Annual Inspections pursuant to Commission Rule 21 VAC 5-20-260 F.

Commission Rule 21VAC5-20-260 F requires broker-dealers to conduct an annual physical inspection of business offices. In order to assist broker-dealers operating within the parameters of both state and federal requirements to address the COVID-19 pandemic, the Division of Securities and Retail Franchising will follow the guidelines set forth in FINRA Regulatory Release 20-08, in which a broker-dealer may temporarily postpone physical inspections during the pandemic.

The Division will continuously monitor the duration and severity of the pandemic and the ability of broker-dealers to complete physical inspections in 2020.

As coronavirus-related risks decrease, broker-dealers with business offices in Virginia should expect to return to meeting any regulatory obligations for which relief has been provided. The Division will notify you of the termination date for the temporary regulatory relief, so firms can resume normal operations, including annual physical inspections of business offices.