

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 - * 055

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 Relating to Extension of Implementation Date for Expansion of the Order Audit Trail System to All NMS Stocks

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 * Brant Last Name * Brown
Title * Associate General Counsel
E-mail * brant.brown@finra.org
Telephone * (202) 728-6927 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 09/27/2011

By Stephanie Dumont
(Name *)Senior Vice President and Director of Capital Markets
Policy

(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.

Stephanie Dumont,

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

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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” or “SEA”),¹ Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to establish October 17, 2011, as the implementation date of the amendments to FINRA Rules 7410 and 7470 that the Commission approved on November 12, 2010.² The amendments extend the recording and reporting requirements in FINRA’s Order Audit Trail System (“OATS”) rules (“OATS Rules”) to include all NMS stocks and exclude certain members from the definition of “Reporting Member.” The amendments also conform the exemptive provision in FINRA Rule 7470 to apply to all NMS stocks. No changes are being proposed to FINRA rule text.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

At its meeting on July 14, 2010, 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.

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

(a) Purpose

¹ 15 U.S.C. 78s(b)(1).

² See Securities Exchange Act Rel. No. 63311 (November 12, 2010), 75 FR 70757 (November 18, 2010) (SR-FINRA-2010-044).

FINRA is filing the proposed rule change to establish October 17, 2011, as the implementation date for the amendments to the OATS rules expanding the OATS recording and reporting requirements to all NMS stocks.

On November 12, 2010, the SEC approved SR-FINRA-2010-044, which amended FINRA Rules 7410 and 7470 to expand the OATS recording and reporting requirements to include all NMS stocks.³ On January 11, 2011, FINRA published Regulatory Notice 11-03 announcing that the Commission approved the amendments and that FINRA was publishing a new version of the OATS Reporting Technical Specifications. Pursuant to the SEC's approval of SR-FINRA-2010-044 and the timing set forth in Regulatory Notice 11-03, the amendments to the OATS Rules were originally scheduled to begin to be phased in on July 11, 2011, six months after the publication of Regulatory Notice 11-03 and the revised OATS Reporting Technical Specifications. On April 26, 2011, FINRA filed a proposed rule change delaying the beginning of the implementation period until October 3, 2011.⁴

The OATS test environment, which allows firms to voluntarily submit data to FINRA to test the adequacy of their reporting systems, was made available for members beginning on August 22, 2011, so that firms could begin testing the reporting of orders for all NMS stocks. After reviewing the results of firms' reporting in the test environment since that time, FINRA believes that firms, and the quality of the data submitted to OATS, would benefit from an additional two-week period during which

³ See Securities Exchange Act Rel. No. 63311 (November 12, 2010), 75 FR 70757 (November 18, 2010) (SR-FINRA-2010-044).

⁴ See Securities Exchange Act Release No. 64369 (April 29, 2011), 76 FR 25399 (May 4, 2011).

firms can continue to test their systems changes. Consequently, FINRA is seeking to delay the implementation of the new OATS recording and reporting requirements for NMS stocks for an additional two weeks, until October 17, 2011, to give firms additional time to make necessary adjustments and changes to their systems, and to test those adjustments and changes in FINRA's test environment. FINRA believes that a two-week delay will help ensure that firms can comply with the expanded OATS recording and reporting requirements on the implementation date. Consequently, FINRA will begin to phase-in the new recording and reporting requirements beginning on October 17, 2011.

FINRA has filed the proposed rule change for immediate effectiveness.

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁵ 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 that extending the implementation date of the extension of the OATS Rules to all NMS stocks will ensure that firms have sufficient time to ensure that the necessary changes to their systems are implemented to enable the firms to comply with the new OATS recording and reporting requirements when they become effective. In addition, FINRA believes that extending the implementation date will improve the quality of the data submitted to FINRA once the proposed rule change is implemented.

⁵ 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.

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) of the Act⁶ and paragraph (f)(1) of Rule 19b-4 thereunder,⁷ in that the proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.

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.

