

Electronic Form 211

FINRA Adopts New Electronic Form 211 for Purposes of Compliance with FINRA Rule 6432

Effective Date: October 23, 2017

Summary

FINRA has adopted a new electronic Form 211 for purposes of compliance with FINRA Rule 6432 (Compliance with the Information Requirements of SEA Rule 15c2-11).¹ Firms must begin using the electronic Form 211 in place of the current paper form beginning on October 23, 2017, but may voluntarily begin using the electronic Form 211 beginning on September 11, 2017.

Questions regarding this *Notice* should be directed to:

- ▶ Yvonne Huber, Vice President, Market Regulation (MR), at (240) 386-5034 or by email at yvonne.huber@finra.org;
- ▶ Steven Genegaban, Manager, MR, at (240) 386-5040 or by email at steven.genegaban@finra.org; or
- ▶ for legal and interpretive questions, Racquel Russell, Associate General Counsel, Office of General Counsel, at (202) 728-8363 or by email at racquel.russell@finra.org.

Background and Discussion

FINRA Rule 6432 prescribes the method by which firms must demonstrate to FINRA compliance with SEA Rule 15c2-11. Rule 6432 generally provides that no member shall initiate or resume quotations in a non-exchange-listed security² unless the member demonstrates compliance by making a filing with, and in the form required by, FINRA ("Form 211"). FINRA previously required firms to comply with Rule 6432 by submitting a paper Form 211, which is being replaced with a new electronic Form 211.

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Notice Type

- ▶ Rule Amendment

Suggested Routing

- ▶ Compliance
- ▶ Legal
- ▶ Operations
- ▶ Systems
- ▶ Trading and Market Making
- ▶ Training

Key Topics

- ▶ Form 211
- ▶ Market Making

Referenced Rules

- ▶ FINRA Rule 6432
- ▶ SEA Rule 15c2-11

The new electronic Form 211, accessible to firms through FINRA's Firm Gateway,³ consists of a cover page and five sections: (1) issuer and security information; (2) information required pursuant to SEA Rule 15c2-11(a)(1), (a)(2), (a)(3), (a)(4) or (a)(5), as applicable; (3) information required pursuant to paragraphs (b)(1) through (b)(3) of SEA Rule 15c2-11; (4) supplemental information; and (5) the certification. The electronic Form 211 generally solicits the same information currently requested in the paper form and permits firms to upload, or reference (if available on the SEC's Electronic Data Gathering, Analysis, and Retrieval system), all requested information, along with any supplemental information a firm may wish to submit.⁴

Beginning on October 23, 2017, FINRA no longer will accept paper Form 211; thus, firms may continue to use the paper Form 211 until then. However, firms can voluntarily transition to the new electronic Form 211 beginning on September 11, 2017.

Firms that do not have access to the electronic Form 211 on FINRA Firm Gateway should have their Super Account Administrator (SAA) contact the FINRA Gateway Call Center at (301) 590-6500. Firms with questions about completing or filing the Form 211 should contact the FINRA OTC Compliance Team at (240) 386-5100.

Endnotes

1. See [File No. SR-FINRA-2017-028](#) (Proposed Rule Change to Implement a New Electronic Form 211).
2. For purposes of Rule 6432, the term "non-exchange-listed security" means any equity security, other than a Restricted Equity Security (defined in FINRA Rule 6420(k)), that is not traded on any national securities exchange. See Rule 6432(e).
3. The Firm Gateway is a single point of service that allows firms to quickly interact with FINRA. The Firm Gateway provides consolidated access to regulatory applications and filings, and FINRA's electronic billing system; one-click quick access to common tasks, useful resources and key firm information; an at-a-glance view of important filing dates, tasks and events; and centralized FINRA Information Requests. The applications and filings that firms can access through the Firm Gateway include Web CRD, IARD, OATS, Report Center and virtually all electronic regulatory filing applications, including FOCUS, Firm Profile, FINRA Contact System and Rule 4530 Customer Complaints.
4. FINRA requests additional information in follow-up correspondence as necessary to support a firm's Form 211 submission. Follow-up correspondence relating the electronic Form 211 will be sent via Request Manager, FINRA's electronic correspondence system.