

Required fields are shown with yellow backgrounds and asterisks.

Proposed Rule Change by Financial Industry Regulatory Authority  
Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

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

**Description**  
Provide a brief description of the proposed rule change (limit 250 characters, required when Initial is checked \*).  
Proposed Rule Change to Repeal the Changes Described in SR-FINRA-2011-019

**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 \* Racquel Last Name \* Russell  
Title \* Assistant General Counsel  
E-mail \* Racquel.Russell@finra.org  
Telephone \* (202) 728-8363 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 11/02/2012  
By Stephanie M. Dumont Senior Vice President and Director of Capital Markets Policy  
(Name \*) (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 EFFS 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)**

Add Remove View

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

**Exhibit 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**

Add Remove View

Exhibit Sent As Paper Document

Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

**Exhibit 4 - Marked Copies**

Add Remove View

The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

**Exhibit 5 - Proposed Rule Text**

Add Remove View

The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change.

**Partial Amendment**

Add Remove View

If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

**1. Text of Proposed Rule Change**

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”),<sup>1</sup> Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to repeal the changes described in SR-FINRA-2011-019, which proposed to rename FINRA’s inter-dealer quotation system.

The text of the proposed rule change is set forth in Exhibit 5.

(b) Not applicable.

(c) Not applicable.

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

The proposed rule change has been approved by the General Counsel of FINRA (or his officer designee) pursuant to delegated authority. No other action by FINRA is necessary for the filing of the proposed rule change.

FINRA has filed the proposed rule change for immediate effectiveness. FINRA is proposing that the implementation date of the proposed rule change will be December 3, 2012.

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

(a) Purpose

On April 25, 2011, FINRA filed a proposed rule change to replace references to “OTC Bulletin Board” and “OTCBB” with “Non-NMS Quotation Service” and “NNQS,”

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

respectively, in the FINRA Rulebook.<sup>2</sup> As described in the Original Filing, the purpose of renaming FINRA's inter-dealer quotation system was to remove certain impediments to the completion of a transaction whereby FINRA would divest itself of the OTCBB trademark, related domain name, and all informational content from the www.OTCBB.com website that was not otherwise required to be retained by FINRA for regulatory purposes ("OTCBB assets"). FINRA no longer is proceeding with the sale of the OTCBB assets as described in SR-FINRA-2011-019, making the renaming changes unnecessary. Therefore, FINRA is filing this proposed rule change to delete the pending references to "Non-NMS Quotation Service" and "NNQS" and retain "OTC Bulletin Board" and "OTCBB."<sup>3</sup> The FINRA Rule 6500 Series will continue to govern the operation of the OTCBB and the functionality of the OTCBB is not proposed to be changed in this filing.

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 December 3, 2012.

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<sup>2</sup> See Securities Exchange Act Release No. 64397 (May 4, 2011); 76 FR 27123 (May 10, 2011) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2011-019) ("SR-FINRA-2011-019" or "Original Filing").

<sup>3</sup> In the Original Filing, FINRA stated that the implementation date of the proposed rule change would be no later than 270 days following the date of filing, but in no event would be sooner than 120 days following the date of filing of the proposed rule change. On January 20, 2012, FINRA extended the implementation date to no sooner than 120 days following the date of filing, but no later than December 31, 2012. See Securities Exchange Act Release No. 66244 (January 26, 2012); 77 FR 5069 (February 1, 2012) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2012-003) (Proposed Rule Change to Delay the Implementation Date of SR-FINRA-2011-019).

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Exchange Act,<sup>4</sup> which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. Section 15A(b)(11) of the Exchange Act<sup>5</sup> requires that FINRA rules include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be distributed or published by any member or person associated with a member, and the persons to whom such quotations may be supplied. In addition, Section 15A(b)(11) of the Exchange Act<sup>6</sup> requires that such rules be designed to produce fair and informative quotations, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting, distributing, and publishing quotations.

FINRA believes the proposed rule change is consistent with Section 15A(b)(6) and (11) of the Exchange Act in that it maintains FINRA's continued ability to operate an interdealer quotation system for use by market makers in OTC equity securities under its historical name.

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<sup>4</sup> 15 U.S.C. 78o-3(b)(6).

<sup>5</sup> 15 U.S.C. 78o-3(b)(11).

<sup>6</sup> See Supra note 5.

**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 Exchange 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 Exchange Act<sup>7</sup> and paragraph (f)(6) of Rule 19b-4 thereunder,<sup>8</sup> in that the proposed rule change does not significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and does not become operative for 30 days after filing or such shorter time as the Commission may designate.

FINRA believes that this proposal is non-controversial and eligible to become effective immediately because it facilitates FINRA's continued operation of its interdealer quotation system and will minimize investor, issuer, and market participant confusion related to the status of the OTCBB in light of the decision not to proceed with the sale of the OTCBB assets as described above. Continued operation of the interdealer quotation system will support member firms' market making in approximately 1,260

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<sup>7</sup> 15 U.S.C. 78s(b)(3).

