



SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

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**Form 19b-4 Information**

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The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

**Exhibit 1 - Notice of Proposed Rule Change**

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 2 - Notices, Written Comments, Transcripts, Other Communications**

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Exhibit Sent As Paper Document

Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

**Exhibit 3 - Form, Report, or Questionnaire**

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Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

**1. Text of Proposed Rule Change**

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),<sup>1</sup> Financial Industry Regulatory Authority, Inc. (“FINRA”) (f/k/a National Association of Securities Dealers, Inc. or “NASD”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to amend NASD Rule 11870 (Customer Account Transfer Contracts) and New York Stock Exchange (“NYSE”) Rule 412 (Customer Account Transfer Contracts)<sup>2</sup> to make the time frames in the rules for validating or taking exception to an instruction to transfer a customer’s securities account assets and for completing the transfer of the assets consistent with the time frames in the Automated Customer Account Transfer Service (“ACATS”) transfer cycle established by the National Securities Clearing Corporation (“NSCC”). Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

\* \* \* \* \*

**11000. UNIFORM PRACTICE CODE**

\* \* \* \* \*

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<sup>1</sup> 5 U.S.C. 78s(b)(1).

<sup>2</sup> FINRA has incorporated into its rulebook certain rules of NYSE, including Rule 412. This incorporated NYSE rule applies solely to those members of FINRA that are also members of NYSE on or after July 30, 2007 (“Dual Members”), until such time as FINRA adopts a consolidated rulebook applicable to all of its members. The incorporated NYSE rules apply to the same categories of persons to which they apply as of July 30, 2007. In applying the incorporated NYSE rules to Dual Members, FINRA also has incorporated the related interpretive positions set forth in the NYSE Rule Interpretations Handbook and NYSE Information Memos.

**11870. Customer Account Transfer Contracts**

(a) No Change.

**(b) Transfer Procedures**

(1) Upon receipt from the customer of an authorized broker-to-broker transfer instruction form (“TIF”) to receive such customer's securities account assets in whole or in specifically designated part, from the carrying member, the receiving member must immediately submit such instruction to the carrying member. The carrying member must, within [three] one business day[s] following receipt of such instruction, or receipt of a TIF received directly from the customer authorizing the transfer of assets in specifically designated part: (A) validate the transfer instruction to the receiving member (with an attachment reflecting all positions and money balances to be transferred as shown on its books); or (B) take exception to the transfer instruction for reasons other than securities positions or money balance discrepancies and advise the receiving member of the exception taken. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the National Securities Clearing Corporation (NSCC).

(2) No Change.

(c) and (d) No Change.

**(e) Completion of the Transfer**

Within three business days following the validation of a transfer instruction, the carrying member must complete the transfer of the customer’s security account assets to the receiving member. The receiving member and the

carrying member must immediately establish fail-to-receive and fail-to-deliver contracts at then-current market values upon their respective books of account against the long/short positions that have not been delivered/received and the receiving/carrying member must debit/credit the related money amount. The customer's security account assets shall thereupon be deemed transferred. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the NSCC.

(f) through (n) No Change.

\* \* \* \* \*

**Rule 412. Customer Account Transfer Contracts**

(a) No Change.

(b)

(1) Upon receipt from the customer of an authorized broker-to-broker transfer instruction form ("TIF") to receive such customer's securities account assets in whole or in specifically designated part, the receiving organization will immediately submit such instruction to the carrying organization. The carrying organization must, within [three (3)] one business day[s] following receipt of such instruction, or receipt of a TIF received directly from the customer authorizing the transfer of assets in specifically designated part: (i) validate the transfer instruction (with an attachment reflecting all positions and money balances to be transferred as shown on its books) to the receiving organization or (ii) take exception to the transfer instruction for reasons other than securities positions or money balance discrepancies and advise the receiving organization of the

exception taken. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the National Securities Clearing Corporation (NSCC).

(2) No Change.

(3) Within three [(3)] business days following the validation of a transfer instruction, the carrying organization must complete the transfer of the customer's securities account assets to the receiving organization. The carrying organization and the receiving organization must establish fail to receive and fail to deliver contracts at then current market values upon their respective books of account against the long/short positions (including options) that have not been delivered/received and the receiving/carrying organization must debit/credit the related money amount. The customer's securities account assets shall thereupon be deemed transferred. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the NSCC.

(c) through (f) No Change.

Supplementary Material .10 through .30 No Change.

\* \* \* \* \*

(b) Not applicable.

(c) Not applicable.

## **2. Procedures of the Self-Regulatory Organization**

The proposed rule change to NASD Rule 11870 was approved by the Board of Governors of FINRA (then known as NASD) at its meeting on February 1, 2007, which

authorized the filing of the rule change with the SEC. No other action by FINRA is necessary for the filing of the proposed rule change. In addition, the proposed rule change to NYSE Rule 412 has been approved by the General Counsel of FINRA (or his officer designee) pursuant to delegated authority. No other action by FINRA is necessary for the filing of the proposed rule change.

