

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * <input type="text" value="26"/>	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - <input type="text" value="2017"/> - * <input type="text" value="036"/>	Amendment No. (req. for Amendments *) <input type="text"/>
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Filing by Financial Industry Regulatory Authority  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)	
			<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)	
			<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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**Description**

Provide a brief description of the action (limit 250 characters, required when Initial is checked \*).

Proposed Rule Change to Make Technical and Other Non-Substantive Changes within FINRA Rules

**Contact Information**

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * <input type="text" value="Philip"/>	Last Name * <input type="text" value="Shaikun"/>
Title * <input type="text" value="Vice President and Associate General Counsel"/>	
E-mail * <input type="text" value="philip.shaikun@finra.org"/>	
Telephone * <input type="text" value="(202) 728-8451"/>	Fax <input type="text" value="(202) 728-8264"/>

**Signature**

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title \*)

Date <input type="text" value="12/22/2017"/>	<input type="text" value="Senior Vice President and Deputy General Counsel"/>
By <input type="text" value="Patrice Gliniecki"/>	<input type="text" value="Patrice Gliniecki"/>

(Name \*)

NOTE: Clicking the button at right will digitally sign and lock this form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EFFF website.

**Form 19b-4 Information \***

Add Remove View

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 \***

Add Remove View

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies \***

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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, security-based swap submission, or advance notice 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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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**

Add Remove View

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 the 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”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to make technical and other non-substantive changes within FINRA rules.

The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

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

The Chief Legal Officer of FINRA authorized the filing of the proposed rule change with the SEC pursuant to delegated authority. No other action by FINRA is necessary for the filing of the proposed rule change.

FINRA has filed the proposed rule change for immediate effectiveness. The implementation date for the proposed changes to FINRA Rules 2214 and 9217 will be January 22, 2018. The implementation date for the proposed changes to FINRA Rule 7730 will be February 1, 2018, to coincide with the implementation date of earlier changes to the rule.<sup>2</sup>

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

(a) Purpose

On September 13, 2016, the SEC approved changes to FINRA Rules 2210 (Communications with the Public), 2213 (Requirements for the Use of Bond Mutual

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

<sup>2</sup> See Regulatory Notice 17-36 (November 2017).

Fund Volatility Ratings), and 2214 (Requirements for the Use of Investment Analysis Tools) that, among other things, eliminated the filing requirements for investment analysis tool report templates and retail communications concerning such tools and instead requires members to provide FINRA staff with access to investment analysis tools upon request.<sup>3</sup> The implementation date for the changes was January 9, 2017.<sup>4</sup>

The proposed rule change would delete FINRA Rule 2214.03 to eliminate the requirement to re-file a written-report template or retail communication concerning an investment analysis tool, and conform the rule to changes approved in SR-FINRA-2016-018. In addition, the proposed rule change would renumber FINRA Rule 2214.04 through 2214.07 as 2214.03 through 2214.06, accordingly.

Also, the proposed rule change would make technical changes to FINRA Rule 7730 (Trade Reporting and Compliance Engine (TRACE)). On July 11, 2017, the SEC approved SR-FINRA-2017-015, which added the definition of “End-of-Day TRACE Transaction File” to Rule 7730 as paragraph (g)(6). On August 4, 2017, the SEC approved SR-FINRA-2017-021, which added “TRACE Security Activity Report” also as paragraph (g)(6). The proposed rule change would redesignate Rule 7730(g)(6) (TRACE Security Activity Report) as 7730(g)(7) to avoid duplication.<sup>5</sup>

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<sup>3</sup> See Securities Exchange Act Release No. 78823 (September 13, 2016), 81 FR 64240 (September 19, 2016) (Order Approving File No. SR-FINRA-2016-018).

<sup>4</sup> See Regulatory Notice 16-41 (October 2016).

<sup>5</sup> See Securities Exchange Act Release No. 81114 (July 11, 2017), 82 FR 32728 (July 17, 2017) (Order Approving File No. SR-FINRA-2017-015) and Securities Exchange Act Release No. 81318 (August 4, 2017), 82 FR 37484 (August 10, 2017) (Order Approving File No. SR-FINRA-2017-021).

