B(II) ARE INDEPENDENTLY DETERMINED AND APPROVED BY THE MANAGEMENT COMPENSATION COMMITTEE OF THE BOARD OF GOVERNORS OTHER REPORTABLE COMPENSATION (COLUMN B(III)) IS LARGELY COMPOSED OF RETIREMENT VESTING AND/OR PAYOUT EVENTS FROM NON-QUALIFIED PLANS, AS WELL AS SEVERANCE OR SEPARATION PAYMENTS, IF APPLICABLE FOR FURTHER DETAILS REGARDING HOW EXECUTIVE COMPENSATION IS ESTABLISHED, PLEASE REFER TO SCHEDULE O SCHEDULE J, PART I, LINE 1 FIRST CLASS OR CHARTER TRAVEL THE NEXT CABIN ABOVE ECONOMY IS ALLOWED FOR INTERNATIONAL TRAVEL TO AND FROM THE U S INCLUDING CANADA AND MEXICO, WHERE THE FLIGHT TIME IS OVER SIX HOURS DIRECT IT IS ALSO ALLOWED FOR ALL TRAVEL FROM THE U S MAINLAND TO HAWAII AND FOR FLIGHTS WITHIN EUROPE THAT ARE OVER FIVE HOURS IN DURATION OTHERWISE, ECONOMY CLASS IS REQUIRED REIMBURSEMENT TO BOARD MEMBERS FOR FIRST CLASS TRAVEL EXPENSES INCURRED WHILE ATTENDING BOARD AND CORPORATE COMMITTEE MEETINGS ON BEHALF OF FINRA, FINRA REGULATION, INC , AND FINRA DISPUTE RESOLUTION, INC IS PERMITTED TRAVEL FOR COMPANIONS IN LIEU OF A WEEKEND TRIP HOME, EMPLOYEES WHO ARE ON EXTENDED STAY (I E , AN OUT-OF-TOWN HOTEL STAY OF SIX CONSECUTIVE NIGHTS OR LONGER), AND WHERE A DIRECT FLIGHT IS TWO OR MORE HOURS FROM HOME, WILL HAVE THE OPTION TO INVITE A COMPANION TO THEIR WORK DESTINATION OR TRAVEL TO AN ALTERNATE LOCATION HOWEVER, EMPLOYEES WILL ONLY BE REIMBURSED FOR THE COST OF COACH AIRFARE FOR THE COMPANION OR TO THE ALTERNATE LOCATION THE REIMBURSEMENT AMOUNT WILL BE A TAXABLE FRINGE BENEFIT TO THE EMPLOYEE, AND THE EMPLOYEE IS RESPONSIBLE FOR ALL TAXES COMPANION WEEKEND TRAVEL MUST BE APPROVED BY THE EMPLOYEE'S DEPARTMENT DIRECTOR AND THE MANAGER OF CORPORATE TRAVEL SERVICES BEFORE THE TRIP COMPANION MEALS, GROUND TRANSPORTATION AND AIRPORT PARKING ARE AT THE EMPLOYEE'S EXPENSE AND CANNOT BE CHARGED TO THE CORPORATE CREDIT CARD OR SUBMITTED FOR REIMBURSEMENT WHEN COMPANIONS ARE INVITED ON BEHALF OF FINRA, FINRA REGULATION, AND FINRA DISPUTE RESOLUTION TO BOARD MEETINGS, THEIR AIRFARE IS REIMBURSABLE HEALTH AND CLUB DUES AS PART OF ITS WELLNESS PROGRAM, FINRA OFFERS SUBSIDIZED GYM MEMBERSHIPS TO EMPLOYEES OF FINRA AND SUBSIDIARIES AT CERTAIN LOCATIONS ALSO, THE CEO'S CONTRACT PROVIDES FOR UP TO A MAXIMUM AMOUNT OF $20,000 EACH CALENDAR YEAR FOR ADMISSION FEES, DUES AND HOUSE CHARGES OF ONE CLUB IN EACH OF THE NEW YORK CITY AND WASHINGTON, D C METROPOLITAN AREAS TO BE USED FOR BUSINESS PURPOSES EXECUTIVE HEALTH PLAN THE EXECUTIVE HEALTH PLAN IS AVAILABLE TO FINRA STAFF AT A LEVEL OF EXECUTIVE VICE PRESIDENT AND ABOVE AND OTHER EMPLOYEES AS DESIGNATED BY THE CEO THE EXECUTIVE HEALTH PLAN COVERS PROCEDURES RELATED TO THE DIAGNOSIS AND PREVENTION OF A MEDICAL CONDITION(S) THE FINRA EXECUTIVE HEALTH PLAN PROVIDES FOR ONE ASSESSMENT PER YEAR TAX INDEMNIFICATION GIFTS TO EMPLOYEES ARE CONSIDERED TAXABLE COMPENSATION UNDER THE IRS CODE THE FAIR MARKET VALUE OF THE GIFT TO THE EMPLOYEE WILL BE INCLUDED AS WAGES ON THE EMPLOYEE'S W-2 IN GENERAL, IT IS FINRA'S PRACTICE TO "GROSS UP," OR ADJUST THE WAGES AND TAXES SO THAT THE TAX EFFECT OF RECEIVING A GIFT IS NEUTRAL TO THE EMPLOYEE IT IS ALSO FINRA'S PRACTICE TO "GROSS-UP" EMPLOYEE RELOCATION EXPENSES, AS WELL AS FOOD AND LODGING EXPENSES INCURRED AS PART OF THE EXECUTIVE HEALTH PLAN PERSONAL SERVICES THE CEO'S CONTRACT PROVIDES FOR A CAR AND DRIVER IN BOTH NEW YORK CITY, NEW YORK AND WASHINGTON, D C TO BE USED FOR BUSINESS PURPOSES THESE SERVICES, WHICH ARE USED PRINCIPALLY BY THE CEO, ARE USED BY OTHER FINRA EMPLOYEES FOR BUSINESS PURPOSES WHEN AVAILABLE THE CEO'S CONTRACT ALSO PROVIDES FOR COSTS INCURRED RELATED TO PERSONAL FINANCIAL AND TAX COUNSELING, UP TO $20,000 PER CALENDAR YEAR, AS WELL AS SPOUSAL TRAVEL FOR CERTAIN BUSINESS-RELATED EVENTS
