

ATTACHMENT B to Regulatory Notice 10-14

New text is underlined; deletions are in brackets.

7730. Trade Reporting and Compliance Engine (TRACE)

The following charges shall be paid by participants for the use of the Trade Reporting and Compliance Engine (“TRACE”):

System Fees	Transaction Reporting Fees	[Market]Data Fees
Level I Trade Report Only Web Browser Access — \$20/month per user ID Level II Full Service Web Browser Access — Subscription for a single user ID or the first user ID - \$50/month (includes one Data Set); \$80/month (includes two Data Sets) Subscription for additional user IDs - \$80/month per user ID (includes one Data Set);	Trades up to and including \$200,000 par value — \$0.475/trade; Trades between \$200,001 and \$999,999 par value — \$0.000002375 times the par value of the transaction (i.e., \$0.002375/\$1000); Trades of \$1,000,000 par value or more — \$2.375/trade	<u>Market Data</u> : BTDS Professional Real-Time Data Display — \$60/month per terminal per Data Set of Real-Time TRACE transaction data, or a flat fee of \$7,500/month per Data Set of Real-Time TRACE transaction data, entitling Professionals to make unlimited internal use of such Data Set(s) on any number of interrogation or display devices.

<p>\$140/month per user ID (includes two Data Sets)</p>		
<p>CTCI/Third Party — \$25/month/per firm</p>	<p>Cancel/Correct — \$1.50/trade</p>	<p><u>Market Data:</u> Vendor Real-Time Data Feed — \$1,500/month per Data Set of Real-Time TRACE transaction data for receipt of continuous Real-Time TRACE transaction data in such Data Sets, except for qualifying Tax-Exempt Organizations, or \$250/month per Data Set of Snapshot Real-Time TRACE transaction data for daily receipt of such Data Set(s).</p>
	<p>“As/of” Trade Late – \$3/trade</p>	<p><u>Market Data:</u> Vendor Real-Time Data Feed — \$400/month per Data Set of Real-Time TRACE transaction data for such</p>

		Data Set(s) for qualifying Tax-Exempt Organizations.
		<u>Market Data: BTDS Non-Professional Real-Time Data Display — No charge.</u>
		<u>Historic TRACE Data: Set-Up Fee - a single fee of \$2,000 for development and set-up to receive Historic TRACE Data, except for qualifying Tax-Exempt Organizations.</u>
		<u>Historic TRACE Data: Set-Up Fee - a single fee of \$1,000 for development and set-up to receive Historic TRACE Data for qualifying Tax-Exempt Organizations.</u>
		<u>Historic TRACE Data: Fee - \$2,000/calendar year per Data Set for receipt of</u>

		<p><u>Historic TRACE Data, except for qualifying Tax-Exempt Organizations.</u></p> <p><u>The 2003 Historic Corporate Bond Data Set also includes the 2002 Historic Corporate Bond Data Set. The data is enabled for internal use and internal and/or external desktop display distribution. Bulk re-distribution of data is not permitted.</u></p>
		<p><u>Historic TRACE Data: Bulk Re-Distribution Fee – except for qualifying Tax-Exempt Organizations, \$1/CUSIP per calendar year (or part thereof) within a single Data Set of Historic TRACE Data per</u></p>

		<p><u>each recipient of re-distributed data; maximum fee per Data Set of \$1,000/calendar year (or part thereof) per each recipient of re-distributed data.</u></p>
		<p><u>Historic TRACE Data: Bulk Re-Distribution Fee – for qualifying Tax-Exempt Organizations, \$500/calendar year per Data Set for receipt of Historic TRACE Data. The 2003 Historic Corporate Bond Data Set also includes the 2002 Historic Corporate Bond Data Set. The data is enabled for internal use and internal and/or external desktop display. Bulk re-distribution of data is</u></p>

		<u>permitted with certain restrictions.</u>
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(a) through (b) No Change.

(c) Market Data Fees

Real-Time TRACE transaction data disseminated by FINRA comprises the following databases (“Data Set(s)”): corporate bonds (“Corporate Bonds Data Set”) and Agency Debt Securities (“Agency Data Set”). Market data fees are charged for each Data Set. Professionals and Non-Professionals may subscribe to receive one or both Data Sets of Real-Time TRACE transaction data disseminated by FINRA in one or more of the following ways for the charges specified, as applicable. Members, vendors and other redistributors shall be required to execute appropriate agreements with FINRA.