Finally, the proposed rule change would update a reference in FINRA Rule 9217 (Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19b-1(c)(2)) to reflect that FINRA Rule 7430 (Synchronization of Member Business Clocks) has been renumbered as FINRA Rule 4590 (Synchronization of Member Business Clocks) to conform with SEC approval in SR-FINRA-2016-005.<sup>6</sup>

As noted in Item 2 of this filing, FINRA has filed the proposed rule change for immediate effectiveness. The implementation date for the proposed changes to FINRA Rules 2214 and 9217 will be January 22, 2018. The implementation date for the proposed changes to FINRA Rule 7730 will be February 1, 2018, to coincide with the implementation date of earlier changes to the rule.<sup>7</sup>

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>8</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. FINRA believes the proposed rule change will provide greater clarity to members and the public regarding FINRA's rules by deleting the re-filing requirements in Rule 2214.03 to conform to changes approved in SR-FINRA-2016-018 and by making technical updates in Rules 7730(g)(6) and 9217.

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<sup>6</sup> See Securities Exchange Act Release No. 77565 (April 8, 2016), 81 FR 22136 (April 14, 2016) (Order Approving File No. SR-FINRA-2016-005); see also Regulatory Notice 16-23 (July 2016).

<sup>7</sup> See supra note 2.

<sup>8</sup> 15 U.S.C. 78o-3(b)(6).

**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. The proposed rule change brings clarity and consistency to FINRA rules without adding any burden on firms.

**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**

Not applicable.

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

The proposed rule change is effective upon filing pursuant to Section 19(b)(3) of the Act<sup>9</sup> and paragraph (f)(6) of Rule 19b-4 thereunder,<sup>10</sup> in that the proposed rule change does not significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and does not become operative for 30 days after filing or such shorter time as the Commission may designate.

In accordance with Rule 19b-4(f)(6),<sup>11</sup> FINRA submitted written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing, or such shorter

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<sup>9</sup> 15 U.S.C. 78s(b)(3).

<sup>10</sup> 17 CFR 240.19b-4(f)(6).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

time as the Commission may designate, as specified in Rule 19b-4(f)(6)(iii) under the Act.<sup>12</sup>

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

Not applicable.

**9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act**

Not applicable.

**10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act**

Not applicable.

**11. Exhibits**

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

Exhibit 5. Text of the proposed rule change.

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<sup>12</sup> 17 CFR 240.19b-4(f)(6)(iii).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-FINRA-2017-036)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Make Technical and Other Non-Substantive Changes within FINRA Rules

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”) 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. FINRA has designated the proposed rule change as constituting a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4 under the Act,<sup>3</sup> which renders the proposal effective upon receipt of this filing by the Commission. 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 make technical and other non-substantive changes within FINRA rules.

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

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

<sup>3</sup> 17 CFR 240.19b-4(f)(6).



The text of the proposed rule change is available on FINRA's website at <http://www.finra.org>, at the principal office of FINRA and at the Commission's Public Reference Room.

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

On September 13, 2016, the SEC approved changes to FINRA Rules 2210 (Communications with the Public), 2213 (Requirements for the Use of Bond Mutual Fund Volatility Ratings), and 2214 (Requirements for the Use of Investment Analysis Tools) that, among other things, eliminated the filing requirements for investment analysis tool report templates and retail communications concerning such tools and instead requires members to provide FINRA staff with access to investment analysis tools upon request.<sup>4</sup> The implementation date for the changes was January 9, 2017.<sup>5</sup>

The proposed rule change would delete FINRA Rule 2214.03 to eliminate the requirement to re-file a written-report template or retail communication concerning an

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<sup>4</sup> See Securities Exchange Act Release No. 78823 (September 13, 2016), 81 FR 64240 (September 19, 2016) (Order Approving File No. SR-FINRA-2016-018).

<sup>5</sup> See Regulatory Notice 16-41 (October 2016).

investment analysis tool, and conform the rule to changes approved in SR-FINRA-2016-018. In addition, the proposed rule change would renumber FINRA Rule 2214.04 through 2214.07 as 2214.03 through 2214.06, accordingly.