SCHEDULE J, PART I, LINES 3, 4A AND 4B	LINE 3) COMPENSATION FOR THE CEO/EXECUTIVE DIRECTOR IS ESTABLISHED AT THE PARENT ORGANIZATION, THE FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC FOR FURTHER DETAILS REGARDING COMPENSATION OF OFFICERS, PLEASE REFER TO THE 2013 RETURN OF ORGANIZATION EXEMPT FROM INCOME TAX - FORM 990 FOR FINRA REGULATION'S PARENT ORGANIZATION, THE FINANCIAL INDUSTRY REGULATORY AUTHORITY 4A) IN CONNECTION WITH MARTIN P COLBURN'S SEPARATION FROM FINRA, HE WAS PAID $258,494 IN 2013 IN CONNECTION WITH MARC MENCHEL'S SEPARATION FROM FINRA REGULATION, INC HE WAS PAID $177,233 IN 2013 IN CONNECTION WITH HOWARD M SCHLOSS' SEPARATION FROM FINRA, HE WAS PAID $511,532 IN 2013 LINE 4B) FINRA OFFERS TWO NON-QUALIFIED SUPPLEMENTAL EXECUTIVE RETIREMENT PLANS ANNUAL INCREASES IN BENEFIT VALUE, CLIFF VESTING EVENTS, AND PAYOUT DIFFERENTIALS ARE TAXABLE IN THE YEAR IN WHICH THEY OCCUR AND ARE REPORTED IN COLUMN B(III) OF SCHEDULE J, PART II UNVESTED BENEFIT AND CONTRIBUTION ACCRUALS ARE TAX DEFERRED AND ARE REPORTED IN COLUMN C OF SCHEDULE J, PART II 1) FINRA'S SUPPLEMENTAL DEFINED BENEFIT PLAN IS A NON-QUALIFIED DEFINED BENEFIT PLAN THAT IS PROVIDED TO MEMBERS OF A SELECT GROUP OF MANAGEMENT OR HIGHLY COMPENSATED EMPLOYEES SUCH AS THOSE DESCRIBED UNDER 201(2), 301(A)(3), AND 401 (A)(1) OF ERISA IT IS A FINRA FUNDED PLAN IN WHICH PARTICIPANTS TYPICALLY HAVE A TAXABLE ONE-TIME CLIFF VESTING EVENT AT A SPECIFIED MILESTONE BASED ON BOTH AGE AND YEARS OF SERVICE THIS PLAN WAS CLOSED TO NEW ENTRANTS AS OF 12/31/05 PARTICIPANTS (WITH SERVICE RANGING FROM 14 TO 30 YEARS) IN THE NON-QUALIFIED DEFINED BENEFIT PLAN THAT HAD A CLIFF VESTING EVENT IN 2013 INCLUDE CAMERON K FUNKHOUSER - $673,089 EMILY P GORDY - $531,690 THOMAS M SELMAN - $1,078,627 THE AMOUNTS BELOW REPRESENT THE ACCUMULATED BENEFITS RECOGNIZED IN THE CURRENT YEAR FOR FEDERAL INCOME TAX PURPOSES UPON THE INDIVIDUALS' SEPARATION FROM FINRA AND THE PLAN THE BENEFITS WERE EARNED WITHIN THE NON-QUALIFIED DEFINED BENEFIT PLAN OVER THE DURATION OF THE INDIVIDUALS' YEARS OF SERVICE TO FINRA THESE AMOUNTS VARY BY INDIVIDUAL BASED ON YEARS OF SERVICE, COMPENSATION LEVELS AND PAY GRADE, AGE AT SEPARATION, AND PREVIOUS VESTING EVENTS THE AMOUNT BELOW WAS ACCRUED OVER 12 YEARS OF SERVICE MARTIN P COLBURN - $3,366,468 2) FINRA'S SUPPLEMENTAL DEFINED CONTRIBUTION PLAN IS A NON-QUALIFIED PLAN THAT IS OPEN TO VICE PRESIDENTS AND ABOVE WITH AN ANNUAL BASE PAY ABOVE THE QUALIFIED LIMIT IT IS ONLY OPEN TO THOSE NOT PARTICIPATING IN THE CLOSED NON-QUALIFIED DEFINED BENEFIT PLAN DESCRIBED ABOVE IT IS A FINRA FUNDED PLAN WITH A 3 YEAR VESTING CYCLE WITH ANNUAL VESTING BEGINNING AT AGE 62 PARTICIPANTS IN THE SUPPLEMENTAL NON-QUALIFIED DEFINED CONTRIBUTION PLAN WITH CONTRIBUTIONS VESTING IN 2013 INCLUDE MARCIA E ASQUITH - $150,533 SUSAN F AXELROD - $275,947 JAMES B BENNETT - $299,975 TRACY B JOHNSON - $159,219 RICHARD G KETCHUM - $283,350 JOHN F MALITZIS - $259,360 ROBERT A MARCHMAN - $239,265 MICHAEL G RUFINO - $176,613 STEPHEN M SCHOENEMAN - $187,855 GRACE B VOGEL - $301,729 PARTICIPANTS IN THE SUPPLEMENTAL NON-QUALIFIED DEFINED CONTRIBUTION BENEFIT PLAN THAT HAD A GROSS TAXABLE PAYOUT INCLUDE NONE

