

Required fields are shown with yellow backgrounds and asterisks.

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No.* SR - 2011 - * 026

Amendment No. (req. for Amendments *)

Proposed Rule Change by Financial Industry Regulatory Authority
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934Initial * ☒ Amendment * ☐ Withdrawal ☐Section 19(b)(2) * ☐ Section 19(b)(3)(A) * ☒ Section 19(b)(3)(B) * ☐

Rule

Pilot ☐ Extension of Time Period
for Commission Action * ☐ Date Expires * ☐ 19b-4(f)(1) ☐ 19b-4(f)(4)
☒ 19b-4(f)(2) ☐ 19b-4(f)(5)
☐ 19b-4(f)(3) ☐ 19b-4(f)(6)Exhibit 2 Sent As Paper Document ☐Exhibit 3 Sent As Paper Document ☐**Description**

Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked *).

Proposed Rule Change Regarding Cancellation or Rescheduling Fees for Qualification Examinations and Continuing Education Sessions

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 proposed rule change.

First Name * Stan Last Name * Macel
Title * Assistant General Counsel
E-mail * stan.macel@finra.org
Telephone * (202) 728-8056 Fax (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 officer.

Date 07/15/2011

By Patrice M. Gliniecki
(Name *)

Senior Vice President and Deputy General Counsel

(Title *)

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.

Patrice Gliniecki,

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information (required)

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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 (required)

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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”),¹ Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to amend Section 4(c) of Schedule A to the FINRA By-Laws to address cancellation/rescheduling fees for qualification examinations and continuing education sessions. Specifically, the proposed rule change would (1) establish a fee for individuals who cancel or reschedule a qualification examination or Regulatory Element Continuing Education (“Regulatory Element”) session three to ten business days prior to the appointment date, and (2) add a reference to the fee for individuals who fail to timely appear for a scheduled Regulatory Element session or who cancel or reschedule such a session within two business days prior to the appointment date.

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

* * * * *

SCHEDULE A TO THE BY-LAWS OF THE CORPORATION

* * * * *

Section 4 – Fees

(a) and (b) No change.

(c) The following fees shall be assessed to each individual who registers to take an examination as described below. These fees are in addition to the registration fee

¹ 15 U.S.C. 78s(b)(1).

described in paragraph (b) and any other fees that the owner of an examination that FINRA administers may assess.

Series 4	Registered Options Principal	\$90
Series 6	Investment Company Products/Variable Contracts Representative	\$85
Series 7	General Securities Representative	\$265
Series 9	General Securities Sales Supervisor — Options Module	\$70
Series 10	General Securities Sales Supervisor — General Module	\$110
Series 11	Assistant Representative — Order Processing	\$70
Series 14	Compliance Official	\$320
Series 16	Supervisory Analyst	\$210
Series 17	Limited Registered Representative	\$70
Series 22	Direct Participation Programs Representative	\$85
Series 23	General Securities Principal Sales Supervisor Module	\$85
Series 24	General Securities Principal	\$105
Series 26	Investment Company Products/Variable Contracts Principal	\$85
Series 27	Financial and Operations Principal	\$105
Series 28	Introducing Broker-Dealer Financial and Operations Principal	\$85
Series 37	Canada Module of S7 (Options Required)	\$160
Series 38	Canada Module of S7 (No Options Required)	\$160
Series 39	Direct Participation Programs Principal	\$80
Series 42	Registered Options Representative	\$65
Series 51	Municipal Fund Securities Limited Principal	\$85
Series 52	Municipal Securities Representative	\$95

Series 53	Municipal Securities Principal	\$95
Series 55	Limited Representative — Equity Trader	\$95
Series 62	Corporate Securities Limited Representative	\$80
Series 72	Government Securities Representative	\$95
Series 79	Investment Banking Qualification Examination	\$265
Series 82	Limited Representative — Private Securities Offering	\$80
Series 86	Research Analyst — Analysis	\$160
Series 87	Research Analyst — Regulatory	\$115

(1) No change.

(2) There shall be a service charge of \$15.00 in addition to those fees specified above for any examination taken in a foreign test center located outside the territorial limits of the United States.