Also, the proposed rule change would make technical changes to FINRA Rule 7730 (Trade Reporting and Compliance Engine (TRACE)). On July 11, 2017, the SEC approved SR-FINRA-2017-015, which added the definition of “End-of-Day TRACE Transaction File” to Rule 7730 as paragraph (g)(6). On August 4, 2017, the SEC approved SR-FINRA-2017-021, which added “TRACE Security Activity Report” also as paragraph (g)(6). The proposed rule change would redesignate Rule 7730(g)(6) (TRACE Security Activity Report) as 7730(g)(7) to avoid duplication.<sup>6</sup>

Finally, the proposed rule change would update a reference in FINRA Rule 9217 (Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19b-1(c)(2)) to reflect that FINRA Rule 7430 (Synchronization of Member Business Clocks) has been renumbered as FINRA Rule 4590 (Synchronization of Member Business Clocks) to conform with SEC approval in SR-FINRA-2016-005.<sup>7</sup>

FINRA has filed the proposed rule change for immediate effectiveness. The implementation date for the proposed changes to FINRA Rules 2214 and 9217 will be January 22, 2018. The implementation date for the proposed changes to FINRA Rule

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<sup>6</sup> See Securities Exchange Act Release No. 81114 (July 11, 2017), 82 FR 32728 (July 17, 2017) (Order Approving File No. SR-FINRA-2017-015) and Securities Exchange Act Release No. 81318 (August 4, 2017), 82 FR 37484 (August 10, 2017) (Order Approving File No. SR-FINRA-2017-021).

<sup>7</sup> See Securities Exchange Act Release No. 77565 (April 8, 2016), 81 FR 22136 (April 14, 2016) (Order Approving File No. SR-FINRA-2016-005); see also Regulatory Notice 16-23 (July 2016).

7730 will be February 1, 2018, to coincide with the implementation date of earlier changes to the rule.<sup>8</sup>

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>9</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. FINRA believes the proposed rule change will provide greater clarity to members and the public regarding FINRA's rules by deleting the re-filing requirements in Rule 2214.03 to conform to changes approved in SR-FINRA-2016-018 and by making technical updates in Rules 7730(g)(6) and 9217.

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. The proposed rule change brings clarity and consistency to FINRA rules without adding any burden on firms.

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.

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<sup>8</sup> See Regulatory Notice 17-36 (November 2017).

<sup>9</sup> 15 U.S.C. 78o-3(b)(6).

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>10</sup> and Rule 19b-4(f)(6) thereunder.<sup>11</sup>

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act. If the Commission takes such action, the Commission shall institute proceedings to determine whether the proposed rule should be approved or disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is 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-2017-036 on the subject line.

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<sup>10</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

Paper Comments:

- Send paper comments in triplicate to Robert W. Errett, Deputy Secretary, Securities and Exchange Commission, 100 F Street, NE, Washington, DC 20549-1090.

All submissions should refer to File Number SR-FINRA-2017-036. 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 website (<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 website viewing and printing in the Commission's Public Reference Room, 100 F Street, NE, Washington, DC 20549, on official business days between the hours of 10 a.m. and 3 p.m. 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. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-FINRA-2017-036 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>12</sup>

Robert W. Errett  
Deputy Secretary

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

**EXHIBIT 5**

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

\* \* \* \* \*

**2200. COMMUNICATIONS AND DISCLOSURES**

\* \* \* \* \*

**2214. Requirements for the Use of Investment Analysis Tools**

(a) through (d) No Change.

**••• Supplementary Material: -----**

**.01** through **.02** No Change.

**.03 [Material Changes to Disclosures.** After the Department has reviewed the investment analysis tool, written-report template, or retail communication, a member must notify the Department and provide additional access to the tool and re-file any template, or retail communication if it makes a material change to the presentation of information or disclosures as required by paragraphs (c) and (d).]

**[.04] Investment Analysis Tools Used with Institutional Investors.** A member that offers an investment analysis tool exclusively to “institutional investors,” as defined in Rule 2210(a)(4), is not subject to the post-use access and filing requirement in paragraph (a) of this Rule if the communications relating to or produced by the tool meet the criteria for “institutional communication,” as defined in Rule 2210(a)(3). A member that intends to make the tool available to, or that intends to use the tool or any related report with, any “retail investor,” as defined in Rule 2210(a)(6) (such as an employee benefit plan participant or a retail broker-dealer customer), will be subject to the filing and access requirements, however.