Additional Data

Software ID:
Software Version:
EIN: 52-1959501
Name: FINRA REGULATION INC

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
RICHARD G KETCHUM CEO	(i)	0	0	0	0	0	0	0
	(ii)	979,020	1,250,000	322,002	52,422	20,312	2,623,756	
TODD T DIGANCI EXECUTIVE VP AND CFO	(i)	0	0	0	0	0	0	0
	(ii)	474,448	680,000	23,975	38,339	25,626	1,242,388	
MARCIA E ASQUITH SENIOR VP AND CORP SECRETARY	(i)	0	0	0	0	0	0	0
	(ii)	236,001	250,000	174,938	29,860	28,403	719,202	82,712
F GREGORY AHERN EXECUTIVE VICE PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	372,860	100,000	194,090	98,154	44,043	809,147	100,000
SUSAN F AXELROD EXECUTIVE VICE PRESIDENT	(i)	368,723	425,000	297,343	28,117	41,484	1,160,667	147,474
	(ii)	0	0	0	0	0	0	0
J BRADLEY BENNETT EXECUTIVE VICE PRESIDENT	(i)	417,411	450,000	321,051	26,296	10,272	1,225,030	160,805
	(ii)	0	0	0	0	0	0	0
T GRANT CALLERY EXEC VP AND GENERAL COUNSEL	(i)	0	0	0	0	0	0	0
	(ii)	0	275,000	5,926	2,500	0	283,426	0
MARTIN P COLBURN EXECUTIVE VP AND CTO	(i)	0	0	0	0	0	0	0
	(ii)	124,814	400,000	3,696,482	15,069	3,497	4,239,862	322,783
ROBERT L D COLBY EVP & CHIEF LEGAL OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	477,376	300,000	25,623	126,553	18,868	948,420	0
CARLO DI FLORIO CHIEF RISK OFFICER	(i)	0	0	0	0	0	0	0
	(ii)	214,788	0	1,703	20,250	25,983	262,724	0
LINDA D FIENBERG PRESIDENT - DISPUTE RESOLUTION	(i)	0	0	0	0	0	0	0
	(ii)	438,644	360,000	39,725	62,789	19,874	921,032	0
THOMAS R GIRA EXECUTIVE VICE PRESIDENT	(i)	393,770	455,000	5,595	77,193	30,340	961,898	0
	(ii)	0	0	0	0	0	0	0
STEVEN A JOACHIM EXECUTIVE VICE PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	345,163	485,000	24,496	62,544	38,303	955,506	0
TRACY B JOHNSON SENIOR VICE PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	292,105	232,400	178,390	26,467	9,727	739,089	85,065
DEREK W LINDEN EXECUTIVE VICE PRESIDENT	(i)	330,740	315,000	15,482	53,186	27,130	741,538	0
	(ii)	0	0	0	0	0	0	0
MARC MENCHEL EXEC VP AND GENERAL COUNSEL	(i)	0	0	177,233	3,082	0	180,315	177,233
	(ii)	0	0	0	0	0	0	0
STEVEN J RANDICH EXECUTIVE VICE PRES & CIO	(i)	0	0	0	0	0	0	0
	(ii)	375,387	0	18,686	102,950	17,802	514,825	0
STEPHEN M SCHOENEMAN SENIOR VICE PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	318,265	265,000	211,542	42,403	29,764	866,974	106,463
THOMAS M SELMAN EXECUTIVE VICE PRESIDENT	(i)	334,634	340,000	1,104,885	40,895	27,360	1,847,774	102,238
	(ii)	0	0	0	0	0	0	0
JONATHAN J SOKOBIN SENIOR VICE PRESIDENT	(i)	0	0	0	0	0	0	0
	(ii)	160,594	0	26,469	14,755	15,608	217,426	0

Form 990, Schedule J, Part II - Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation (i) Base Compensation	(ii) Bonus & incentive compensation	(iii) Other compensation	(C) Deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
GRACE B VOGEL EXECUTIVE VICE PRESIDENT	(i) (ii)	349,852 0	500,000 0	324,037 0	40,401 0	28,937 0	1,243,227 0	171,210 0
CAMERON K FUNKHOUSER EXECUTIVE VICE PRESIDENT	(i) (ii)	325,129 0	340,000 0	696,657 0	44,140 0	28,982 0	1,434,908 0	36,118 0
EMILY P GORDY SENIOR VICE PRESIDENT	(i) (ii)	257,498 0	182,000 0	557,294 0	38,873 0	30,921 0	1,066,586 0	0 0
JOHN F MALITZIS EXECUTIVE VICE PRESIDENT	(i) (ii)	329,087 0	360,000 0	261,849 0	25,273 0	24,347 0	1,000,556 0	142,901 0
ROBERT A MARCHMAN EXECUTIVE VICE PRESIDENT	(i) (ii)	319,284 0	325,000 0	264,593 0	35,653 0	33,769 0	978,299 0	146,940 0
MICHAEL G RUFINO EXECUTIVE VICE PRESIDENT	(i) (ii)	294,067 0	335,000 0	197,629 0	26,791 0	44,160 0	897,647 0	0 0
HOWARD M SCHLOSS EXECUTIVE VICE PRESIDENT	(i) (ii)	0 0	0 0	0 507,385	0 0	0 4,147	0 511,532	0 311,450

Schedule L
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V, line 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.
▶Information about Schedule L (Form 990 or 990-EZ) and its instructions is at *www.irs.gov/form990*.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Part I Excess Benefit Transactions (section 501(c)(3) and section 501(c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Relationship between disqualified person and organization	(c) Description of transaction	(d) Corrected? Yes	No

2 Enter the amount of tax incurred by organization managers or disqualified persons during the year under section 4958 . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990-EZ, Part V, line 38a, or Form 990, Part IV, line 26, or if the organization reported an amount on Form 990, Part X, line 5, 6, or 22

(a) Name of interested person	(b) Relationship with organization	(c) Purpose of loan	(d) Loan to or from the organization? To	From	(e) Original principal amount	(f) Balance due	(g) In default? Yes	No	(h) Approved by board or committee? Yes	No	(i) Written agreement? Yes	No
Total		▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of assistance	(d) Type of assistance	(e) Purpose of assistance

Part IV Business Transactions Involving Interested Persons.
Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues? Yes	No
See Additional Data Table					

Part V Supplemental Information
Provide additional information for responses to questions on Schedule L (see instructions)