[(2)]3) There shall be a service charge equal to the examination or Regulatory Element session fee assessed to each individual who, having made an appointment for a specific time and place for computer-based administration of an examination listed above or Regulatory Element session, fails to timely appear for such appointment [examination] or [timely] cancels or reschedules such appointment within two business days prior to the appointment date.

[(3) There shall be a service charge fee of \$15.00 in addition to those fees specified above for any examination taken in a foreign test center located outside the territorial limits of the United States.]

(4) There shall be a service charge equal to one-half of the examination or Regulatory Element session fee assessed to each individual who, having made an

appointment for a specific time and place for computer-based administration of an examination listed above or Regulatory Element session, cancels or reschedules such appointment three to 10 business days prior to the appointment date.

(d) through (h) No change.

* * * * *

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

At its meeting on April 14, 2011, the FINRA Board of Governors authorized the filing of the proposed rule change with the SEC. 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. FINRA is proposing that the implementation date of the proposed rule change will be September 1, 2011.

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

(a) Purpose

As discussed in further detail below, the proposed rule change amends Section 4(c) of Schedule A to the FINRA By-Laws to (1) establish a fee for individuals who cancel or reschedule a qualification examination or Regulatory Element session three to ten business days prior to the appointment date, and (2) add a reference to the fee for individuals who fail to timely appear for a scheduled Regulatory Element session or who cancel or reschedule such a session within two business days prior to the appointment date.

Three- to Ten-Day Cancellation/Rescheduling Fee

Pursuant to NASD Rules 1021 and 1031, any person engaged in the investment banking or securities business of a FINRA member must register with FINRA in the category of registration appropriate to the function the individual will be performing. As part of the registration process, securities professionals must pass a qualification examination to demonstrate competence in the areas in which they will work. In addition, such individuals must complete the appropriate Regulatory Element program subsequent to their initial qualification and registration with FINRA, as set forth in NASD Rule 1120.² The qualification examinations and Regulatory Element programs cover a broad range of subjects regarding financial markets and products, individual responsibilities, securities industry rules, and regulatory structure. FINRA develops, maintains, and delivers all qualification examinations and Regulatory Element programs for individuals who are registered or seeking registration with FINRA. FINRA also delivers examinations sponsored by the North American Securities Administrators Association, the National Futures Association, the Federal Deposit Insurance Corporation, and others. FINRA currently administers examinations and Regulatory Element programs via computer at testing centers operated by vendors under contract with FINRA.

To request and schedule an appointment for a qualification examination, a FINRA member must file a Form U4 (Uniform Application for Securities Industry Registration

² The SEC has approved the adoption of NASD Rule 1120 (Continuing Education Requirements) as FINRA Rule 1250 (Continuing Education Requirements) in the consolidated FINRA rulebook with certain changes. See Securities Exchange Act Release No. 64687 (June 16, 2011), 76 FR 36586 (June 22, 2011) (Order Approving SR-FINRA-2011-013). FINRA will issue a Regulatory Notice announcing the effective date of FINRA Rule 1250 in the near future.

or Transfer) through the Central Registration Depository (“Web CRD[®]”).³ After the request is processed, a scheduling window will be posted on Web CRD. For Regulatory Element programs, registered persons in covered registration categories will automatically become enrolled for the requisite program on the second anniversary of their initial securities registration and every three years thereafter. Once an individual or an individual’s firm receives the enrollment notification for an examination or Regulatory Element session, the individual may then contact a FINRA authorized testing center to schedule an appointment.

After an examination or Regulatory Element session has been scheduled, an individual may cancel or reschedule the appointment by contacting the testing center. Currently, FINRA does not impose a fee for cancelling or rescheduling an appointment if it is done by noon two business days before the scheduled appointment. FINRA charges a cancellation fee equal to the examination or Regulatory Element session fee if this deadline is not met, if an individual does not appear for an appointment, or if an individual arrives so late for an appointment that the examination or Regulatory Element session cannot begin without disrupting the testing center’s schedule.⁴

FINRA has determined that individuals who cancel or reschedule an appointment more than two business days before the scheduled appointment date also place an administrative burden on test-delivery vendors and degrade the efficiency of test center

³ Individuals who are not employed or associated with a FINRA member must file a Form U10 (Uniform Examination Request for Non-FINRA candidates) with FINRA to schedule an examination.

