

# Regulatory Notice

13-27

## Publicity Rule

### SEC Approves Amendments to FINRA Rule 8313 (Release of Disciplinary Complaints, Decisions and Other Information)

Effective Date: December 16, 2013

#### Executive Summary

The Securities and Exchange Commission (SEC) approved amendments to FINRA Rule 8313 (Release of Disciplinary Complaints, Decisions and Other Information), which governs the release of disciplinary and other information by FINRA to the public.<sup>1</sup> The amendments establish general standards for the release of disciplinary information to the public to provide greater access, clarify the scope of information subject to FINRA Rule 8313 and eliminate provisions that do not address the release of information by FINRA to the public.

The text of the amended rules is available at [www.finra.org/notices/13-27](http://www.finra.org/notices/13-27).

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#### Background & Discussion

FINRA Rule 8313 (also referred to as the publicity rule) governs FINRA's release of disciplinary and other information to the public. The rule sets forth publicity thresholds, which determine the disciplinary complaints, disciplinary decisions and other information that may be released to the public, and requires some items to be released in redacted form. In May 2011, FINRA launched the [FINRA Disciplinary Actions](#) (FDAS) online database to provide the public with greater access to information regarding FINRA's disciplinary actions.

#### August 2013

##### Notice Type

- ▶ Rule Amendment

##### Suggested Routing

- ▶ Compliance
- ▶ Internal Audit
- ▶ Legal
- ▶ Operations
- ▶ Registered Representatives

##### Key Topics

- ▶ BrokerCheck
- ▶ Disciplinary Actions
- ▶ Disciplinary Complaints
- ▶ Disciplinary Decisions
- ▶ FINRA Disciplinary Actions Online Database
- ▶ Expedited Proceedings
- ▶ Membership Application Appeals
- ▶ Publicity Rule
- ▶ Release of Disciplinary and Other Information to the Public
- ▶ Statutory Disqualifications
- ▶ Summary Actions
- ▶ Temporary Cease and Desist Orders

##### Referenced Rules & Notices

- ▶ NTM 97-42
- ▶ NASD Rules 1015 and 1016
- ▶ FINRA Rules 6490, 8312, 8313, and 8320
- ▶ FINRA Rule 9000 Series
- ▶ Exchange Act Section 19(d)
- ▶ Exchange Act Rule 19b-17
- ▶ Exchange Act Rule 19d-1(c)(1)
- ▶ Exchange Act Rule 19h-1
- ▶ MSRB Rule G-37

The FDAS enables interested parties to access FINRA disciplinary actions dating back to early 2005 regarding a specific firm or associated person as well as actions that involve specific areas, including specific rule or statutory violations, products or business lines, or supervisory and compliance practices. Interested parties may search the database by entering search criteria, such as an individual's name, firm name, case number, date range, document type, document text (*e.g.*, such terms as rule citations, product types, sanction) or CRD number.<sup>2</sup> However, the disciplinary information available for publication in the FDAS (or otherwise available for release by FINRA) currently is limited by the publicity thresholds in Rule 8313.

The SEC has approved amendments to Rule 8313 that further increase access to information regarding FINRA's disciplinary actions. The amendments eliminate the existing publicity thresholds, establish general standards for the release of disciplinary information to the public and clarify the scope of information subject to Rule 8313. FINRA believes that the amendments better align its publication standards with those of the SEC and allows for the release to the public of disciplinary information that is already publicly available in BrokerCheck. The significant changes are set out below; however, interested parties should carefully read the attached rule text for a complete and detailed understanding of the amendments.

#### **A. Disciplinary Complaints and Disciplinary Decisions**

Rule 8313 currently provides that in response to a request, FINRA will release any identified disciplinary complaint or disciplinary decision issued by FINRA to the requesting party. Absent a specific request for an identified complaint or decision, the rule provides publicity thresholds for the release of information with respect to disciplinary complaints and disciplinary decisions to the public.<sup>3</sup> For complaints, the publicity thresholds limit the release of information to disciplinary complaints that contain an allegation of a violation of a "designated" statute, rule, or regulation of the SEC, FINRA, or the Municipal Securities Rulemaking Board (MSRB).<sup>4</sup> The publicity thresholds for disciplinary decisions provide for the release to the public of information with respect to any disciplinary decision that: (1) imposes a suspension, cancellation or expulsion of a firm; (2) imposes a suspension or revocation of the registration of an associated person; (3) imposes a suspension or bar of a firm or associated person from association with all member firms; (4) imposes monetary sanctions of \$10,000 or more upon a firm or associated person; or (5) contains an allegation of a violation of a designated rule.