**.04[5] Compliance with Other Applicable Laws and Rules.** As in all cases, a member's compliance with this Rule does not mean that the member is acting in conformity with other applicable laws and rules. A member that offers an investment analysis tool under this Rule (whether customers use the member's tool independently or with assistance from the member) is responsible for ensuring that use of the investment analysis tool and all recommendations based on the investment analysis tool (whether made via the automated tool or a written report) comply, as applicable, with FINRA's suitability rule (Rule 2111), the other provisions of Rule 2210 (including, but not limited to, the principles of fair dealing and good faith, the prohibition on exaggerated, unwarranted or misleading statements or claims, and any other applicable filing requirements for retail communications), the federal securities laws (including, but not limited to, the antifraud provisions), the SEC rules (including, but not limited to, Securities Act Rule 156) and other FINRA rules.

**.05[6] Incidental References to Investment Analysis Tools.** A retail communication that contains only an incidental reference to an investment analysis tool (e.g., a brochure that merely mentions a member's tool as one of the services offered by the member) need not include the disclosures required by this Rule and would not need to be filed with the Department, unless otherwise required by the other provisions of Rule 2210. A retail communication that refers to an investment analysis tool in more detail but does not provide access to the tool or the results generated by the tool must provide the disclosures required by paragraphs (c)(2) and (c)(4), but may exclude the disclosures required by paragraphs (c)(1) and (c)(3).



**.06[7] Investment Analysis Tools that Favor Certain Securities.** The disclosure required by paragraph (c)(3) must indicate, among other things, whether the investment analysis tool searches, analyzes or in any way favors certain securities within the universe of securities considered based on revenue received by the member in connection with the sale of those securities or based on relationships or understandings between the member and the entity that created the investment analysis tool. The disclosure also must indicate whether the investment analysis tool is limited to searching, analyzing or in any way favoring securities in which the member makes a market, serves as underwriter, or has any other direct or indirect interest. Members are not required to provide a “negative” disclosure (i.e., a disclosure indicating that the tool does not favor certain securities).

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**7700. CHARGES FOR OTC REPORTING FACILITY, OTC BULLETIN BOARD AND TRADE REPORTING AND COMPLIANCE ENGINE SERVICES**

\* \* \* \* \*

**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"):

<b>System Fees</b>	<b>Transaction Reporting Fees</b>	<b>Data Fees</b>
No Change to Chart		

(a) through (f) No Change.

(g) Definitions

(1) through (5) No Change.

(6) "End-of-Day TRACE Transaction File" as used in Rule 7730 means a daily file that includes all transaction data disseminated as part of Real-Time TRACE transaction data on that day and is separately available for each data set for which Real-Time TRACE transaction data is available (i.e., the Corporate Bond Data Set, Agency Data Set, SP Data Set, and Rule 144A Data Set). The End-of-Day TRACE Transaction File is made available daily after the TRACE system closes.

**[(6)](7) TRACE Security Activity Report**

The "TRACE Security Activity Report" is a monthly report containing basic descriptive security elements, aggregate par value volume information, number of transactions, number of unique market participant identifiers ("MPIDs"), and top 5 statistics for disseminated transactions in Corporate and Agency Bonds. The TRACE Security Activity Report will be delayed a minimum of 90 days.

**(A) Par Value Volume Information**

The aggregate par value volume information provided in the TRACE Security Activity Report will include the total par value traded, par value traded of customer buys, par value traded of customer sells, and par value traded of interdealer transactions. For uncapped transactions, the aggregate par value volume information will reflect the actual trade size of each transaction. If there are six or more capped transactions disseminated during the calendar month, the aggregate par value volume information will reflect the actual trade size of each transaction, as well as the par

value traded within specified size categories. If there are fewer than six disseminated capped transactions during the calendar month, the aggregate par value volume information will reflect the capped volumes disseminated by TRACE.

(B) Number of Transactions

The transaction totals provided in the TRACE Security Activity Report will include the total number of transactions, the number of customer buys, the number of customer sells, and the number of interdealer transactions. If there are six or more capped transactions disseminated during the calendar month, the report will provide the total number of transactions and an estimate (provided as incremental ranges) of the number of transactions with a par value volume within specified size categories.

