State Regulatory Registry LLC

Financial Report
December 31, 2023

Contents

Independent Auditor's Report

Board of Managers
State Regulatory Registry LLC

Opinion
We have audited the financial statements of State Regulatory Registry LLC (SRR), which comprise the statements of financial position as of December 31, 2023 and 2022, the related statements of operations and member's equity and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of SRR as of December 31, 2023 and 2022, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion
We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of SRR and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements
Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about SRR's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of SRR's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about SRR's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

RSM US LLP

Washington, D.C.
May 14, 2024

State Regulatory Registry LLC

Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	**$ 37,797,171**	$ 80,853,414
Accounts receivable, less allowance for expected credit losses 2023 $874; 2022 $3,005	**1,255,326**	681,193
Investments	**112,920,768**	63,136,116
Prepaid expenses and other	**1,561,757**	918,884
Due from related parties, net	**-**	5,748,929
Property and equipment, net	**16,811,494**	18,118,938
Total assets	**$ 170,346,516**	$ 169,457,474
Liabilities and Member's Equity		
Liabilities:		
Accounts payable and accrued expenses	**$ 8,326,249**	$ 6,199,312
Deferred revenue	**1,917,207**	1,947,837
Due to related party, net	**2,418,611**	10,815,972
Total liabilities	**12,662,067**	18,963,121
Commitments and contingencies (Note 7)		
Member's equity:		
Undesignated	**16,811,494**	18,118,938
Designated for reserves and development	**140,872,955**	132,375,415
Total member's equity	**157,684,449**	150,494,353
Total liabilities and member's equity	**$ 170,346,516**	$ 169,457,474

See notes to financial statements.

State Regulatory Registry LLC

Statements of Operations and Member's Equity
Years Ended December 31, 2023 and 2022

	2023	2022
Revenue:		
NMLS processing fees	**$ 59,319,820**	$ 68,106,431
NMLS professional services, net	**11,358,742**	15,870,504
Registration fees	**340,258**	327,800
Net investment income (loss)	**6,735,967**	(6,605,290)
Total revenue	**77,754,787**	77,699,445
Expenses:		
Program expenses:		
NMLS and SES system operations	**20,923,718**	20,673,034
NMLS professional services	**668,506**	729,778
NMLS - Call Center	**5,518,120**	6,527,395
Professional services - legal, audit and other	**4,829,204**	5,474,528
Staff, board and member travel and meetings	**1,207,446**	715,014
Grants to CSBS and Education Foundation	**3,208,783**	2,745,637
Staffing and administrative expenses:		
Salaries and benefits	**26,956,016**	26,936,218
Technology and general office	**5,653,802**	5,414,752
Rent and occupancy	**1,599,096**	2,840,899
Total expenses	**70,564,691**	72,057,255
Change in member's equity before other item	**7,190,096**	5,642,190
Impairment loss—SES and NMLS development costs	**-**	(52,785,805)
Change in member's equity	**7,190,096**	(47,143,615)
Member's equity		
Beginning	**150,494,353**	197,637,968
Ending	**$ 157,684,449**	$ 150,494,353

See notes to financial statements.

State Regulatory Registry LLC

Statements of Cash Flows
Years Ended December 31, 2023 and 2022

	2023	2022
Cash flows from operating activities:		
Change in member's equity	**$ 7,190,096**	$ (47,143,615)
Adjustments to reconcile change in member's equity to net cash provided by operating activities:		
Depreciation and amortization	**4,101,939**	4,360,185
Loss on impairment—SES and NMLS development costs	**-**	52,785,805
Realized and unrealized (gain) loss on investments	**(2,779,855)**	8,270,598
Changes in assets and liabilities:		
(Increase) decrease in:		
Accounts receivable	**(574,133)**	(339,748)
Prepaid expenses	**(642,873)**	119,500
Increase (decrease) in:		
Accounts payable and accrued expenses	**2,126,937**	(4,065,153)
Due to related parties, net	**(2,648,432)**	(1,017,189)
Deferred revenue	**(30,630)**	90,543
Net cash provided by operating activities	**6,743,049**	13,060,926
Cash flows from investing activities:		
Purchases of property and equipment	**(2,794,495)**	(7,287,283)
Purchases of investments	**(63,504,797)**	(1,415,325)
Proceeds from sales of investments	**16,500,000**	26,194
Net cash used in investing activities	**(49,799,292)**	(8,676,414)
Net (decrease) increase in cash and cash equivalents	**(43,056,243)**	4,384,512
Cash and cash equivalents:		
Beginning	**80,853,414**	76,468,902
Ending	**$ 37,797,171**	$ 80,853,414

See notes to financial statements.