Rule 8313 also contains an omnibus provision that permits FINRA to release information on any disciplinary or other decision issued pursuant to the Rule 9000 Series not specifically enumerated, regardless of the sanctions imposed, with redacted names of the parties and other identifying information. In addition, FINRA may release to the public information with respect to any disciplinary complaint or disciplinary decision or group of complaints or decisions that involves a significant policy or enforcement determination where release

of the information is deemed by FINRA's chief executive officer (CEO) (or such other senior officer as the CEO may designate) to be in the public interest. Rule 8313 includes redaction standards for the release of information with respect to disciplinary decisions where only certain respondents in a decision on appeal meet one or more of the publicity thresholds, or where an underlying Office of Hearing Officers (OHO) decision meets a publicity threshold, but a later National Adjudicatory Council (NAC) decision on the matter does not meet a threshold.

The amendments eliminate the publicity thresholds in Rule 8313. In their place, the amendments adopt general standards for the release of disciplinary complaints, disciplinary decisions and other information to the public.<sup>5</sup> Specifically, Rule 8313(a)(1) provides that FINRA shall release to the public a copy of, and at FINRA's discretion information with respect to, any disciplinary complaint or disciplinary decision issued by FINRA.<sup>6</sup> Subject to limited exceptions discussed below, FINRA will release such information in unredacted form. The amendments also retain the provision addressing the release of "identified" disciplinary complaints and disciplinary decisions in Rule 8313(a)(1).<sup>7</sup>

In general, FINRA believes that greater access to information regarding its disciplinary actions provides valuable guidance and information to firms, associated persons, other regulators and investors. Releasing detailed disciplinary information to the public can serve to deter and prevent future misconduct and to improve overall business standards in the securities industry. It also allows investors to consider firms' and representatives' disciplinary histories when considering whether to engage in business with them. In addition, firms may use such information to educate their associated persons about compliance matters, highlighting potential violations and related sanctions, as well as informing the firms' compliance procedures involving similar business lines, products or industry practices. Further, any firm or individual facing allegations of rule violations may access existing disciplinary decisions to gain greater insight on related facts and sanctions.

FINRA also believes that the current publicity thresholds in Rule 8313 have created an inconsistency in FINRA's release of information given that information that may not be disclosed under the current rule is often publicly available through other sources. For example, the amendments allow FINRA to make available in the FDAS (or otherwise) disciplinary information that is available in BrokerCheck, but is not eligible for publication by FINRA under the current publicity thresholds.<sup>8</sup> The general standards for disciplinary complaints and disciplinary decisions also better align FINRA's publication standards with the practices of the SEC and other regulators. The SEC publishes on its website copies of enforcement actions, including administrative proceedings and complaints filed in federal court, regardless of the type or nature of sanctions imposed. FINRA believes that to avoid confusion, the availability of disciplinary information generally should not differ among regulators. Interested parties should be able to review comparable disciplinary complaints and decisions irrespective of the forum in which the case is brought or the type or nature of sanctions imposed.

In general, copies of and information with respect to disciplinary complaints and disciplinary decisions will continue to be released to the public through the FDAS and FINRA's monthly notice of Disciplinary and Other FINRA Actions. If a disciplinary complaint posted in the FDAS is dismissed or withdrawn, the order dismissing or withdrawing the complaint will accompany the complaint.<sup>9</sup> With respect to the issuance of press releases in connection with disciplinary complaints, FINRA will retain its current practice of only issuing press releases in those situations where there is a significant policy or investor protection reason to do so.

### **B. Temporary Cease and Desist Orders (TCDO)**

Rule 8313 currently states that FINRA shall release to the public information with respect to any TCDO. The amendments adopt this provision with minor changes in Rule 8313(a)(2) to provide that FINRA shall release to the public a copy of, and at FINRA's discretion information with respect to, any order or decision issued by FINRA under the Rule 9800 Series, which addresses TCDO.