(1) Professional Fees

Professionals may subscribe for the following:

(A) through (B) No Change.

(C) Vendor Real-Time Data Feed Fee of \$400 per month per Data Set for Real-Time TRACE transaction data received by a Tax-Exempt Organization as defined in Rule 7730[(c)].[for the] A Tax-Exempt Organization qualifies to receive Real-Time TRACE transaction data under this paragraph if it does not redistribute such data in bulk, or it redistributes such data in bulk or otherwise at no charge solely to Non-Professionals or other Tax-Exempt Organizations that agree to be subject to the same restrictions.[to use solely to provide Non-Professionals access to such Data Set(s) of Real-Time TRACE transaction data at no charge.]

(D) A natural person otherwise subject to market data fees under Rule 7730[(c)] is not subject to such fees when he or she accesses and uses TRACE transaction data solely for his or her personal, non-commercial use.

(2) No Change.

[(3) Definitions]

[(A) “Non-Professional” – As used in Rule 7730(c) a “Non-Professional” is a natural person who uses TRACE transaction data solely for his or her personal, non-commercial use. A Non-Professional subscriber must agree to certain terms of use of the TRACE data, including that he or she receive and use the TRACE transaction data solely for his or her personal, non-commercial use. As used in Rule 7730(c) a “Non-Professional” is not:]

[i) registered nor qualified in any capacity with the SEC, the Commodity Futures Trading Commission, any state securities agency, any securities exchange or association, or any commodities or futures contract market or association, nor an employee of the above and, with respect to any person identified in this subparagraph i., uses TRACE transaction data for other than personal, non-commercial use;]

[(ii) engaged as an “investment adviser” as that term is defined in Section 202(a)(11) of the Investment Advisers Act of 1940 (whether or not registered or qualified under that Act), nor an employee of the above and, with respect to any person identified in this subparagraph ii., uses TRACE transaction data for other than personal, non-commercial use;]

[(iii) employed by a bank, insurance company or other organization exempt from registration under federal or state securities laws to perform functions that would require registration or qualification if such functions were performed for an organization not so exempt, nor any other employee of a bank, insurance company or such other organization referenced above and, with respect to any person identified in this subparagraph iii., uses TRACE transaction data for other than personal, non-commercial use; nor]

[(iv) engaged in, nor has the intention to engage in, any redistribution of all or any portion of the TRACE transaction data.]

[(B) “Tax-Exempt Organization” as used in Rule 7730(c) means an organization that is described in Section 501(c) of the Internal Revenue Code (26 U.S.C.§501(c)); has received recognition of the exemption from federal income taxes from the Internal Revenue Service; and obtains and uses Real-Time TRACE transaction data solely for redistribution to Non-Professionals, as defined for purposes of Rule 7730(c), at no charge.]

[(C) “Real-Time” as used in Rule 7730(c) shall mean that period of time starting from the time of dissemination by FINRA of transaction data on a TRACE-eligible security, and ending no more than four hours thereafter.]

(d) Historic TRACE Data

Historic TRACE Data comprises the following Data Set(s): corporate bonds (“Historic Corporate Bonds Data Set”) and Agency Debt Securities (“Historic Agency Data Set”). Historic TRACE Data fees, except the Set-Up Fee, are charged for each Data Set. Professionals and Non-Professionals may receive Historic TRACE Data provided by FINRA in one or more of the following ways for the charges specified, as applicable. Recipients of Historic TRACE Data shall be required to execute appropriate agreements with FINRA.

(1) Professional Fees

Professionals may subscribe for the following:

(A) Persons or Organizations Other Than Qualifying Tax-Exempt Organizations

(i) Set-Up Fee – a single fee of \$2,000 for development and set-up to begin receiving Historic TRACE Data.

(ii) Data Fee - \$2,000 per calendar year per Data Set for receipt of Historic TRACE Data. The 2003 Historic Corporate Bond Data Set also includes the 2002 Historic Corporate Bond Data Set. Historic TRACE Data is enabled for internal use and internal and/or external desktop display distribution. Bulk re-distribution of such data is not permitted.