Return Reference	Explanation
SCHEDULE L, PART IV	FINRA'S BYLAWS DO NOT CLASSIFY DIRECTORS AS INDEPENDENT OR NOT INDEPENDENT AS A SELF-REGULATORY ORGANIZATION, BOARD MEMBERS ARE CLASSIFIED AS "PUBLIC" OR "INDUSTRY" AND A MAJORITY OF THE BOARD MUST ALWAYS MEET THE "PUBLIC" DEFINITION ADDITIONALLY, ANY TRANSACTIONS WITH COMPANIES THAT EMPLOY A BOARD MEMBER, OR FOR WHICH A BOARD MEMBER MAY SERVE AS A MEMBER OF ITS DIRECTORATE, INCLUDING THOSE LISTED BELOW, WERE CONDUCTED IN THE ORDINARY COURSE OF BUSINESS AND DO NOT REFLECT SPECIAL ARRANGEMENTS BETWEEN INTERESTED PARTIES HOWEVER, THE IRS DEFINITION OF AN INDEPENDENT VOTING MEMBER OF A GOVERNING BODY IS SPECIFIC TO THE FORM 990, AND APPLIES A CIRCUMSTANCES-BASED APPROACH FOCUSING ON COMPENSATION AS AN EMPLOYEE, COMPENSATION AS AN INDEPENDENT CONTRACTOR (EXCLUSIVE OF REASONABLE COMPENSATION FOR SERVING ON THE BOARD), AND A DOLLAR THRESHOLD FOR PAYMENTS MADE TO OR RECEIVED FROM ANOTHER ORGANIZATION IN THE ORDINARY COURSE OF BUSINESS PLEASE SEE PAGE 19 OF THE 2013 FORM 990 INSTRUCTIONS FOR THE COMPLETE IRS DEFINITION DURING TAX YEAR 2013, OR A PORTION THEREOF KEVIN CARRENO WAS THE GENERAL COUNSEL AND CHIEF RISK OFFICER OF INTERNATIONAL ASSETS ADVISORY, LLC AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS INTERNATIONAL ASSETS ADVISORY, LLC PAID FINRA REGULATION, INC $184,860 FOR REGULATORY FEES AND SERVICES MARK S CASADY WAS THE CHAIRMAN AND CEO OF LPL FINANCIAL AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS LPL FINANCIAL PAID FINRA REGULATION, INC $28,028,912 FOR REGULATORY SERVICES W DENNIS FERGUSON WAS VICE PRESIDENT OF STERNE AGEE FINANCIAL SERVICES AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS STERNE AGEE FINANCIAL SERVICES PAID FINRA REGULATION, INC $531,241 FOR REGULATORY SERVICES W DENNIS FERGUSON WAS THE REGISTERED PRINCIPAL FOR STERNE, AGEE & LEACH, INC AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS STERNE, AGEE & LEACH, INC PAID FINRA REGULATION, INC $1,240,044 FOR REGULATORY SERVICES DR SHIRLEY ANN JACKSON WAS CHAIRMAN OF NYSE REGULATION, INC , WAS A MEMBER OF THE BOARD OF NYSE EURONEXT, AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS DURING 2013 NYSE RELATED ORGANIZATIONS PAID FINRA REGULATION, INC $56,759,742 FOR REGULATORY SERVICES FINRA REGULATION, INC PAID NYSE RELATED ORGANIZATIONS $289,465 FOR SUPPORT SERVICES AND $6,779,099 FOR PASS-THROUGH FINES COLLECTED BY FINRA REGULATION, INC AND REMITTED TO NYSE KURT P STOCKER WAS A MEMBER OF THE BOARD OF NYSE REGULATION, INC , WAS A MEMBER OF THE BOARD OF NYSE EURONEXT, AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS DURING 2013 NYSE RELATED ORGANIZATIONS PAID FINRA REGULATION, INC $56,759,742 FOR REGULATORY SERVICES FINRA REGULATION, INC PAID NYSE RELATED ORGANIZATIONS $289,465 FOR SUPPORT SERVICES AND $6,779,099 FOR PASS-THROUGH FINES COLLECTED BY FINRA REGULATION, INC AND REMITTED TO NYSE JAMES D WEDDLE WAS THE MANAGING PARTNER OF EDWARD JONES AND A MEMBER OF THE FINRA REGULATION, INC BOARD OF DIRECTORS EDWARD JONES PAID FINRA REGULATION, INC $27,473,306 FOR REGULATORY FEES AND SERVICES MEGAN E PELUSO WAS AN EMPLOYEE OF FINRA REGULATION, INC AND THE DAUGHTER OF T GRANT CALLERY, FORMER EVP AND GENERAL COUNSEL OF FINRA (THROUGH 10/12/12) FINRA PAID MS PELUSO ANNUAL COMPENSATION OF $73,559

Additional Data

Software ID:
Software Version:
EIN: 52-1959501
Name: FINRA REGULATION INC

Form 990, Schedule L, Part IV - Business Transactions Involving Interested Persons

(a) Name of interested person	**(b)** Relationship between interested person and the organization	**(c)** Amount of transaction	**(d)** Description of transaction	**(e)** Sharing of organization's revenues?	
				Yes	No
(1) NYSE EURONEXTNYSE REGULATION	SCHEDULE L, PART V	63,828,306	SCHEDULE L, PART V		No
(2) LPL FINANCIAL	SCHEDULE L, PART V	28,028,912	SCHEDULE L, PART V		No
(3) EDWARD JONES	SCHEDULE L, PART V	27,473,306	SCHEDULE L, PART V		No
(4) STERNE AGEE LEACH	SCHEDULE L, PART V	1,240,044	SCHEDULE L, PART V		No
(5) STERNE AGEE FINANCIAL SERVICES	SCHEDULE L, PART V	531,241	SCHEDULE L, PART V		No
(6) INTERNATIONAL ASSETS ADVISORY	SCHEDULE L, PART V	184,860	SCHEDULE L, PART V		No
(7) MEGAN E PELUSO	SCHEDULE L, PART V	73,559	SCHEDULE L, PART V		No

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SCHEDULE O (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.
▶ Information about Schedule O (Form 990 or 990-EZ) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Return Reference	Explanation
VOLUNTARY DISCLOSURE OF FINANCIAL INFORMATION	THE FINANCIAL INFORMATION INCLUDED IN THE FORM 990 IS PRESENTED ON A STAND-ALONE BASIS WITH ALL SIGNIFICANT INTERCOMPANY RECEIVABLE AND PAYABLE AMOUNTS ELIMINATED AND DOES NOT REPRESENT THE CONSOLIDATED RESULTS FOR FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC (FINRA) AND ITS SUBSIDIARIES THE FINANCIAL INFORMATION PRESENTED REFLECTS ESTIMATES OF OVERHEAD ALLOCATIONS THE 2013 FORM 990 SHOULD BE READ IN CONNECTION WITH THE 2013 FINRA ANNUAL FINANCIAL REPORT WHICH IS AVAILABLE @ WWW FINRA ORG SEE ALSO SEPARATE 2013 FORM 990'S FOR RELATED ENTITIES, INCLUDING FINRA, FINRA DISPUTE RESOLUTION, INC , AND FINRA INVESTOR EDUCATION FOUNDATION