Note 1. Nature of Business and Significant Accounting Policies

Nature of business: State Regulatory Registry LLC (SRR) operates the Nationwide Multistate Licensing System and Registry (NMLS) on behalf of state financial services regulatory agencies. SRR is governed by an eight-member Board of Managers comprised of state banking and financial regulators and a representative of the American Association of Residential Mortgage Regulators (AARMR). The SRR Board of Managers is responsible for all development, operations and policy matters concerning NMLS.

SRR is a single-member limited liability company owned entirely by Conference of State Bank Supervisors, Inc. (the Conference) and is, therefore, consolidated with the Conference and its affiliates. The Conference was founded in 1902 as a nonprofit organization. The primary purpose of the Conference is to assure the ability of each state banking authority to provide safe, sound and well-regulated financial institutions to meet the unique financial needs of local economies and their citizens. Its members are public entities who charter, regulate and supervise state-chartered banks of the United States. State bankers are also members.

The NMLS was created to comply with the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 (SAFE Act). NMLS is a web-based system that allows state-licensed nondepository companies, branches and individuals in the mortgage, consumer lending, money services businesses and debt collection industries to apply for, amend, update or renew a license online for all participating state agencies using a single set of uniform applications. Mortgage loan originators employed by insured depository institutions are also registered through NMLS. NMLS brings greater uniformity and transparency to these nondepository financial services industries while maintaining and strengthening the ability of state regulators to monitor these industries and protect their citizens. All individual mortgage loan originators are represented in the system.

A summary of SRR's significant accounting policies follows:

Member assets and liabilities: In accordance with the generally accepted method of presenting limited liability company (LLC) financial statements, the financial statements do not include the assets and liabilities of the single-member.

Cash and cash equivalents: For financial statement purposes, SRR considers all highly liquid investments with an original maturity of three months or less that are not held in investment accounts to be cash equivalents.

Investments: Investments consist of equity securities. To adjust the carrying value of these investments, the change in fair value is charged or credited to investment (loss) or income net of related fees.

Financial risk: SRR maintains accounts with a commercial bank. At times, certain balances held within these accounts may not be fully guaranteed or insured by the U.S. federal government. SRR has not experienced any such losses in the past, and does not believe it is exposed to any significant financial risk on these cash balances. SRR invests funds in a professionally managed portfolio that contains money market funds, mutual funds and exchange-traded funds (ETFs). Such investments are exposed to market and credit risks. Thus, SRR's investments may be subject to significant fluctuations in fair value. As a result, the investment balances reported in these financial statements may not be reflective of the portfolio's value during subsequent periods.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

Accounts receivable: Accounts receivable consist primarily of NMLS processing fees for system transactions pending final processing by the bank, education course and credit banking fees, and registration fees for user training courses. Accounts receivable are presented at the net amount due to SRR (i.e., gross amount less allowance, if any). SSR adopted Accounting Standards Codification (ASC) Topic 326, Financial Instruments—Credit Losses, as of January 1, 2023, with the cumulative-effect transition method with the required prospective approach. There was no significant impact of this adoption as of January 1, 2023. The measurement of expected credit losses under the current expected credit loss (CECL) methodology is applicable to financial assets measured at amortized cost, which include billed and unbilled receivables as well as contract assets. An allowance for credit losses under the CECL methodology is determined using the loss-rate approach and measured on a collective (pool) basis when similar risk characteristics exist. Where financial instruments do not share risk characteristics, they are evaluated on an individual basis. The CECL allowance is based on relevant available information from internal and external sources, relating to past events, current conditions, and reasonable and supportable forecasts. Management recorded an allowance of $874 at December 31, 2023.

Prior to adoption of ASC 326, the collectability of each receivable balance was assessed based on management's knowledge of the customer and the age of the receivable balance. Customer balances deemed to be uncollectible were charged directly to bad-debt expense to the extent not covered by the allowance. Management recorded an allowance of $3,005 at December 31, 2022.