With respect to the effective date of the proposed rule change, FINRA is coordinating implementation of the shortened ACATS transfer cycle with NSCC. NSCC has announced that it plans to implement changes to the ACATS transfer cycle in October 2007 (contingent upon the Commission's approval of the proposed changes). A specific, coordinated effective date would be communicated to members via a Regulatory Notice and other communications, as appropriate, and would take into consideration the need for members to make internal systems changes to accommodate the revised time frames.

**3. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

(a) Purpose

NASD Rule 11870 and NYSE Rule 412 regulate the transfer of customer accounts from one member (the "carrying firm") to another (the "receiving firm"). Such transfers generally occur through ACATS ("Automated Customer Account Transfer Service"), an electronic transfer system developed by NSCC to automate and standardize the transfer of accounts. Currently, based on the time frames established in ACATS, NASD Rule 11870(b) and NYSE Rule 412(b)(1) require carrying members to validate or take exception to an instruction to transfer securities account assets within three business days following receipt of a Transfer Initiation Form ("TIF") or transfer instruction, and

NASD Rule 11870(e) and NYSE Rule 412(b)(3) require carrying members to complete the transfer within three business days following the validation of a transfer instruction.

FINRA is proposing to amend NASD Rule 11870(b) and (e) and NYSE Rule 412(b)(1) and (b)(3) to make the time frames in those rules consistent with the time frames established in ACATS by the NSCC for these processes. The effect of this rule change will be that the time frames in NASD Rule 11870(b) and (e) and NYSE Rule 412(b)(1) and (b)(3) will change if and when NSCC modifies those requirements. FINRA will announce any such changes in those time frames to its members in a Regulatory Notice and other appropriate communications.

FINRA is filing this rule change in anticipation of a reduction in these time frames in approximately October 2007 as recently announced by NSCC.<sup>3</sup> FINRA understands that NSCC is planning to seek regulatory approval from the Commission to eliminate two business days from the validation period for both full and partial transfers.

FINRA members recognize the benefit to customers of shortening the time it takes to transfer account assets. However, introducing brokers have expressed serious concerns about the effect on their business relationships with their customers of shortening the time permitted for validating or taking exception to a transfer instruction. They have noted that a representative who decides to move to another firm may have all of his or her customers sign a TIF well in advance of the anticipated move, thereby effectuating a mass movement of customers to the new firm. Under the current ACATS

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<sup>3</sup> See NSCC “Important Notice” A#6317, P&S#5887 dated October 19, 2006, “Important Notice” A#6367, P&S#5937 dated December 22, 2006, “Important Notice” A#6425, P&S#5995 dated March 27, 2007, and NSCC “Important Notice” A#6457, P&S#6027 dated May 23, 2007.

time frames, if the carrying firm timely notifies the introducing firm of the transfer requests, the introducing firm has up to three business days to contact its customers regarding the reasons for their transfer requests, thereby giving the introducing firm an opportunity to contact its customers to discuss why its customers have chosen to move their accounts. Some FINRA member firms also were concerned that shortening the time permitted for validating or taking exception to a transfer instruction could provide a competitive advantage to self-clearing firms because they would have more immediate notice of transfer requests and would be in a better position to employ efforts to retain the accounts. Although FINRA believes that shortening the customer account transfer process is in the best interest of public customers, who have often expressed dissatisfaction with the transfer process, FINRA requests that the Commission seek comment on the effect of the proposed rule change, particularly on introducing firms' business relationships.

As noted in Item 2 of this filing, FINRA is coordinating implementation of the shortened time frames to the ACATS transfer cycle with NSCC. NSCC has announced that it plans to implement changes to the ACATS transfer cycle in October 2007 (contingent upon the Commission's approval of the proposed changes). Members will be advised of the implementation date for any such modification of the ACATS transfer cycle time frames via a Regulatory Notice and other communications, as appropriate. A specific, coordinated effective date would be communicated to members via a Regulatory Notice and other communications, as appropriate, and would take into consideration the need for members to make internal systems changes to accommodate the revised time frames.

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>4</sup> which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. The proposed rule change is designed to accomplish these ends by making the time frames in NASD Rule 11870(b) and (e) and NYSE Rule 412(b)(1) and (b)(3) consistent with the time frames established by NSCC for validating or taking exception to an account transfer instruction and for completing the transfer, respectively, thereby creating greater efficiency in the account transfer process and improving customers' experience with the account transfer process.

**4. Self-Regulatory Organization's Statement on Burden on Competition**

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

**5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

Written comments were neither solicited nor received.