⁴ Further information about the cancellation policy can be found on FINRA’s website at <http://www.finra.org/Industry/Compliance/Registration/QualificationsExams/RegisteredReps/Qualifications/P120071>.

resource utilization. To discourage such behavior, FINRA is proposing to implement a fee for individuals who cancel or reschedule a qualification examination or Regulatory Element session within three to ten business days of a scheduled appointment date.⁵ The amount of the proposed fee would be one-half of the fee of the examination or Regulatory Element session being cancelled or rescheduled.⁶ FINRA believes that this fee will help to control the overall costs associated with the delivery of examinations and Regulatory Element programs and the resultant examination and Regulatory Element session fees charged to individuals for examinations and Regulatory Element programs.

Continuing Education Failure to Timely Appear/Late Cancellation or Rescheduling Fee

As previously mentioned, FINRA assesses a fee equal to the examination or Regulatory Element session fee to individuals who fail to timely appear for an appointment or who cancel or reschedule an examination or Regulatory Element session within two business days of the scheduled appointment date.⁷ Although Section 4(c) of Schedule A to the FINRA By-Laws currently sets forth this fee for qualification examinations, it does not set forth the fee with respect to the Regulatory Element

⁵ The cancellation/rescheduling fee will be assessed for the qualification examinations set forth in Section 4(c) of Schedule A to the FINRA By-Laws and all Regulatory Element programs. In addition, depending on the terms of agreement, the fee also may apply for those qualification examinations that FINRA delivers for other entities.

⁶ The fee must be paid at the time of cancellation or rescheduling. In those circumstances where the fee is not paid in a timely manner, FINRA, instead, will assess a fee equal to the examination or Regulatory Element session fee if the individual does not appear for the scheduled appointment.

⁷ FINRA considers an individual who fails to cancel or reschedule an examination or Regulatory Element session by noon two business days before the scheduled appointment to have failed timely to cancel or reschedule the appointment under Section 4(c)(2) of Schedule A to the FINRA By-Laws. See supra note 4.

program. Consequently, FINRA is proposing to amend Section 4(c) of Schedule A to the FINRA By-Laws to add a reference to this Regulatory Element program fee. The proposed rule change would also specifically reference the time period for which this fee applies (i.e., within two business days prior to the appointment date).

As noted in Item 2 of this filing, FINRA has filed the proposed rule change for immediate effectiveness. FINRA is proposing that the implementation date of the proposed rule change will be September 1, 2011.

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,⁸ in general, and with Section 15A(b)(5) of the Act,⁹ in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which FINRA operates or controls. FINRA believes that it is an equitable allocation to assess a fee on those individuals who cancel a qualification examination or Regulatory Element session within three to ten business days of a scheduled appointment date, because such behavior places an administrative burden on test-delivery vendors and degrades the efficiency of test center resource utilization. FINRA further believes that the amount of the fee, which is one-half of the current fee for individuals who fail to appear for a scheduled appointment or who cancel/reschedule an appointment within two business days of a scheduled appointment date, is reasonable because it will help to control the overall costs associated with the delivery of examinations and Regulatory Element programs while

⁸ 15 U.S.C. 78o-3.

⁹ 15 U.S.C. 78o-3(b)(5).

also recognizing the lesser burden that results from those individuals who provide additional notice by cancelling/rescheduling an appointment three to ten business days before the scheduled appointment date. FINRA further believes that the amount of the fee is reasonable because it will dissuade individuals from cancelling or rescheduling an appointment three to ten business days before the scheduled appointment date.

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

Not applicable.

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

The proposed rule change is effective upon filing pursuant to Section 19(b)(3)(A)(ii) of the Act¹⁰ and paragraph (f)(2) of Rule 19b-4 thereunder,¹¹ in that the proposed rule change is establishing or changing a due, fee, or other charge imposed by the self-regulatory organization on any person, whether or not the person is a member of the self-regulatory organization.

¹⁰ 15 U.S.C. 78s(b)(3)(A)(ii).