(iii) Bulk Re-Distribution Fee - \$1 per CUSIP per calendar year (or part thereof) within a single Data Set of Historic TRACE Data per each recipient of re-distributed data, with a maximum fee per Data Set of \$1,000 per calendar year (or part thereof) per each recipient of re-distributed data.

(B) Qualifying Tax-Exempt Organizations

A Tax-Exempt Organization qualifies for development and set-up and to receive Historic TRACE Data under this paragraph (d)(1)(B) if it does not re-distribute such data in bulk, or it re-distributes such data in bulk or otherwise at no charge solely to Non-Professionals or other Tax-Exempt Organizations that agree to be subject to the same restrictions.

(i) Set-Up Fee - \$1,000 for development and set-up to begin receiving Historic TRACE Data.

(ii) Data and Bulk Re-Distribution Fee - \$500 per calendar year per Data Set for receipt of Historic TRACE Data. The 2003 Historic Corporate Bond Data Set also includes the 2002 Historic Corporate Bond Data Set. Historic TRACE Data is enabled for internal use and internal and/or external desktop display, and bulk redistribution, and may be re-distributed subject to the restrictions in paragraph (d)(1)(B).

(2) Non-Professional Fees

If FINRA provides all or any portion of one or both Data Sets of Historic TRACE Data to a Non-Professional, FINRA will charge a cost-neutral fee under

Rule 7730(e) comprised solely of the cost of the media and the cost of delivery (e.g., U.S. Postal Service or other requested delivery service).

(e[4]) Other Requests for Data

FINRA may impose and collect charges for data FINRA supplied upon request, where there is no provision elsewhere in this Rule 7730[(c)] for charges for such service or sale.

(f) Definitions

(1) “Non-Professional” – As used in Rule 7730, a “Non-Professional” is a natural person who uses TRACE transaction data solely for his or her personal, non-commercial use. A Non-Professional subscriber must agree to certain terms of use of the TRACE data, including that he or she receive and use the TRACE transaction data solely for his or her personal, non-commercial use. As used in Rule 7730, a “Non-Professional” is not:

(A) registered nor qualified in any capacity with the SEC, the Commodity Futures Trading Commission, any state securities agency, any securities exchange or association, or any commodities or futures contract market or association, nor an employee of the above and, with respect to any person identified in this subparagraph (A), uses TRACE transaction data for other than personal, non-commercial use;

(B) engaged as an “investment adviser” as that term is defined in Section 202(a)(11) of the Investment Advisers Act (whether or not registered or qualified under that Act), nor an employee of the above and,

with respect to any person identified in this subparagraph (B), uses TRACE transaction data for other than personal, non-commercial use;

(C) employed by a bank, insurance company or other organization exempt from registration under federal or state securities laws to perform functions that would require registration or qualification if such functions were performed for an organization not so exempt, nor any other employee of a bank, insurance company or such other organization referenced above and, with respect to any person identified in this subparagraph (C), uses TRACE transaction data for other than personal, non-commercial use; nor

(D) engaged in, nor has the intention to engage in, any redistribution of all or any portion of the TRACE transaction data.

(2) “Tax-Exempt Organization” as used in Rule 7730 means an organization that is described in Section 501(c) of the Internal Revenue Code (26 U.S.C.§501(c)) and has received recognition of the exemption from federal income taxes from the Internal Revenue Service.

(3) “Real-Time” as used in Rule 7730 means that period of time starting from the time of dissemination by FINRA of transaction data on a TRACE-Eligible Security, and ending no more than four hours thereafter.

(4) “Historic TRACE Data” as used in Rule 7730 means historic transaction-level data with elements to be determined from time to time by FINRA in its discretion and as stated in a Regulatory Notice or other equivalent

publication. Historic TRACE Data will be delayed a minimum of 18 months and will not include MPID information.

¹ Charges that may be imposed by third parties, such as CTCI line providers, are not included in these fees.

² Under the Vendor Real-Time Data Feed Fee and service, Real-Time TRACE transaction data (or Data Set(s) of such data) may not be used in any interrogation display devices or any systems that permit end users to determine individual transaction pricing.

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