**6. Extension of Time Period for Commission Action**

FINRA does not consent at this time to an extension of the time period for Commission action specified in Section 19(b)(2) of the Act.<sup>5</sup>

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<sup>4</sup> 15 U.S.C. 78o-3(b)(6).

<sup>5</sup> 15 U.S.C. 78s(b)(2).

7. **Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)**

Not applicable.

8. **Proposed Rule Change Based on Rules of Another Self-Regulatory Organization or of the Commission**

FINRA is coordinating implementation of the shortened transfer cycle with NSCC.

9. **Exhibits**

Exhibit 1. Completed notice of proposed rule change for publication in the Federal Register.

**EXHIBIT 1**

**SECURITIES AND EXCHANGE COMMISSION**

(Release No. 34- ; File No. SR-FINRA-2007-005)

Self-Regulatory Organizations: Financial Industry Regulatory Authority, Inc.; Notice of Filing of Proposed Rule Change Relating to NASD Rule 11870 (Customer Account Transfer Contracts) and NYSE Rule 412 (Customer Account Transfer Contracts) to make the time frames in the rules for validating or taking exception to an instruction to transfer a customer's securities account consistent with the time frames in the Automated Customer Account Transfer Service

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on , Financial Industry Regulatory Authority, Inc. ("FINRA") (f/k/a National Association of Securities Dealers, Inc. ("NASD")) filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

**I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change**

FINRA is proposing to amend NASD Rule 11870 (Customer Account Transfer Contracts) and New York Stock Exchange ("NYSE") Rule 412 (Customer Account Transfer Contracts) to make the time frames in the rules for validating or taking exception to an instruction to transfer a customer's securities account assets and for completing the transfer of the assets consistent with the time frames in the Automated Customer Account Transfer Service ("ACATS") transfer cycle established by the

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<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

National Securities Clearing Corporation. Below is the text of the proposed rule change.

Proposed new language is in italics; proposed deletions are in brackets.

\* \* \* \* \*

**11000. UNIFORM PRACTICE CODE**

\* \* \* \* \*

**11870. Customer Account Transfer Contracts**

(a) No Change.

**(b) Transfer Procedures**

(1) Upon receipt from the customer of an authorized broker-to-broker transfer instruction form (“TIF”) to receive such customer's securities account assets in whole or in specifically designated part, from the carrying member, the receiving member must immediately submit such instruction to the carrying member. The carrying member must, within [three] one business day[s] following receipt of such instruction, or receipt of a TIF received directly from the customer authorizing the transfer of assets in specifically designated part: (A) validate the transfer instruction to the receiving member (with an attachment reflecting all positions and money balances to be transferred as shown on its books); or (B) take exception to the transfer instruction for reasons other than securities positions or money balance discrepancies and advise the receiving member of the exception taken. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the National Securities Clearing Corporation (NSCC).

(2) No Change.

(c) and (d) No Change.

**(e) Completion of the Transfer**

Within three business days following the validation of a transfer instruction, the carrying member must complete the transfer of the customer's security account assets to the receiving member. The receiving member and the carrying member must immediately establish fail-to-receive and fail-to-deliver contracts at then-current market values upon their respective books of account against the long/short positions that have not been delivered/received and the receiving/carrying member must debit/credit the related money amount. The customer's security account assets shall thereupon be deemed transferred. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the NSCC.

(f) through (n) No Change.

\* \* \* \* \*

**Rule 412. Customer Account Transfer Contracts**

(a) No Change.

(b)

(1) Upon receipt from the customer of an authorized broker-to-broker transfer instruction form ("TIF") to receive such customer's securities account assets in whole or in specifically designated part, the receiving organization will immediately submit such instruction to the carrying organization. The carrying organization must, within [three (3)] one business day[s] following receipt of such instruction, or receipt of a TIF received directly from the customer authorizing the transfer of assets in specifically designated part: (i) validate the transfer instruction (with an attachment reflecting all positions and

money balances to be transferred as shown on its books) to the receiving organization or (ii) take exception to the transfer instruction for reasons other than securities positions or money balance discrepancies and advise the receiving organization of the exception taken. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the National Securities Clearing Corporation (NSCC).

(2) No Change.

(3) Within three [(3)] business days following the validation of a transfer instruction, the carrying organization must complete the transfer of the customer's securities account assets to the receiving organization. The carrying organization and the receiving organization must establish fail to receive and fail to deliver contracts at then current market values upon their respective books of account against the long/short positions (including options) that have not been delivered/received and the receiving/carrying organization must debit/credit the related money amount. The customer's securities account assets shall thereupon be deemed transferred. The time frame(s) set forth in this paragraph will change, as determined from time-to-time in any publication, relating to the ACATS facility, by the NSCC.

(c) through (f) No Change.

Supplementary Material .10 through .30 No Change.