### **C. Statutory Disqualification Decisions**

Rule 8313 does not specifically address the release of statutory disqualification decisions to the public. Currently, FINRA releases information on statutory disqualification decisions issued by the NAC pursuant to the Rule 9520 Series with the names of firms and associated persons redacted under the authority of the omnibus provision noted above. The amendments adopt a provision in Rule 8313(a)(2) that provides for the release of unredacted copies of, and at FINRA's discretion information with respect to, statutory disqualification decisions, notifications and notices issued pursuant to the Rule 9520 Series by either the NAC or FINRA's Member Regulation Department that will be filed with the SEC.<sup>10</sup>

As discussed above in the context of disciplinary complaints and disciplinary decisions, FINRA believes that subject to limited exceptions, information should be released to the public in unredacted form. Under the current publicity rule, FINRA releases information regarding the underlying conduct that led to a statutory disqualification, and the safeguards imposed, including restrictions on permissible activities and heightened supervisory plans; however, FINRA does not disclose the identity of the statutorily disqualified individuals or member firms. The amendments provide for the release of such identities because FINRA believes that it provides investors with valuable information about the individuals and firms with whom they conduct business. Further, to the extent that information regarding the underlying conduct that results in an individual or firm being subject to a statutory disqualification decision is reported to the CRD system, identifying information regarding such individuals and firms is available in BrokerCheck.

#### D. Expedited Proceeding Decisions

Rules 9552 through 9558<sup>11</sup> provide a procedural mechanism for FINRA to address certain types of misconduct (*e.g.*, a failure to pay fees or dues, a failure to meet eligibility or qualification standards) more expeditiously than would be possible using the FINRA disciplinary process. Rule 9559 (Hearing Procedures for Expedited Proceedings Under the Rule 9550 Series) allows firms and associated persons to request a hearing regarding the action that often results in a stay of the sanction or limitation. Rule 8313 currently states that FINRA may release to the public information with respect to any expedited proceeding decision issued pursuant to the Rule 9550 Series imposing a suspension or cancellation of a membership, or a suspension or bar of the association of a person with a member firm, unless FINRA determines otherwise. Separately, the “Notice to Membership” provisions in Rules 9552, 9553, 9554, 9555, 9556, 9558 and 9559 currently state that FINRA shall provide notice of any final FINRA action taken under the rules in the next notice of Disciplinary and Other FINRA Actions. The Notice to Membership provision in Rule 9557 requires notice when FINRA imposes a suspension pursuant to the rule, but does not reference final FINRA action because the procedural mechanisms in Rule 9557 differ from the other rules in the expedited proceedings series.

The amendments consolidate the publication standards for expedited proceeding decisions in Rule 8313(a)(3). Consistent with the current Rule 9550 Series and FINRA practice, Rule 8313(a)(3) provides that FINRA shall release to the public information with respect to any suspension, cancellation, expulsion or bar that constitutes final FINRA action imposed pursuant to Rules 9552, 9553, 9554, 9555, 9556 and 9558, and information with respect to any suspension imposed pursuant to Rule 9557. The rule also provides for the release of copies of, and information with respect to, any decision issued pursuant to Rule 9559 that constitutes final FINRA action. Accordingly, the amendments delete the “Notice to Membership” provisions in Rules 9552 through 9559. In general, information with respect to expedited proceeding decisions will continue to be published in FINRA’s monthly notice of Disciplinary and Other FINRA Actions.

#### E. Summary Actions

Rule 8313 currently does not specifically address the release of information regarding summary actions taken by FINRA pursuant to Rule 8320 (Payment of Fines, Other Monetary Sanctions, or Costs; Summary Action for Failure to Pay); however, FINRA generally releases summary information with respect to such actions in its monthly notice of Disciplinary and Other FINRA Actions. To codify FINRA practice, the amendments adopt in Rule 8313(a)(3) a provision that expressly states that FINRA will release to the public information with respect to the summary suspension or expulsion of a firm or the summary revocation of the registration of a person associated with a member firm for failure to pay fines, other monetary sanctions or costs pursuant to Rule 8320. FINRA believes that it is in the public interest to provide notice that a firm or a registered person is subject to sanctions by FINRA and may not have the authority to conduct business with customers or the public. In general, such information will continue to be published in FINRA’s monthly notice of Disciplinary and Other FINRA Actions.