Contract balances: The timing of revenue recognition may not align with the right to invoice the customer. SRR records accounts receivable when it has the unconditional right to issue an invoice and receive payment, regardless of whether revenue has been recognized. If revenue has not yet been recognized, a contract liability (deferred revenue) is recorded. If revenue is recognized in advance of the right to invoice, a contract asset (unbilled receivable) is recorded. Opening contract balances as of January 1, 2022 included accounts receivable of $341,445 and deferred revenue of $1,857,294.

Property and equipment: Acquisitions of property and equipment greater than $5,000 are recorded at cost. The initial capitalized development costs of NMLS began amortizing when the system went live on January 2, 2008, and they have been fully amortized over the system's estimated useful life of seven years. The capitalized development costs of each subsequent update release version begins amortizing when the release becomes operational, and is amortized over the estimated useful lives of each release, which has also been determined to be seven years.

SRR has various information technology applications that are currently in the process of being upgraded. SRR had capitalized work-in-progress development costs of $2.753,776 and $0 within the NMLS modernization category as of the years ended December 31, 2023 and 2022, respectively.

Impairment policy: Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of long-lived assets is measured by a comparison of the carrying amount of the asset to future undiscounted net cash flows expected to be generated by the asset. If such assets are impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the estimated fair value of the assets. Assets to be disposed of are reportable at the lower of the carrying amount or fair value less costs to sell.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

During the year ended December 31, 2022, the progress and status of the NMLS Modernization project was re-evaluated. Over the course of the year, management determined that the direction of the project would change and require a new approach to development. With that change, the total carrying amount of the NMLS 2.0 and NMLS Modernization assets was reviewed and deemed to not be recoverable; therefore, $52,785,805 was written off in 2022, which is recorded as a loss within the statement of operations and member's equity. There were no loss impairments recorded for the year ended December 31, 2023.

Member's equity: SRR has designated a portion of its member's equity as a reserve for the continued future maintenance and upgrading of NMLS.

Revenue: SRR's activities are primarily supported through NMLS license processing fees and NMLS professional fees. Prices charged to customers are specific to distinct performance obligations and do not consist of multiple transactions. Economic factors are driven by consumer confidence, employment, inflation and other world events that impact the timing and level of cash received and revenue recognized by SRR. Periods of economic downturn resulting from any of the above factors may result in declines in future cash flows and recognized revenue of SRR.

SRR did not have any impairment or credit losses on any receivables or contract assets arising from contracts with customers. There are also no incremental costs of obtaining a contract and no significant financing components. Finally, there are no significant changes in the judgments affecting the determination of the amount and timing of revenue from contracts with customers.

NMLS processing fees: NMLS processing fees revenue consists of NMLS license processing fees, credit card service fees, and NMLS subscription revenue.

NMLS license processing fees are fixed amounts charged by SRR to facilitate the obtainment and renewal of licenses through the NMLS. When a license issuance or renewal request is initiated by the customer within the NMLS, the request is transmitted to the selected state agencies who are responsible for making the licensing determination to issue or renew a license. Credit card service fees are fixed amounts charged by SRR to process customer payments through the NMLS. License processing and credit card service fees are recognized at the point in time when SRR processes the transactions through the NMLS. For the years ended December 31, 2023 and 2022, license processing and credit card processing revenue recognized at a point in time totaled $55,478,922 and $64,168,864, respectively.

NMLS subscription revenue consists of two-factor subscriptions and business-to-business (B2B) subscriptions. For two-factor subscriptions, the customer receives the use of a two-factor authentication tool to meet NMLS security requirements for a period of one year. For B2B subscriptions, the customer receives access to various resources and data online for the selected weekly, monthly or annual period. SRR's performance obligation for two-factor and B2B subscriptions are considered to occur evenly over the period of the subscriptions. Amounts received for subscriptions are deferred upon receipt and recognized ratably over the subscription period. For the years ended December 31, 2023 and 2022, subscription revenue recognized over time totaled $3,840,898 and $3,937,567, respectively.

NMLS professional fees: NMLS professional fees represent the fees charged by SRR to facilitate the prelicensure requirements of the SAFE Act. These fees include state and national test fees, fingerprinting fees, credit report fees and course provider fees.