⁶ 15 U.S.C. 78s(b)(3).

⁷ 17 CFR 240.19b-4(f)(1).

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-FINRA-2011-055)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Relating to Extension of Implementation Date for Expansion of the Order Audit Trail System to All NMS Stocks

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 “constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule” under Section 19(b)(3)(A)(i) of the Act³ and Rule 19b-4(f)(1) 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.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(i).

⁴ 17 CFR 240.19b-4(f)(1).

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

FINRA is proposing to establish October 17, 2011, as the implementation date of the amendments to FINRA Rules 7410 and 7470 that the Commission approved on November 12, 2010.⁵

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

FINRA is filing the proposed rule change to establish October 17, 2011, as the implementation date for the amendments to the Order Audit Trail System ("OATS") rules expanding the OATS recording and reporting requirements to all NMS stocks.

On November 12, 2010, the SEC approved SR-FINRA-2010-044, which amended FINRA Rules 7410 and 7470 to expand the OATS recording and reporting requirements

⁵ See Securities Exchange Act Rel. No. 63311 (November 12, 2010), 75 FR 70757 (November 18, 2010) (SR-FINRA-2010-044).

to include all NMS stocks.⁶ On January 11, 2011, FINRA published Regulatory Notice 11-03 announcing that the Commission approved the amendments and that FINRA was publishing a new version of the OATS Reporting Technical Specifications. Pursuant to the SEC's approval of SR-FINRA-2010-044 and the timing set forth in Regulatory Notice 11-03, the amendments to the OATS Rules were originally scheduled to begin to be phased in on July 11, 2011, six months after the publication of Regulatory Notice 11-03 and the revised OATS Reporting Technical Specifications. On April 26, 2011, FINRA filed a proposed rule change delaying the beginning of the implementation period until October 3, 2011.⁷

The OATS test environment, which allows firms to voluntarily submit data to FINRA to test the adequacy of their reporting systems, was made available for members beginning on August 22, 2011, so that firms could begin testing the reporting of orders for all NMS stocks. After reviewing the results of firms' reporting in the test environment since that time, FINRA believes that firms, and the quality of the data submitted to OATS, would benefit from an additional two-week period during which firms can continue to test their systems changes. Consequently, FINRA is seeking to delay the implementation of the new OATS recording and reporting requirements for NMS stocks for an additional two weeks, until October 17, 2011, to give firms additional time to make necessary adjustments and changes to their systems, and to test those adjustments and changes in FINRA's test environment. FINRA believes that a two-week

⁶ See Securities Exchange Act Rel. No. 63311 (November 12, 2010), 75 FR 70757 (November 18, 2010) (SR-FINRA-2010-044).

⁷ See Securities Exchange Act Release No. 64369 (April 29, 2011), 76 FR 25399 (May 4, 2011).

delay will help ensure that firms can comply with the expanded OATS recording and reporting requirements on the implementation date. Consequently, FINRA will begin to phase-in the new recording and reporting requirements beginning on October 17, 2011.

FINRA has filed the proposed rule change for immediate effectiveness.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁸ 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 that extending the implementation date of the extension of the OATS Rules to all NMS stocks will ensure that firms have sufficient time to ensure that the necessary changes to their systems are implemented to enable the firms to comply with the new OATS recording and reporting requirements when they become effective. In addition, FINRA believes that extending the implementation date will improve the quality of the data submitted to FINRA once the proposed rule change is implemented.

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.

⁸ 15 U.S.C. 78o-3(b)(6).

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 Act⁹ and paragraph (f)(1) of Rule 19b-4 thereunder.¹⁰ 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. Please include File Number SR-FINRA-2011-055 on the subject line.

Paper Comments:

⁹ 15 U.S.C. 78s(b)(3)(A).

¹⁰ 17 CFR 240.19b-4(f)(1).

- 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-2011-055. 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; 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-2011-055 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.¹¹

Elizabeth M. Murphy

Secretary

¹¹ 17 CFR 200.30-3(a)(12).