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## **II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

In its filing with the Commission, FINRA included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it

received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. FINRA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

**A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change**

1. Purpose

NASD Rule 11870 and NYSE Rule 412 regulate the transfer of customer accounts from one member (the “carrying firm”) to another (the “receiving firm”). Such transfers generally occur through ACATS (“Automated Customer Account Transfer Service”), an electronic transfer system developed by NSCC to automate and standardize the transfer of accounts. Currently, based on the time frames established in ACATS, NASD Rule 11870(b) and NYSE Rule 412(b)(1) require carrying members to validate or take exception to an instruction to transfer securities account assets within three business days following receipt of a Transfer Initiation Form (“TIF”) or transfer instruction, and NASD Rule 11870(e) and NYSE Rule 412(b)(3) require carrying members to complete the transfer within three business days following the validation of a transfer instruction.

FINRA is proposing to amend NASD Rule 11870(b) and (e) and NYSE Rule 412(b)(1) and (b)(3) to make the time frames in those rules consistent with the time frames established in ACATS by the NSCC for these processes. The effect of this rule change will be that the time frames in NASD Rule 11870(b) and (e) and NYSE Rule 412(b)(1) and (b)(3) will change if and when NSCC modifies those requirements. FINRA will announce any such changes in those time frames to its members in a Regulatory Notice and other appropriate communications.

FINRA is filing this rule change in anticipation of a reduction in these time frames in approximately October 2007 as recently announced by NSCC.<sup>3</sup> FINRA understands that NSCC is planning to seek regulatory approval from the Commission to eliminate two business days from the validation period for both full and partial transfers.

FINRA members recognize the benefit to customers of shortening the time it takes to transfer account assets. However, introducing brokers have expressed serious concerns about the effect on their business relationships with their customers of shortening the time permitted for validating or taking exception to a transfer instruction. They have noted that a representative who decides to move to another firm may have all of his or her customers sign a TIF well in advance of the anticipated move, thereby effectuating a mass movement of customers to the new firm. Under the current ACATS time frames, if the carrying firm timely notifies the introducing firm of the transfer requests, the introducing firm has up to three business days to contact its customers regarding the reasons for their transfer requests, thereby giving the introducing firm an opportunity to contact its customers to discuss why its customers have chosen to move their accounts. Some FINRA member firms also were concerned that shortening the time permitted for validating or taking exception to a transfer instruction could provide a competitive advantage to self-clearing firms because they would have more immediate notice of transfer requests and would be in a better position to employ efforts to retain the accounts. Although FINRA believes that shortening the customer account transfer process is in the best interest of public customers, who have often expressed

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<sup>3</sup> See NSCC “Important Notice” A#6317, P&S#5887 dated October 19, 2006, “Important Notice” A#6367, P&S#5937 dated December 22, 2006, “Important Notice” A#6425, P&S#5995 dated March 27, 2007, and NSCC “Important Notice” A#6457, P&S#6027 dated May 23, 2007.

dissatisfaction with the transfer process, FINRA requests that the Commission seek comment on the effect of the proposed rule change, particularly on introducing firms' business relationships.

As noted in Item 2 of this filing, FINRA is coordinating implementation of the shortened time frames to the ACATS transfer cycle with NSCC. NSCC has announced that it plans to implement changes to the ACATS transfer cycle in October 2007 (contingent upon the Commission's approval of the proposed changes). Members will be advised of the implementation date for any such modification of the ACATS transfer cycle time frames via a Regulatory Notice and other communications, as appropriate. A specific, coordinated effective date would be communicated to members via a Regulatory Notice and other communications, as appropriate, and would take into consideration the need for members to make internal systems changes to accommodate the revised time frames.

## 2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>4</sup> which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. The proposed rule change is designed to accomplish these ends by making the time frames in NASD Rule 11870(b) and (e) and NYSE Rule 412(b)(1) and (b)(3) consistent with the time frames established by NSCC for validating or taking exception to an account transfer instruction and for completing the transfer, respectively, thereby

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<sup>4</sup> 15 U.S.C. 78o-3(b)(6).

creating greater efficiency in the account transfer process and improving customers' experience with the account transfer process.

**B. Self-Regulatory Organization's Statement on Burden on Competition**

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

**C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others**

Written comments were neither solicited nor received.

**III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action**

Within 35 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

**IV. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule changes are consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission's Internet comment form

(<http://www.sec.gov/rules/sro.shtml>); or

- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-FINRA-2007-005 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Nancy M. Morris, Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-FINRA-2007-005. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet Web site (<http://www.sec.gov/rules/sro.shtml>). Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of FINRA.

All comments received will be posted without change; the Commission does not edit personal identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-FINRA-2007-005 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>5</sup>

Nancy M. Morris

Secretary

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<sup>5</sup> 17 CFR 200.30-3(a)(12).