#### **F. Membership and Continuing Membership Application (MAP) Appeals**

Rule 8313 currently provides that FINRA shall release to the public, in the form issued by the NAC, information with respect to any MAP appeal decision issued by the NAC pursuant to NASD Rule 1015 (Review by National Adjudicatory Council). The NAC in its discretion may redact certain information from such decisions prior to their issuance. The amendments adopt this provision as Rule 8313(a)(4) with changes to, among other things, reflect FINRA's practice to release MAP appeal decisions in redacted form. The amendments also clarify that the release to the public of MAP appeal decisions issued by the FINRA Board pursuant to NASD Rule 1016 (Discretionary Review by FINRA Board) are governed by the publicity rule. New Rule 8313(a)(4) provides that FINRA shall release to the public a copy of, and at FINRA's discretion information with respect to, any MAP appeal decision issued by FINRA pursuant to NASD Rules 1015 and 1016. Copies of, and information with respect to, such decisions will be released to the public in redacted form; provided, however, the NAC or the Board, in its discretion, may determine to release the decisions and information in unredacted form.

FINRA believes that continuing the practice of redacting MAP appeal decisions is appropriate given that as part of the MAP process, applicants typically are required to disclose, among other things, proprietary information, including business plans, financial plans and commercial agreements. In addition, denials of MAP applications often are related to firms' capacity limitations or similar operational concerns. Thus, FINRA believes that, as a general matter, the potential harm to firms in releasing denial decisions in unredacted form is not outweighed by any investor protection benefit.

#### **G. Permissive Publication of Certain Decisions and Notices**

The amendments add a new provision in Rule 8313(a)(5) that permits FINRA to release to the public a copy of, and information with respect to, any decision or notice issued pursuant to Rule 6490 (Processing of Company-Related Actions),<sup>12</sup> the Rule 9600 Series (Procedures for Exemptions),<sup>13</sup> the Rule 9700 Series (Procedures on Grievances Concerning the Automated Systems)<sup>14</sup> and any other decision appealable to the SEC under Exchange Act Section 19(d). Consistent with current practice, FINRA does not plan to publish these decisions or notices on a wholesale basis; however, FINRA may determine that there is public benefit to releasing a specific decision or notice issued under these rules to provide guidance to other firms or to alert the public to an investor protection issue.<sup>15</sup>

With respect to exemption decisions, the amendments permit, but do not require, exemption decisions issued under the Rule 9600 Series to be released to the public because Rule 9610, which governs the application for exemptive relief, authorizes firms to request relief from a diverse set of member conduct rules that have differing benefits to publication. Today, FINRA posts to its website exemption decisions for several rules listed in Rule 9610, in large part, to provide guidance to firms, investors and other interested parties to assist them in understanding the rationale for the decisions to grant or deny requests for exemptive relief.<sup>16</sup>

The amendments broadly provide for the release of “any other decision” appealable to the SEC under Exchange Act Section 19(d) to avoid the need to make future amendments to Rule 8313 in the event of additional rulemaking that results in FINRA issuing decisions that may be appealed to the SEC under Exchange Act Section 19(d).

#### **H. Publication of Information Deemed by FINRA’s CEO to be in the Public Interest**

As stated above, notwithstanding the existing publicity thresholds, Rule 8313 currently allows FINRA to release information with respect to any disciplinary complaint or disciplinary decision that involves a significant policy or enforcement determination where the release of such information is deemed by FINRA’s CEO to be in the public interest. Consistent with these provisions, the amendments adopt Rule 8313(a)(6), which provides that FINRA may release to the public a copy of, and information with respect to, any complaint, decision, order, notification or notice issued under FINRA rules, where the release of such information is deemed by FINRA’s CEO (or such other senior officer as the CEO may designate) to be in the public interest, in such format as he or she finds appropriate.