¹¹ 17 CFR 240.19b-4(f)(2).

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

Not applicable.

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-2011-026)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Regarding Cancellation or Rescheduling Fees for Qualification Examinations and Continuing Education Sessions

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² 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 and II below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as “establishing or changing a due, fee or other charge” under Section 19(b)(3)(A)(ii) of the Act³ and Rule 19b-4(f)(2) thereunder,⁴ 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 amend Section 4(c) of Schedule A to the FINRA By-Laws to address cancellation/rescheduling fees for qualification examinations and continuing education sessions. Specifically, the proposed rule change would (1) establish a fee for

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(ii).

⁴ 17 CFR 240.19b-4(f)(2).

individuals who cancel or reschedule a qualification examination or Regulatory Element Continuing Education (“Regulatory Element”) session three to ten business days prior to the appointment date, and (2) add a reference to the fee for individuals who fail to timely appear for a scheduled Regulatory Element session or who cancel or reschedule such a session within two business days prior to the appointment date.

The text of the proposed rule change is available on FINRA’s Web site 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

As discussed in further detail below, the proposed rule change amends Section 4(c) of Schedule A to the FINRA By-Laws to (1) establish a fee for individuals who cancel or reschedule a qualification examination or Regulatory Element session three to ten business days prior to the appointment date, and (2) add a reference to the fee for individuals who fail to timely appear for a scheduled Regulatory Element session or who cancel or reschedule such a session within two business days prior to the appointment date.

Three- to Ten-Day Cancellation/Rescheduling Fee

Pursuant to NASD Rules 1021 and 1031, any person engaged in the investment banking or securities business of a FINRA member must register with FINRA in the category of registration appropriate to the function the individual will be performing. As part of the registration process, securities professionals must pass a qualification examination to demonstrate competence in the areas in which they will work. In addition, such individuals must complete the appropriate Regulatory Element program subsequent to their initial qualification and registration with FINRA, as set forth in NASD Rule 1120.⁵ The qualification examinations and Regulatory Element programs cover a broad range of subjects regarding financial markets and products, individual responsibilities, securities industry rules, and regulatory structure. FINRA develops, maintains, and delivers all qualification examinations and Regulatory Element programs for individuals who are registered or seeking registration with FINRA. FINRA also delivers examinations sponsored by the North American Securities Administrators Association, the National Futures Association, the Federal Deposit Insurance Corporation, and others. FINRA currently administers examinations and Regulatory Element programs via computer at testing centers operated by vendors under contract with FINRA.

To request and schedule an appointment for a qualification examination, a FINRA member must file a Form U4 (Uniform Application for Securities Industry Registration

⁵ The SEC has approved the adoption of NASD Rule 1120 (Continuing Education Requirements) as FINRA Rule 1250 (Continuing Education Requirements) in the consolidated FINRA rulebook with certain changes. See Securities Exchange Act Release No. 64687 (June 16, 2011), 76 FR 36586 (June 22, 2011) (Order Approving SR-FINRA-2011-013). FINRA will issue a Regulatory Notice announcing the effective date of FINRA Rule 1250 in the near future.

or Transfer) through the Central Registration Depository (“Web CRD[®]”).⁶ After the request is processed, a scheduling window will be posted on Web CRD. For Regulatory Element programs, registered persons in covered registration categories will automatically become enrolled for the requisite program on the second anniversary of their initial securities registration and every three years thereafter. Once an individual or an individual’s firm receives the enrollment notification for an examination or Regulatory Element session, the individual may then contact a FINRA authorized testing center to schedule an appointment.

After an examination or Regulatory Element session has been scheduled, an individual may cancel or reschedule the appointment by contacting the testing center. Currently, FINRA does not impose a fee for cancelling or rescheduling an appointment if it is done by noon two business days before the scheduled appointment. FINRA charges a cancellation fee equal to the examination or Regulatory Element session fee if this deadline is not met, if an individual does not appear for an appointment, or if an individual arrives so late for an appointment that the examination or Regulatory Element session cannot begin without disrupting the testing center’s schedule.⁷

FINRA has determined that individuals who cancel or reschedule an appointment more than two business days before the scheduled appointment date also place an administrative burden on test-delivery vendors and degrade the efficiency of test center

⁶ Individuals who are not employed or associated with a FINRA member must file a Form U10 (Uniform Examination Request for Non-FINRA candidates) with FINRA to schedule an examination.