Note 1. Nature of Business and Significant Accounting Policies (Continued)

For state and national test fees, SRR has a performance obligation to act as an agent in processing the customer request through the NMLS to register for exams. After the request is processed through the NMLS, all aspects of exam registration and administration are the responsibility of a third-party provider. For fingerprinting fees, SRR has a performance obligation to act as an agent in processing the customer request through the NMLS for a criminal background check. After the request is processed through the NMLS, all aspects of the criminal background check are performed by the Federal Bureau of Investigation with results returned to the state agencies. For credit report fees, SRR has a performance obligation to act as an agent in processing the customer request through the NMLS for an independent credit report. After the request is processed through the NMLS, the credit report is created by a third-party provider with results returned to the state agencies. State and national test fees, fingerprinting fees and credit report fees are recognized at the point in time when the customer request is processed through the NMLS. For the years ended December 31, 2023 and 2022, state and national test fees, fingerprinting fees, and credit report fees revenue recognized at a point in time totaled $6,890,780 and $10,087,910, respectively, net of expenses paid to the third-party providers.

Course provider fees consist of course application fees and credit banking fees. As part of the SAFE Act prelicensure requirements, licensure applicants must have a certain amount of continuing education credits in approved courses. Course application fees represent SRR's performance obligation to make an approval decision as to whether a course meets the continuing professional education requirements of the SAFE Act. Course application fees are recognized at the point in time when SRR has rendered an approval decision to the course provider. Credit banking fees represent SRR's performance obligation to track education courses that count towards licensure requirements within the licensure applicant's record in the NMLS. Credit banking fees are paid by the course providers to SRR when courses have been completed and revenue is recognized at the point in time when SRR has recorded the course completion details in the NMLS. For the years ended December 31, 2023 and 2022, course provider fees recognized at a point in time totaled $4,467,962 and $5,734,347, respectively.

Income taxes: As a single-member limited liability company, SRR is treated as a disregarded entity for income tax purposes. Thus, SRR's financial activity is reported in conjunction with the federal income tax filings of the Conference.

Use of estimates: The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Subsequent events: SRR has evaluated subsequent events through May 14, 2024, the date on which the financial statements were available to be issued.

Note 2. Fair Value Measurements and Investments

The Fair Value Measurement topic of the ASC defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and sets out a fair value hierarchy. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). Inputs are broadly defined under this topic as assumptions market participants would use in pricing an asset or liability.

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date. As required by the Fair Value Measurement topic, SRR does not adjust the quoted prices for these investments even in situations where SRR holds a large position and a sale could reasonably impact the quoted price.

Note 2. Fair Value Measurements and Investments (Continued)

Level 2: Inputs other than quoted prices within Level 1 that are observable for the asset or liability, either directly or indirectly, and fair value is determined through the use of models or other valuation methodologies. A significant adjustment to a Level 2 input could result in the Level 2 measurement becoming a Level 3 measurement.

Level 3: Inputs are unobservable for the asset or liability and include situations where there is little, if any, market activity for the asset or liability. The inputs into the determination of fair value are based upon the best information in the circumstances and may require significant management judgment or estimation. Investments that are included in this category are investments where fair value is not based on a net asset value practical expedient. There were no Level 3 inputs for any assets or liabilities held by SRR at December 31, 2023 and 2022.

The following is a summary of the input levels used to determine fair values, measured on a recurring basis, of the investment assets at December 31, 2023 and 2022:

	2023			
	Total	Level 1	Level 2	Level 3
Fixed-income mutual funds	$ 54,699,261	$ 54,699,261	$ -	$ -
Money market funds	39,360,361	39,360,361	-	-
Equity mutual funds	11,427,687	11,427,687		
Treasury Bills	4,153,849	4,153,849	-	-
Equity ETFs	1,850,430	1,850,430	-	-
Fixed-income ETFs	5,691	5,691	-	-
Investments carried at fair value	111,497,279	111,497,279	-	-
Cash and cash equivalents at cost	1,423,489	1,423,489	-	-
Total investments	$ 112,920,768	$ 112,920,768	$ -	$ -

	2022			
	Total	Level 1	Level 2	Level 3
Fixed-income mutual funds	$ 52,061,952	$ 52,061,952	$ -	$ -
Equity mutual funds	9,480,392	9,480,392	-	-
Equity ETFs	1,574,376	1,574,376	-	-
Money market funds	19,396	19,396	-	-
Investments carried at fair value	$ 63,136,116	$ 63,136,116	$ -	$ -

Note 3. Related-Party Transactions

Due to/from related party—the Conference: Since 2007, the Boards of the Conference and SRR have orally agreed to allow certain expenses to be paid by the Conference as an administrative convenience to SRR. In addition, SRR may incur certain costs on behalf of the Conference. The Conference reimburses SRR for these costs. The net payable amount due to the Conference was $2,418,381 and $5,046,824 at December 31, 2023 and 2022, respectively.