#### **I. Release Specifications**

Rule 8313 currently requires copies of, and information with respect to, disciplinary complaints and disciplinary decisions released to the public to be accompanied by certain disclosure statements regarding their status. FINRA requires these disclosures so that disciplinary complaints and disciplinary decisions released to the public are viewed in an appropriate context and to provide adequate protections to the parties named in the complaint or decision.

The amendments retain in Rule 8313(b)(1) a modified version of the disclosure statement for copies of, and information with respect to, disciplinary complaints. Rule 8313(b)(1) provides that copies of, and information with respect to, any disciplinary complaint released to the public pursuant to Rule 8313(a) shall indicate that a disciplinary complaint represents the initiation of a formal proceeding by FINRA in which findings as to the allegations in the complaint have not been made and does not represent a decision as to any of the allegations contained in the complaint. FINRA believes that copies of, and information with respect to, disciplinary complaints released to the public should continue to be accompanied by a disclosure statement that alerts recipients that the alleged violations contained in FINRA’s complaint have not resulted in a decision or finding against the respondent.

In addition, the amendments consolidate and streamline the disclosure statements for copies of, and information with respect to, disciplinary decisions and expand the statement to cover any item released to the public pursuant to Rule 8313(a). In Rule 8313(b)(2), the amendments provide that copies of, and information with respect to, any disciplinary decision or other decision, order, notification or notice released to the public pursuant to

Rule 8313(a) prior to the expiration of the time period provided for an appeal or call for review as permitted under FINRA rules or the Exchange Act, or while such an appeal or call for review is pending, shall indicate that the findings and sanctions imposed therein are subject to review and modification by FINRA or the SEC. FINRA believes that accompanying copies of, and information with respect to, disciplinary decisions released to the public with a disclosure statement provides necessary context to a non-final disciplinary action and alerts persons viewing such information as to the status of these actions. FINRA also believes that the consolidation and expansion of the disclosure statements in Rule 8313 serve to facilitate the release of disciplinary information to the public electronically in the FDAS because such disclosure will be clearly indicated in the FDAS, but will not accompany each complaint or decision.

#### **J. Discretion to Redact Certain Information or Waive Publication**

FINRA believes it is necessary in releasing information to the public to balance investor protection benefits with the harm that may result if certain confidential customer information or information that raises personal safety or privacy concerns is released to the public. Accordingly, the amendments add a new provision in Rule 8313(c)(1) that permits FINRA, notwithstanding the requirements of Rule 8313(a), to redact, on a case-by-case basis, information that contains confidential customer information, including customer identities, or information that raises significant identity theft, personal safety or privacy concerns that are not outweighed by investor protection concerns. FINRA takes the same approach with respect to the release of information in BrokerCheck.<sup>17</sup> The amendments aim to broaden the information released by FINRA to the public to establish a principled basis for disclosure that meets FINRA's investor protection objectives, yet fairly addresses privacy interests.

Similarly, the amendments adopt with minor changes a statement from current Rule 8313 that provides FINRA with discretion to waive the requirement to release a disciplinary or other decision under those extraordinary circumstances where the release of such information would violate fundamental notions of fairness or work an injustice. The amendments expand this provision in Rule 8313(c)(2) to provide that notwithstanding the requirement to release information to the public in Rule 8313(a), FINRA may determine, in its discretion, to waive the requirement to release a copy of, or information with respect to, any disciplinary complaint, disciplinary decision or other decision, order, notification or notice under those extraordinary circumstances where the release of such information would violate fundamental notions of fairness or work an injustice. FINRA does not believe that decisions should be treated differently than other items that are required to be released under paragraph (a) of Rule 8313.



### **K. Notification of Appeals of FINRA Decisions**

Rule 8313 currently requires FINRA to provide notice to the membership and the press that a FINRA disciplinary decision that meets certain publicity thresholds is appealed to the SEC. The notice must be released as soon as possible after the SEC notifies FINRA of the appeal and it must state whether the effectiveness of the FINRA Board's decision has been stayed pending the outcome of proceedings before the SEC. The amendments adopt this provision with minor changes as Rule 8313(d), eliminating the publicity thresholds and the limitation on notification to the membership and the press. FINRA provides notification of appeals to the SEC, including information regarding whether sanctions imposed have been stayed during the pendency of the appeal, in the monthly notice of Disciplinary and Other FINRA Actions. FINRA also intends to indicate whether a disciplinary decision available in the FDAS has been appealed to the SEC. The FDAS also includes decisions issued by the SEC that relate to FINRA disciplinary actions that have been appealed.