Return Reference	Explanation	
	FORM 990, PART III, LINE 4	FINRA IS AN INDEPENDENT, NON-GOVERNMENTAL REGULATOR FOR ALL SECURITIES FIRMS DOING BUSINES S WITH THE PUBLIC IN THE UNITED STATES THROUGH FINRA REGULATION, FINRA OVERSEES NEARLY 4, 100 BROKERAGE FIRMS, ABOUT 161,000 BRANCH OFFICES AND ALMOST 636,000 REGISTERED SECURITIES REPRESENTATIVES FINRA IS DEDICATED TO INVESTOR PROTECTION AND MARKET INTEGRITY THROUGH E FFECTIVE AND EFFICIENT REGULATION OF THE SECURITIES INDUSTRY 4A) MARKET REGULATION FINRA' S MARKET REGULATION DEPARTMENT OVERSEES AND REGULATES OVER-THE-COUNTER TRADING OF EXCHANGE -LISTED AND NON-EXCHANGE-LISTED SECURITIES AND CORPORATE AND MUNICIPAL DEBT FOR COMPLIANCE WITH FINRA AND MUNICIPAL SECURITIES RULEMAKING BOARD (MSRB) AND FEDERAL SECURITIES LAWS MARKET REGULATION ALSO PROVIDES REGULATORY SERVICES TO NASDAQ OMX, NASDAQ OMX PHLX, NASDAQ OMX BX, NYSE, NYSE ARCA AND DIRECT EDGE. IN 2013, MARKET REGULATION OPENED 5,318 REVIEWS OR INVESTIGATIONS AND 188 EXAMINATIONS IN ADDITION, THE DEPARTMENT REFERRED 166 MATTERS T O THE SECURITIES AND EXCHANGE COMMISSION 4B) MEMBER REGULATION FINRA'S MEMBER REGULATION DEPARTMENT HAS A COMPREHENSIVE EXAMINATION PROGRAM WITH DEDICATED RESOURCES OF NEARLY 1,10 0 EMPLOYEES STAFF FROM FINRA MEMBER REGULATION CONDUCT REGULAR EXAMINATIONS ON A SCHEDULE THAT IS ESTABLISHED BASED ON A RISK-PROFILE MODEL IN ADDITION, MEMBER REGULATION CONDUCT S TARGETED EXAMINATIONS BASED ON INVESTOR COMPLAINTS, REFERRALS FROM OTHER FINRA DEPARTMEN TS, TERMINATIONS OF BROKERAGE EMPLOYEES FOR CAUSE, ARBITRATIONS AND REFERRALS FROM OTHER R EGULATORS MEMBER REGULATION ALSO DETERMINES EXAMINATION PRIORITIES AND CONDUCTS SPECIAL " SWEEPS" TO TARGET ISSUES OF IMMEDIATE CONCERN IN 2013, FINRA MEMBER REGULATION CONDUCTED NEARLY 1,900 REGULAR EXAMINATIONS AND NEARLY 7,000 TARGETED AND SWEEP REVIEWS THAT RESULTE D IN OVER 3,700 EXAMINATIONS 4C) ENFORCEMENT FEDERAL LAW GIVES FINRA THE AUTHORITY TO DIS CIPLINE SECURITIES FIRMS AND INDIVIDUALS IN THE SECURITIES INDUSTRY WHO VIOLATE THE FEDERA L SECURITIES LAWS AND RULES AS WELL AS FINRA AND MUNICIPAL SECURITIES RULEMAKING BOARD (MS RB) RULES THROUGH ITS ENFORCEMENT AND MARKET REGULATION DEPARTMENTS, FINRA BRINGS DISCIPL INARY ACTIONS AGAINST FIRMS AND THEIR EMPLOYEES THAT MAY RESULT IN SANCTIONS INCLUDING CEN SURES, FINES, SUSPENSIONS AND, IN EGREGIOUS CASES, EXPULSIONS OR BARS FROM THE INDUSTRY I N APPROPRIATE CASES, FINRA WILL REQUIRE FIRMS AND INDIVIDUALS TO PROVIDE RESTITUTION TO HA RMED INVESTORS AND OFTEN IMPOSES OTHER CONDITIONS ON A FIRM'S BUSINESS TO PREVENT REPEATED WRONGDOING IN 2013, FINRA BROUGHT 1,535 DISCIPLINARY ACTIONS AGAINST REGISTERED INDIVIDU ALS AND FIRMS AND LEVIED FINES TOTALING MORE THAN $60 MILLION IN ADDITION, FINRA EXPELLED 24 FIRMS FROM THE SECURITIES INDUSTRY, SUSPENDED 38 FIRMS, BARRED 429 INDIVIDUALS AND SUS PENDED 670 BROKERS FROM ASSOCIATION WITH FINRA-REGULATED FIRMS 4D) OFFICE OF FRAUD DETECT ION AND MARKET INTELLIGENCE FINRA'S OFFICE OF FRAUD DETECTION AND MARKET INTELLIGENCE (OFD MI)PROVIDES A HEIGHTENED AND EXPEDITED REVIEW OF ALLEGATIONS OF SERIOUS FRAUDS, A CENTRALI ZED POINT OF CONTACT INTERNALLY AND EXTERNALLY ON FRAUD ISSUES, AND CONSOLIDATES RECOGNIZE D EXPERTISE IN EXPEDITED FRAUD DETECTION AND INVESTIGATION IN ADDITION, THIS DEPARTMENT I S RESPONSIBLE FOR CONDUCTING INSIDER-TRADING AND FRAUD SURVEILLANCE FOR ALL OTC, NASDAQ-, NYSE AND NYSE AMEX- LISTED ISSUES ACROSS ALL U S EXCHANGES THE DEPARTMENT HOUSES THE CEN TRAL REVIEW GROUP WHICH IS RESPONSIBLE FOR THE TRIAGE REVIEW OF COMPLAINTS AND BROKER-DEAL ER FILINGS OFDMI ALSO OVERSEES FINRA'S WHISTLEBLOWER PROGRAM IN 2013, THE CENTRAL REVIEW GROUP REVIEWED OVER 26,000 FILINGS, COMPLAINTS, TIPS AND ARBITRATION-RELATED MATTERS THE INSIDER TRADING SURVEILLANCE, FRAUD SURVEILLANCE AND WHISTLEBLOWER UNITS REFERRED CONDUCT ED INVESTIGATIONS WHICH RESULTED IN OVER 660 REFERRALS TO THE SEC, OTHER FEDERAL AND STATE LAW ENFORCEMENT AGENCIES OR OTHER INTERNAL FINRA DEPARTMENTS THESE REFERRALS INVOLVED IN SIDER TRADING, MICROCAP FRAUD, PONZI-TYPE SCHEMES, ELDER FINANCIAL ABUSE, ANTI-MONEY LAUND ERING REQUIREMENTS OR OTHER POTENTIAL VIOLATIONS OF FEDERAL LAWS, STATE REGULATIONS OR FIN RA RULES 4E) REGISTRATION AND DISCLOSURE ANY PERSON ENGAGED IN THE SECURITIES BUSINESS OF THE FIRM INCLUDING PARTNERS, OFFICERS, DIRECTORS, BRANCH MANAGERS, DEPARTMENT SUPERVISORS AND SALESPERSONS MUST REGISTER WITH FINRA THROUGH ITS REGISTRATION AND DISCLOSURE DEPART MENT, FINRA OPERATES WEB CRD, THE CENTRAL LICENSING AND REGISTRATION SYSTEM FOR THE U S S ECURITIES INDUSTRY AND ITS REGULATORS IT ALSO OPERATES THE INVESTMENT ADVISER REGISTRATIO N DEPOSITORY ON BEHALF OF THE SEC THESE SYSTEMS CONTAIN THE REGISTRATION RECORDS OF MORE THAN 4,100 REGISTERED BROKER-DEALERS AND MORE THAN 28,000 INVESTMENT ADVISERS, AND THE QUA LIFICATION, EMPLOYMENT, AND DISCLOSURE HISTORIES OF MORE THAN 636,000 ACTIVE REGISTERED IN DIVIDUALS, MAKING IT ONE OF THE LARGEST AND MOST SOPHISTICATED ONLINE REGISTRATION AND REP ORTING SYSTEM FINRA ALSO OPERATES THE BROKERCHECK