⁷ Further information about the cancellation policy can be found on FINRA’s website at <http://www.finra.org/Industry/Compliance/Registration/QualificationsExams/RegisteredReps/Qualifications/P120071>.

resource utilization. To discourage such behavior, FINRA is proposing to implement a fee for individuals who cancel or reschedule a qualification examination or Regulatory Element session within three to ten business days of a scheduled appointment date.⁸ The amount of the proposed fee would be one-half of the fee of the examination or Regulatory Element session being cancelled or rescheduled.⁹ FINRA believes that this fee will help to control the overall costs associated with the delivery of examinations and Regulatory Element programs and the resultant examination and Regulatory Element session fees charged to individuals for examinations and Regulatory Element programs.

Continuing Education Failure to Timely Appear/Late Cancellation or Rescheduling Fee

As previously mentioned, FINRA assesses a fee equal to the examination or Regulatory Element session fee to individuals who fail to timely appear for an appointment or who cancel or reschedule an examination or Regulatory Element session within two business days of the scheduled appointment date.¹⁰ Although Section 4(c) of Schedule A to the FINRA By-Laws currently sets forth this fee for qualification examinations, it does not set forth the fee with respect to the Regulatory Element

⁸ The cancellation/rescheduling fee will be assessed for the qualification examinations set forth in Section 4(c) of Schedule A to the FINRA By-Laws and all Regulatory Element programs. In addition, depending on the terms of agreement, the fee also may apply for those qualification examinations that FINRA delivers for other entities.

⁹ The fee must be paid at the time of cancellation or rescheduling. In those circumstances where the fee is not paid in a timely manner, FINRA, instead, will assess a fee equal to the examination or Regulatory Element session fee if the individual does not appear for the scheduled appointment.

¹⁰ FINRA considers an individual who fails to cancel or reschedule an examination or Regulatory Element session by noon two business days before the scheduled appointment to have failed timely to cancel or reschedule the appointment under Section 4(c)(2) of Schedule A to the FINRA By-Laws. See supra note 7.

program. Consequently, FINRA is proposing to amend Section 4(c) of Schedule A to the FINRA By-Laws to add a reference to this Regulatory Element program fee. The proposed rule change would also specifically reference the time period for which this fee applies (i.e., within two business days prior to the appointment date).

FINRA has filed the proposed rule change for immediate effectiveness. FINRA is proposing that the implementation date of the proposed rule change will be September 1, 2011.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A of the Act,¹¹ in general, and with Section 15A(b)(5) of the Act,¹² in particular, in that it provides for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which FINRA operates or controls. FINRA believes that it is an equitable allocation to assess a fee on those individuals who cancel a qualification examination or Regulatory Element session within three to ten business days of a scheduled appointment date, because such behavior places an administrative burden on test-delivery vendors and degrades the efficiency of test center resource utilization. FINRA further believes that the amount of the fee, which is one-half of the current fee for individuals who fail to appear for a scheduled appointment or who cancel/reschedule an appointment within two business days of a scheduled appointment date, is reasonable because it will help to control the overall costs associated with the delivery of examinations and Regulatory

¹¹ 15 U.S.C. 78o-3.

¹² 15 U.S.C. 78o-3(b)(5).

Element programs while also recognizing the lesser burden that results from those individuals who provide additional notice by cancelling/rescheduling an appointment three to ten business days before the scheduled appointment date. FINRA further believes that the amount of the fee is reasonable because it will dissuade individuals from cancelling or rescheduling an appointment three to ten business days before the scheduled appointment date.

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

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹³ and paragraph (f)(2) of Rule 19b-4 thereunder.¹⁴ 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

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(2).

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. Please include File Number SR-FINRA-2011-026 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-FINRA-2011-026. 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 Web site 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; 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-2011-026 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.¹⁵

Elizabeth M. Murphy

Secretary

¹⁵

17 CFR 200.30-3(a)(12).