(C) Number of Unique Market Participant Identifiers and Top 5 Statistics

The TRACE Security Activity Report will provide the number of unique reporting MPIDs (displaying the actual number of unique MPIDs where there are six or more unique MPIDs or "1 to 5," as applicable) and the number of unique reporting MPIDs for disseminated capped transactions (displaying the actual number of unique MPIDs where there are six or more unique MPIDs, or "0" or "1 to 5," as applicable); the percentage of the total number of transactions traded by the top five

MPIDs for each CUSIP; and the percentage of total par value traded by the top five MPIDs for each CUSIP.

(h) No Change.

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## **9200. DISCIPLINARY PROCEEDINGS**

\* \* \* \* \*

### **9217. Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19d-1(c)(2)**

Any member of FINRA that is also a member of the New York Stock Exchange LLC ("NYSE") ("Dual Member") (including any persons affiliated with such member) may be subject to a fine under Rule 9216(b) with respect to any rule or By-Law provision listed in this Rule that applies to such member or person. However, any Dual Member that was not also a member of NASD as of July 30, 2007 and that does not engage in any activities that otherwise would require it to be a FINRA member (and its affiliated persons that are not otherwise subject to NASD rules) shall only be subject to a fine under Rule 9216(b) with respect to the following rules or By-Law provisions listed in this Rule: any FINRA By-Law or Schedule to the By-Laws, FINRA rule, SEA rule, or NYSE rule.

Any member of FINRA that is not also a member of the NYSE (and its associated persons that are not otherwise subject to NYSE rules) may be subject to a fine under Rule 9216(b) with respect to any rule or By-Laws provision listed in this Rule, with the exception of the NYSE rules.

- Article IV of the FINRA By-Laws — Failure to timely submit amendments to Form BD.

- Article V of the FINRA By-Laws — Failure to timely submit amendments to Form U4.

- Article V of the FINRA By-Laws — Failure to timely submit amendments to Form U5.

- Schedule A. Sec. 1(b) of the FINRA By-Laws — Failure to make accurate payment of Trading Activity Fee.

- Rule 1250 — Failure to comply with the continuing education requirements.

- Rules 2210, 2211, 2212, 2213, 2215, and 2216 — Communications with the public.

- Rule 2220 — Options Communications.

- Rule 2251(a) — Failure to timely forward proxy and other issuer-related materials.

- Rule 2266 — Failure to provide written notification of availability of SIPC information at account opening or annually thereafter.

- Rule 2360(b)(3) and (b)(4) — Failure to comply with options position and exercise limits.

- Rule 2360(b)(5) — Failure to report options positions.

- Rule 2360(b)(23) — Failure to comply with contrary exercise advice procedures.

- Rule 3110 — Failure to maintain adequate written supervisory procedures where the underlying conduct is subject to Rule 9217.

- Rule 3160(a)(1), (3), (4) and (5) — Standards of conduct for conducting broker-dealer services on or off the premises of a financial institution pursuant to a networking arrangement, but excluding the networking agreement requirements.

- Rule 3170 — Failure to timely file reports pursuant to the Taping Rule.

- Rule 3210 — Failure to obtain consent of employer member, or give notification to executing member.

- Rule 4311(b) — Failure to obtain approval of carrying agreement.

- Rule 4360(b) — Failure to maintain adequate fidelity bond coverage.

- Rule 4370(a), (b), (c), (e) and (f) — Requirements to create, maintain and update a written business continuity plan and disclosure of such to customers.

- Rule 4510 Series — Failure to keep and preserve books, accounts, records, memoranda, and correspondence in conformance with all applicable laws, rules, regulations and statements of policy promulgated thereunder, and with FINRA rules.

- Rule 4517 — Failure to report, review or update executive representative designation and contact information.

- Rule 4521(d) — Failure to submit reports of cash and margin account balances.

- Rule 4524 — Failure to timely file or filing of incomplete reports or information.

- Rule 4530 — Failure to timely file reports.

- Rule 4560 — Failure to timely file reports of short positions on Form NS-1.

- Rule 4590 — Failure to synchronize business clocks used for recording date and time as required by applicable FINRA By-laws and rules.