Return Reference	Explanation	
	FORM 990, PART III, LINE 4	PROGRAM, AN ONLINE SYSTEM FOR INVESTORS TO CHECK OUT THE BACKGROUNDS OF INVESTMENT PROFES SIONALS BROKERCHECK CONTAINS RECORDS ON 128 MILLION CURRENT AND FORMER BROKERS AND OVER 1 7,500 CURRENT AND FORMER FINRA MEMBER FIRMS

Return Reference	Explanation
FORM 990, PART VI, LINE 2	DURING TAX YEAR 2013, OR A PORTION THEREOF, THE FOLLOWING FINRA REGULATION, INC DIRECTORS ALSO SERVED TOGETHER AS MEMBERS OF THE BOARD OF NYSE REGULATION DR SHIRLEY ANN JACKSON KURT P STOCKER ROBERT L D COLBY AND GARY H STERN HAD A BUSINESS RELATIONSHIP DURING 2013 AS THEY SERVED TOGETHER ON THE BOARD OF THE DEPOSITORY TRUST CLEARING CORPORATION

Return Reference	Explanation
FORM 990, PART VI, LINE 6	FINRA IS THE SOLE NOT-FOR-PROFIT STOCKHOLDER OF FINRA REGULATION, INC

Return Reference	Explanation
FORM 990, PART VI, LINE 7A	FINRA, THE SOLE NOT-FOR-PROFIT STOCKHOLDER, ELECTS ALL MEMBERS OF THE GOVERNING BODY

Return Reference	Explanation
FORM 990, PART VI, LINE 7B	FINRA, THE SOLE NOT-FOR-PROFIT STOCKHOLDER, RETAINS THE FOLLOWING AUTHORITY AND FUNCTIONS 1) TO EXERCISE OVERALL RESPONSIBILITY FOR ENSURING THAT THE ASSOCIATION'S STATUTORY AND SELF-REGULATORY OBLIGATIONS AND FUNCTIONS ARE FULFILLED 2) TO DELEGATE AUTHORITY TO THE SUBSIDIARIES TO TAKE ACTIONS ON BEHALF OF THE ASSOCIATION 3) TO ELECT THE SUBSIDIARY BOARDS OF DIRECTORS 4) TO REVIEW THE RULEMAKING AND DISCIPLINARY DECISIONS OF THE SUBSIDIARIES 5) TO COORDINATE ACTIONS OF THE SUBSIDIARY BOARDS AS NECESSARY 6) TO RESOLVE ANY DISPUTES AMONG THE SUBSIDIARIES 7) TO ADMINISTER COMMON OVERHEAD AND TECHNOLOGY OF THE SUBSIDIARIES 8) TO ADMINISTER THE OFFICE OF INTERNAL REVIEW AS PROVIDED IN THE ASSOCIATION'S BY-LAWS 9) TO MANAGE EXTERNAL ASSOCIATION RELATIONS ON MAJOR POLICY ISSUES 10) TO DIRECT THE SUBSIDIARIES TO TAKE ACTION NECESSARY TO EFFECTUATE THE PURPOSES AND FUNCTIONS OF THE ASSOCIATION 11) TO TAKE ACTION AB INITIO IN AN AREA OF RESPONSIBILITY DELEGATED TO SUBSIDIARIES

Return Reference	Explanation
FORM 990, PART VI, LINE 11B	THE FORM 990 WAS REVIEWED BY SENIOR MANAGEMENT AT VARIOUS STEPS THROUGHOUT THE PREPARATION CYCLE THE AUDIT AND MANAGEMENT COMPENSATION COMMITTEES REVIEWED AND APPROVED THE ORGANIZATION'S 2013 FORM 990 ON OCTOBER 3, 2014 THE BOARD WAS PROVIDED ACCESS TO THE FINAL FORM 990 FOR REVIEW (VIA A WEBSITE FOR BOARD MEMBERS ONLY) PRIOR TO FILING