Rule 8313 currently requires FINRA to provide notice to the membership in the event an appeal to the courts is filed from an SEC disciplinary decision in a case previously appealed to it from a FINRA decision that meets certain publicity thresholds. The rule also provides that any order issued by the SEC imposing sanctions or fines on a firm that meets certain publicity thresholds must be released to the public through a notice containing the effective date of the order. The amendments delete these provisions because they limit notice based on the publicity thresholds that have been eliminated by the amendments, and such notifications are best addressed by the SEC.<sup>18</sup>

### **L. Provisions Outside the Scope of Rule 8313**

To clarify the scope of Rule 8313, the amendments eliminate provisions that are outside the purview of the rule, which is intended solely to address the release of disciplinary and other information by FINRA to the public. The amendments delete paragraphs (d) through (k) of the rule because they address, for example, the effective date of certain disciplinary decisions and sanctions and when a decision is stayed on a call for review by the Board.<sup>19</sup>

### **M. Effective Date**

The amendments become effective on December 16, 2013, and apply prospectively. As such, the revised standards in Rule 8313 will govern the release of disciplinary and other information for all new and pending matters as of the effective date.<sup>20</sup> Following implementation, FINRA will use the amended disclosure statements in Rule 8313 when releasing disciplinary complaints and disciplinary decisions going forward, irrespective of the date of the action.

## Endnotes

1. See Securities Exchange Act Release No. 69825 (June 21, 2013), 78 FR 38771 (June 27, 2013) (Order Approving the Proposed Rule Change, as Modified by Amendment No. 1; File No. SR-FINRA-2013-018).
2. The FDAS also includes decisions issued by the SEC and federal appellate courts that relate to FINRA disciplinary actions that have been appealed.
3. Rule 8313 provides for the release of “information with respect to” disciplinary complaints and decisions in light of FINRA’s practice to issue, in addition to the complaints or decisions themselves, information, for example, in press releases or summaries of complaints and decisions that meet the current publicity thresholds, or are otherwise permitted to be released under the rule.
4. FINRA has identified such rules in [Notice to Members 97-42](#) (July 1997).
5. In light of the elimination of the publicity thresholds, the amendments delete from Rule 8313 the redaction standards made necessary by the publicity thresholds.
6. The amendments eliminate as unnecessary references to “groups of” disciplinary complaints and disciplinary decisions. See current Rule 8313(b)(1) and (c)(1). FINRA does not view the amended rule as distinguishing between the release of individual, versus groups of, disciplinary complaints and disciplinary decisions.
7. For the purpose of the rule, the term “disciplinary complaint” means any complaint issued pursuant to the Rule 9200 Series (Disciplinary Proceedings) and the term “disciplinary decision” means any decision issued pursuant to the Rule 9000 Series, including decisions issued by the OHO, the NAC, or the FINRA Board (Board), orders accepting offers of settlement, and Letters of Acceptance, Waiver and Consent (AWCs). The term disciplinary decision does not include decisions issued pursuant to the Rule 9550 Series (Expedited Proceedings), Rule 9600 Series (Procedures for Exemptions), Rule 9700 Series (Procedures on Grievances Concerning the Automated Systems), or Rule 9800 Series (Temporary Cease and Desist Orders), or decisions, notifications, or notices issued pursuant to the Rule 9520 Series (Eligibility Proceedings), which are addressed by separate provisions in Rule 8313. Consistent with current practice, minor rule violation plan (MRVP) letters issued pursuant to Rule 9216 (Acceptance, Waiver, and Consent; Plan Pursuant to SEA Rule 19d-1(c)(2)) and Rule 9217 (Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19d-1(c)(2)) are not subject to Rule 8313.
8. The information about firms and registered persons made available through BrokerCheck is derived from the Central Registration Depository (CRD®). Information in the CRD system is obtained through the uniform registration forms. The disclosure questions in Section 14 of Form U4, among other things, require the reporting of regulatory complaints alleging, and any findings of, a violation of self-regulatory organization rules. As such, BrokerCheck reports may include unredacted summary information regarding a FINRA disciplinary action that FINRA is not permitted to release in the monthly notice of Disciplinary and Other FINRA Actions or in the FDAS under the current publicity thresholds.