- Rule 5110(b) — Failure to timely file or filing of incomplete documents or information.
- Rule 5121(a) — Failure to prominently disclose conflict of interest.
- Rule 5121(b)(2) — Failure to give timely notification of termination or settlement of public offering, or failure to file net capital computation.
- Rule 5122(b)(2) — Failure to timely file private placement documents.
- Rule 5190 — Failure to give timely notification of participation in offerings.
- Rules 6282, 6380A, 6380B, 6550, 6622, 6730, 7130, 7160, 7230A, 7230B, 7260A, 7260B, 7330, and 7360 — Transaction reporting in equity and debt securities.
- Rules 6181 and 6623 — Failure to timely report transactions in NMS, OTC and restricted equity securities.
- Rules 6182 and 6624 — Failure to accurately mark short sale transactions in NMS and OTC equity securities.
- Rule 6250 — Failure to comply with quote and order access requirements for FINRA's Alternative Display Facility.
- Rule 6760 — Failure to give timely or complete notification concerning offerings of TRACE-Eligible Securities.
- [• Rule 7430 — Failure to synchronize business clocks used for recording date and time as required by applicable FINRA By-laws and rules.]
- Rules 7440 and 7450 — Failure to submit data in accordance with the Order Audit Trail System ("OATS").
- Rules 8211 and 8213 — Failure to submit trading data as requested.
- Rule 11870 — Failure to abide by Customer Account Transfer Contracts.

- NASD Rules 1021(d) — Failure to timely register.
- Failure to provide or update contact information as required by FINRA or

NASD rules.

- SEA Rules 17a-3(a) and 17a-4 — Record retention rule violations.
- SEA Rule 10b-10 — Confirmation of Transactions.
- SEA Rule 17a-5 — Failure to timely file FOCUS reports and annual audit

reports.

- SEA Rule 17a-10 — Failure to timely file Schedule I.
- Rule 200(g) of SEC Regulation SHO — Failure to accurately mark sell orders

of equity securities.

- Rule 602(b)(5) of SEC Regulation NMS — Failure to properly update

published quotations in certain Electronic Communication Networks ("ECNs").

- Rule 604 of SEC Regulation NMS — Failure to properly display limit orders.
- Rule 605(a)(1) and (3) of SEC Regulation NMS — Failure to timely report or

provide complete order execution information.

- Rule 606 of SEC Regulation NMS — Failure to timely disclose or provide

complete order routing information.

- MSRB Rule A-12(c) and (f) — Failure to timely pay annual fee and failure to

designate and update electronic mail contact information for communications with

MSRB.

- MSRB Rules G-2 and G-3 (b)(ii)(D) and (c)(ii)(D) — Failure to timely register.

- MSRB Rule G-3(i) — Failure to comply with the continuing education

requirements.



- MSRB Rule G-6 — Failure to maintain adequate fidelity bond coverage.
- MSRB Rules G-8 and G-9 — Record retention rule violations.
- MSRB Rule G-10(a) — Failure to deliver investor brochure to customers

promptly.

- MSRB Rule G-12 — Failure to abide by uniform practice rules.
- MSRB Rule G-14 — Failure to submit reports.
- MSRB Rule G-21 — Advertising.
- MSRB Rule G-27(c) — Failure to maintain adequate written supervisory

procedures where the underlying conduct is subject to Rule 9217.

- MSRB Rule G-32 — Failure to timely submit reports.
- MSRB Rule G-37 — Failure to timely submit reports for political contributions.
- NYSE Rules 312(a), (b) and (c), 313, 345.12, and 345.17 — Reporting rule

violations.

- NYSE Rule 312(i) — Failure to obtain approval rule violations.
- NYSE Rules 311(b)(5) and 344 — Failure of a member organization to have

individuals responsible and qualified for the positions of Financial Principal, Operations Principal, Compliance Official, Branch Office Manager and Supervisory Analyst.

- NYSE Rule 345(a) — Failure of a member organization to have individuals responsible and qualified for the positions of Securities Lending Supervisor and Securities Trader Supervisor.

- NYSE Rule 408(a) — Requirement that written authorization be obtained for discretionary power in a customer's account.

- NYSE Rule 416A — Failure to promptly provide or promptly update required membership profile information through the Electronic Filing Platform ("EFP"), or failure to electronically certify that required membership profile information is complete and accurate.

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