Return Reference	Explanation
FORM 990, PART VI, LINE 12C	THE ORGANIZATION HAS WRITTEN CONFLICT OF INTEREST POLICIES FOR BOARD MEMBERS AND EMPLOYEES THE WRITTEN CONFLICT OF INTEREST POLICY FOR BOARD MEMBERS REQUIRES INITIAL DISCLOSURE OF INTERESTS THAT COULD GIVE RISE TO CONFLICTS AS WELL AS ANNUAL DISCLOSURE BY THE SAME BOARD MEMBERS ADDITIONALLY, THE WRITTEN POLICY CONTAINS AN ONGOING OBLIGATION OF BOARD MEMBERS TO DISCLOSE POTENTIAL CONFLICTS OF INTEREST AS THEY ARISE THE CODE OF CONDUCT POLICY REQUIRES EMPLOYEES TO CERTIFY ANNUALLY AS TO THEIR COMPLIANCE WITH THE WRITTEN POLICY THE WRITTEN POLICY CONTAINS AN ONGOING OBLIGATION FOR EMPLOYEES TO INFORM FINRA OF ALL BROKERAGE ACCOUNTS IN WHICH THEY HAVE AN INTEREST AND TO ARRANGE FOR FINRA TO RECEIVE DUPLICATE ACCOUNT STATEMENTS FINRA REVIEWS TRANSACTIONS IN EMPLOYEES' BROKERAGE ACCOUNTS TO ENSURE COMPLIANCE WITH FINRA'S INVESTMENT RESTRICTIONS AMONG OTHER THINGS, THESE RESTRICTIONS PROHIBIT EMPLOYEES FROM HAVING AN INTEREST IN A BROKER-DEALER OR ENTITY THAT DERIVES 10% OR MORE OF ITS REVENUE, NET OF INTEREST EXPENSE, FROM BROKER-DEALER SUBSIDIARIES OR AFFILIATES A LIST OF PROHIBITED COMPANIES IS POSTED ON FINRA'S CORPORATE INTRANET FINRA'S DEPARTMENT HEADS HAVE ACCESS TO SEVERAL ONLINE REPORTS THAT HELP THEM AVOID ASSIGNING AN EMPLOYEE TO WORK ON A PROJECT THAT WOULD GIVE RISE TO A CONFLICT FOR INSTANCE, A MANAGER CAN DETERMINE WHETHER AN EMPLOYEE'S STOCK HOLDINGS WOULD CONFLICT WITH A PROPOSED FINRA ASSIGNMENT (E.G , ASSIGNING AN EMPLOYEE TO NEGOTIATE A CONTRACT WITH A VENDOR IN WHICH THE EMPLOYEE HAS A SIGNIFICANT STOCK POSITION) EMPLOYEES ARE REGULARLY REMINDED OF THE RESOURCES THAT ARE AVAILABLE WHEN THEY ARE UNSURE WHAT TO DO IN ADDITION TO TALKING TO DEPARTMENTAL MANAGEMENT, EMPLOYEES CAN DISCUSS CONFLICT-RELATED CONCERNS WITH FINRA'S OFFICE OF GENERAL COUNSEL OR ETHICS MANAGER IF THEY ARE UNCOMFORTABLE DISCLOSING AN ISSUE AND DISCLOSING THEIR IDENTITY, THEY CAN USE FINRA'S 24-HOUR ETHICSPOINT HOTLINE TO POSE QUESTIONS OR REPORT CONCERNS COMMUNICATIONS MADE THROUGH ETHICSPOINT ARE CONFIDENTIAL AND, IF THE EMPLOYEE WISHES, ANONYMOUS FINRA'S WHISTLEBLOWER POLICY FORBIDS RETALIATION AGAINST EMPLOYEES WHO REPORT SUSPECTED MISCONDUCT IN GOOD FAITH, EVEN IF THE REPORT ULTIMATELY PROVES TO BE ERRONEOUS

Return Reference	Explanation
FORM 990, PART VI, LINES 15A AND 15B	THE MANAGEMENT COMPENSATION COMMITTEE OF THE FINRA BOARD OF GOVERNORS (THE "COMMITTEE") IS RESPONSIBLE FOR SETTING PAY FOR EXECUTIVES OF FINRA AND SUBSIDIARIES WHOSE TOTAL COMPENSATION, INCLUDING INCENTIVE COMPENSATION, MAY EXCEED $1 MILLION THE COMMITTEE IS COMPRISED OF FOUR NON-EMPLOYEE, NON-SECURITIES INDUSTRY MEMBERS OF THE BOARD OF GOVERNORS THE COMMITTEE MET ON JANUARY 30, 2013 AND FEBRUARY 12, 2013 TO ESTABLISH INCENTIVE COMPENSATION ATTRIBUTABLE TO THE PERFORMANCE OF SERVICES DURING CALENDAR YEAR 2012 AND TO ESTABLISH BASE SALARIES FOR CALENDAR YEAR 2013 AS A GENERAL POLICY, FINRA HAS DETERMINED ITS COMPETITIVE COMPENSATION POSITIONING SHOULD BE CONSIDERED AGAINST A BROAD SECTION OF FINANCIAL SERVICES/CAPITAL MARKET COMPANIES, AS THIS SECTOR IS THE MOST LIKELY FROM WHICH WE RECRUIT TALENT AND TALENT IS RECRUITED FROM US WE ALSO BENCHMARK AGAINST GENERAL INDUSTRY POSITIONS AND LAW DEPARTMENTS FOR JOBS THAT ARE NOT UNIQUE TO THE FINANCIAL SERVICES INDUSTRY THE COMMITTEE ENGAGED MERCER, INC ("MERCER"), A THIRD-PARTY COMPENSATION CONSULTANT, TO PREPARE A COMPENSATION STUDY FOR REVIEW AT THESE MEETINGS IN DETERMINING A BENCHMARKING STRATEGY FOR KEY EXECUTIVES, FINANCIAL SERVICES ORGANIZATIONS (BROKER-DEALERS, INVESTMENT BANKS, FEDERAL RESERVE BANKS, COMMERCIAL BANKS, INSURANCE COMPANIES, EXCHANGES AND REGULATORS) WERE DETERMINED TO BE THE MOST RELEVANT GROUPS FOR COMPARISON PURPOSES THE COMMITTEE AND MERCER ENGAGED IN SUBSTANTIAL RESEARCH AND CONSIDERATION OF THE FUNCTIONS AND OPERATIONS OF SEVERAL POTENTIAL COMPARATORS AS WELL AS GENERAL COMPETITIVE CONDITIONS IN DETERMINING SPECIFIC SALARY AND INCENTIVE COMPENSATION LEVELS FOR OFFICERS AND KEY EMPLOYEES, MANAGEMENT AND THE COMMITTEE CONSIDER 1) OPERATIONAL RESULTS 2) STRATEGIC INITIATIVES 3) FINANCIAL HEALTH/RESULTS 4) INDIVIDUAL PERFORMANCE 5) COMPETITIVE COMPENSATION LEVELS AS PREPARED BY MERCER, INC , A THIRD-PARTY COMPENSATION CONSULTANT THE COMMITTEE'S MINUTES OF THE JANUARY 30, 2013 AND FEBRUARY 12, 2013 MEETINGS WERE REVIEWED AND APPROVED AS ACCURATE AND COMPLETE FOLLOWING THE COMMITTEE'S APPROVAL OF THE SENIOR EXECUTIVE COMPENSATION PACKAGES THE FULL BOARD FURTHER APPROVED THE 2012 INCENTIVE COMPENSATION OF THE CEO AT ITS MEETING ON FEBRUARY 13, 2013 ALL COMPENSATION COMMITTEE MEMBERS VOTED FOR THE PROPOSED LEVEL OF EXECUTIVE COMPENSATION