Due to/from related party—CSBS Education Foundation: At December 31, 2023 and 2022, SRR owed CSBS Education Foundation (the Foundation) $230 and $26,219, respectively, for expenses paid by the Foundation on SRR's behalf.

Note 3. Related-Party Transactions (Continued)

Grants to affiliates: For the years ended December 31, 2023 and 2022, SRR made unconditional grants to the Foundation of $1,025,783 and $873,443, respectively. The grants to the Foundation represent general support for the Foundation's education programs. For the years ended December 31, 2023 and 2022, SRR made an unconditional grant to the Conference in the amount of $2,183,000 and $1,872,194, respectively. The grants to the Conference are for the purpose of reimbursing the Conference for nondepository activities performed in support of SRR's program.

Expense allocations: The Conference pays the payroll costs of the employees allocated to SRR and certain other costs. Benefit costs, such as health insurance premiums and retirement plan costs, are allocated on the basis of each department's or entity's percentage of total salaries. Administrative and overhead costs, such as rent for SRR's portion of office space, are allocated on the basis of the percentage of office space each department's or entity's employees occupy at the Conference's D.C. offices.

Total costs allocated by the Conference to SRR were as follows for the years ended December 31, 2023 and 2022:

	2023	2022
Salaries and benefits	$ 14,293,034	$ 12,726,708
Rent and occupancy	1,599,096	2,840,899
Overhead and administrative services	5,897,192	6,261,169
Total allocated costs	$ 21,789,322	$ 21,828,776

Note 4. Property and Equipment

Net property and equipment consisted of the following at December 31, 2023 and 2022:

	2023		
	Cost	Accumulated Amortization	Net Value
NMLS 1.0 and licensing databases	$ 51,717,466	$ (50,737,846)	$ 979,620
NMLS 1.0 Cloud	6,323,310	(2,005,512)	4,317,798
NMLS modernization	2,753,776	-	2,753,776
State Examination System	16,817,962	(8,057,662)	8,760,300
	$ 77,612,514	$ (60,801,020)	$ 16,811,494

	2022		
	Cost	Accumulated Amortization	Net Value
NMLS 1.0 and licensing databases	$ 51,676,748	$ (49,947,483)	$ 1,729,265
NMLS 1.0 Cloud	6,323,309	(1,096,502)	5,226,807
State Examination System	16,817,962	(5,655,096)	11,162,866
	$ 74,818,019	$ (56,699,081)	$ 18,118,938

Note 5. Reserves

In 2023, SRR revised the reserve policy established in 2014. The primary purposes of the reserves are to ensure that SRR is financially prepared to meet the needs for planned system enhancements as well as uninsurable risks. Reserves are defined as total member's equity less investments in items such as NMLS development costs and capitalized test development costs. Thus, the reserve balance at December 31, 2023 and 2022, was $140,872,955 and $132,375,415, respectively.

Note 6. Liquidity

SRR strives to maintain liquid financial assets sufficient to cover general expenditures anticipated within one year. Financial assets in excess of daily cash requirements are invested in U.S. treasury instruments, money market funds, mutual funds and ETFs.

The following table reflects SRR's financial assets that are available to meet general expenditures within one year of the statements of financial position date at December 31, 2023 and 2022. Amounts not available are primarily board-designated funds as determined under SRR's Reserve Policy and Liquidity Policy. Continuing development and enhancement of the NMLS licensing database is the largest anticipated future need. In the event the need arises to utilize the board-restricted funds for liquidity purposes, the reserves could be drawn upon through board resolution.

	2023	2022
Cash and cash equivalents	$ 37,797,171	$ 80,853,414
Accounts receivable, net	1,255,326	681,193
Investments	112,920,768	63,136,116
Due from related parties	-	5,748,929
Total financial assets	151,973,265	150,419,652
Board-designated funds	(140,872,955)	(132,375,415)
Financial assets available to meet cash needs for general expenditures within one year	$ 11,100,310	$ 18,044,237

Note 7. Commitments and Contingencies

Vendor relationship: The development of NMLS and its update releases is performed by the Financial Industry Regulatory Authority (FINRA). FINRA is also contracted to provide development support for NMLS' education and testing components. Given the size of the FINRA services contract, a disruption in the capabilities provided by FINRA could have a detrimental impact on SRR.