9. FINRA believes that including the subsequent decision or order helps to ensure that persons reviewing disciplinary and other information have a full understanding of the status of a filed disciplinary complaint. FINRA further notes that dismissed and withdrawn complaints are not removed from BrokerCheck, so they are already publicly available. Further, the proposal is consistent with SEC practice in the administrative proceeding forum. If an SEC administrative law judge (ALJ) or the SEC, on appeal, issues an opinion, or an ALJ grants a staff motion to withdraw a complaint, the original Order Instituting Proceeding is not removed from the public record.
10. All statutory disqualification decisions issued by the NAC are filed with the SEC. In contrast, depending on the nature of the disqualifying event, Member Regulation may or may not have to file a notice of its approval of an application for relief (referred to as a 19h-1 notice or notification) with the SEC. For example, Member Regulation may approve the association of a person without filing a 19h-1 notice or notification with the SEC when the disqualifying event consists of an injunction that was entered more than 10 years ago. *See also* Exchange Act Rule 19h-1.
11. *See* Rule 9552 (Failure to Provide Information or Keep Information Current), Rule 9553 (Failure to Pay FINRA Dues, Fees and Other Charges), Rule 9554 (Failure to Comply with an Arbitration Award or Related Settlement or an Order of Restitution or Settlement Providing for Restitution), Rule 9555 (Failure to Meet the Eligibility or Qualification Standards or Prerequisites for Access to Services), Rule 9556 (Failure to Comply with Temporary and Permanent Cease and Desist Orders), Rule 9557 (Procedures for Regulating Activities Under Rules 4110, 4120 and 4130 Regarding a Member Experiencing Financial or Operational Difficulties), and Rule 9558 (Summary Proceedings for Actions Authorized by Section 15A(h)(3) of the Exchange Act).
12. Under Rule 6490, FINRA's Operations Department reviews and processes documents related to announcements for Exchange Act Rule 10b-17 Actions and Other Company-Related Actions to facilitate the orderly trading and settlement of OTC securities.
13. The Rule 9600 Series allows a firm seeking exemptive relief, as permitted under certain FINRA and NASD rules and MSRB Rule G-37, to file a written application with the appropriate department or staff of FINRA. The amendments make conforming amendments to Rule 9620, which governs exemption decisions issued under the Rule 9600 Series, to reflect the permissive nature of Rule 8313(a)(5).
14. The Rule 9700 Series sets forth procedures for redress for persons aggrieved by the operations of any automated quotation, execution, or communication system owned or operated by FINRA, or its subsidiaries, and approved by the SEC, not otherwise provided for by the FINRA rules.
15. In general, FINRA is not in the practice of releasing copies of, or information with respect to, decisions or notices addressing company-related actions or grievances concerning the automated systems.
16. Consistent with current practice under the Rule 9600 Series, FINRA will continue to consider statements included by an applicant to show good cause to treat a decision as confidential in whole or in part.

17. See Rule 8312(d) (FINRA BrokerCheck Disclosure) (FINRA reserves the right to exclude on a case-by-case basis, information that contains confidential customer information, offensive or potentially defamatory language or information that raises significant identity theft, personal safety or privacy concerns that are not outweighed by investor protection concerns).
18. See note 2.
19. The amendments move the rule language regarding the effectiveness of sanctions in Rule 8313(d) to new paragraph (f) in Rule 9268 (Decision of Hearing Panel or Extended Hearing Panel), which addresses hearing panel decisions, including their content and to whom they are disseminated. Although the language in Rule 9268(f) differs slightly from Rule 8313(d), the timing for the effectiveness of sanctions remains unchanged. The amendments also make conforming amendments to Rule 9268(b)(6).
20. With respect to pending matters, the amended rule will govern, for example, a complaint filed prior to the effective date of the amendments where the matter is resolved on or after the effective date of the amendments.