Return Reference	Explanation
FORM 990, PART VI, LINE 19	THE ORGANIZATION MAKES ITS GOVERNING DOCUMENTS AND THE FINRA CONSOLIDATED AUDITED FINANCIAL STATEMENTS AVAILABLE UPON REQUEST

Return Reference	Explanation
FORM 990, PART VII, COLUMN B	THE OFFICERS / KEY EMPLOYEES LISTED IN FORM 990, PART VII, DEVOTE AN AVERAGE TOTAL OF 60 HOURS PER WEEK TO THE FILING ORGANIZATION AND ANY OR ALL OF THE FOLLOWING RELATED ORGANIZATIONS FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC FINRA DISPUTE RESOLUTION, INC , AND FINRA INVESTOR EDUCATION FOUNDATION

Return Reference	Explanation
FORM 990, PART XI, LINE 9	OTHER CHANGES IN NET ASSETS OR FUND BALANCES PRIMARILY RELATE TO ANY OR ALL OF THE FOLLOWING CHANGES IN NET INCOME/(LOSS), UNRECOGNIZED EMPLOYEE BENEFIT PLAN AMOUNTS AND UNREALIZED GAIN/(L0SS) ON INVESTMENTS FOR ADDITIONAL INFORMATION PLEASE SEE THE FINRA 2013 ANNUAL FINANCIAL REPORT WHICH IS AVAILABLE @ WWW FINRA ORG

SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" on Form 990, Part IV, line 33, 34, 35b, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.
▶ Information about Schedule R (Form 990) and its instructions is at www.irs.gov/form990.

OMB No 1545-0047

2013

Open to Public Inspection

Name of the organization
FINRA REGULATION INC

Employer identification number
52-1959501

Part I **Identification of Disregarded Entities** Complete if the organization answered "Yes" on Form 990, Part IV, line 33.

(a) Name, address, and EIN (if applicable) of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity

Part II **Identification of Related Tax-Exempt Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity? Yes	No
(1) FINANCIAL IND REGULATORY AUTHORITY INC 1735 K STREET NW WASHINGTON, DC 20006 53-0088710	REGULATORY	DE	501(C)(6)		NA		No
(2) FINRA DISPUTE RESOLUTION INC 1735 K STREET NW WASHINGTON, DC 20006 52-2187577	ARBITRATION	DE	501(C)(6)		FINRA		No
(3) FINRA INVESTOR EDUCATION FOUNDATION 1735 K STREET NW WASHINGTON, DC 20006 20-0863779	EDUCATION	DE	501(C)(4)		FINRA		No

Part III **Identification of Related Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations? Yes	(h) No	(i) Code V-UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership	(i) Section 512 (b)(13) controlled entity? Yes	(i) No
(1) NEW NASD HOLDING INC 1735 K STREET NW WASHINGTON, DC 200061506 52-2307595	HOLDING CO	DE	FINRA	C-CORP	0	0			No

Part V **Transactions With Related Organizations** Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35b, or 36.

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties or **(iv)** rent from a controlled entity	1a		No
b Gift, grant, or capital contribution to related organization(s)	1b		No
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Dividends from related organization(s)	1f		
g Sale of assets to related organization(s)	1g		No
h Purchase of assets from related organization(s)	1h		No
i Exchange of assets with related organization(s)	1i		No
j Lease of facilities, equipment, or other assets to related organization(s)	1j		No
k Lease of facilities, equipment, or other assets from related organization(s)	1k		No
l Performance of services or membership or fundraising solicitations for related organization(s)	1l		No
m Performance of services or membership or fundraising solicitations by related organization(s)	1m		No
n Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1n		No
o Sharing of paid employees with related organization(s)	1o		No
p Reimbursement paid to related organization(s) for expenses	1p		No
q Reimbursement paid by related organization(s) for expenses	1q	Yes	
r Other transfer of cash or property to related organization(s)	1r		No
s Other transfer of cash or property from related organization(s)	1s		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of related organization	(b) Transaction type (a-s)	(c) Amount involved	(d) Method of determining amount involved

Part VI **Unrelated Organizations Taxable as a Partnership** Complete if the organization answered "Yes" on Form 990, Part IV, line 37.

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V?UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Part VII Supplemental Information

Provide additional information for responses to questions on Schedule R (see instructions)

Return Reference	Explanation