<sup>8</sup> 17 CFR 240.19b-4(f)(6).

unlisted equity securities and the widespread dissemination of quotation information on these securities.

In addition, FINRA believes that this proposed rule change does not significantly affect the protection of investors or the public interest in that the functionality of FINRA's interdealer quotation system and the rules applicable thereto also remain in force. Further, FINRA believes that the proposed rule change does not impose any significant burden on competition.

In accordance with Rule 19b-4(f)(6),<sup>9</sup> FINRA submitted written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing, or such shorter time as the Commission may designate, as specified in Rule 19b-4(f)(6)(iii) under the Exchange Act.<sup>10</sup>

**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 5. Text of the proposed rule change.

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<sup>9</sup> 17 CFR 240.19b-4(f)(6).

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

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34- ; File No. SR-FINRA-2012-048)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Repeal the Changes Described in SR-FINRA-2011-019

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on \_\_\_\_\_, \_\_\_\_\_, Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I and II below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4 under the Act,<sup>3</sup> which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

FINRA is proposing to repeal the changes described in SR-FINRA-2011-019, which proposed to rename FINRA’s inter-dealer quotation system.

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

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

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



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

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

In its filing with the Commission, FINRA included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. FINRA has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

1. Purpose

On April 25, 2011, FINRA filed a proposed rule change to replace references to "OTC Bulletin Board" and "OTCBB" with "Non-NMS Quotation Service" and "NNQS," respectively, in the FINRA Rulebook.<sup>4</sup> As described in the Original Filing, the purpose of renaming FINRA's inter-dealer quotation system was to remove certain impediments to the completion of a transaction whereby FINRA would divest itself of the OTCBB trademark, related domain name, and all informational content from the [www.OTCBB.com](http://www.OTCBB.com) website that was not otherwise required to be retained by FINRA for regulatory purposes ("OTCBB assets"). FINRA no longer is proceeding with the sale of the OTCBB assets as described in SR-FINRA-2011-019, making the renaming changes

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<sup>4</sup> See Securities Exchange Act Release No. 64397 (May 4, 2011); 76 FR 27123 (May 10, 2011) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2011-019) ("SR-FINRA-2011-019" or "Original Filing").

unnecessary. Therefore, FINRA is filing this proposed rule change to delete the pending references to “Non-NMS Quotation Service” and “NNQS” and retain “OTC Bulletin Board” and “OTCBB.”<sup>5</sup> The FINRA Rule 6500 Series will continue to govern the operation of the OTCBB and the functionality of the OTCBB is not proposed to be changed in 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 December 3, 2012.

## 2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Exchange Act,<sup>6</sup> which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. Section 15A(b)(11) of the Exchange Act<sup>7</sup> requires that FINRA rules include provisions governing the form and content of quotations relating to securities sold otherwise than on a national securities exchange which may be distributed or published

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<sup>5</sup> In the Original Filing, FINRA stated that the implementation date of the proposed rule change would be no later than 270 days following the date of filing, but in no event would be sooner than 120 days following the date of filing of the proposed rule change. On January 20, 2012, FINRA extended the implementation date to no sooner than 120 days following the date of filing, but no later than December 31, 2012. See Securities Exchange Act Release No. 66244 (January 26, 2012); 77 FR 5069 (February 1, 2012) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2012-003) (Proposed Rule Change to Delay the Implementation Date of SR-FINRA-2011-019).

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

<sup>7</sup> 15 U.S.C. 78o-3(b)(11).

by any member or person associated with a member, and the persons to whom such quotations may be supplied. In addition, Section 15A(b)(11) of the Exchange Act<sup>8</sup> requires that such rules be designed to produce fair and informative quotations, to prevent fictitious or misleading quotations, and to promote orderly procedures for collecting, distributing, and publishing quotations.

FINRA believes the proposed rule change is consistent with Section 15A(b)(6) and (11) of the Exchange Act in that it maintains FINRA's continued ability to operate an interdealer quotation system for use by market makers in OTC equity securities under its historical name.

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 Exchange 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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed,

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<sup>8</sup> See Supra note 5.

or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act<sup>9</sup> and Rule 19b-4(f)(6) thereunder.<sup>10</sup>

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

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Comments may be submitted by any of the following methods:

##### Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov). Please include File Number SR-FINRA-2012-048 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.

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

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

All submissions should refer to File Number SR-FINRA-2012-048. 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-2012-048 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>11</sup>

Elizabeth M. Murphy  
Secretary

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<sup>11</sup> 17 CFR 200.30-3(a)(12).

## **EXHIBIT 5**

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

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### **6500. [NON-NMS QUOTATION SERVICE] OTC BULLETIN BOARD® SERVICE**

#### **6510. Applicability**

These Rules shall be known as the “[Non-NMS Quotation Service]OTC Bulletin Board Rules” and govern the operation and use of the [Non-NMS Quotation Service (NNQS)OTC Bulletin Board® service (OTCBB or “Service”) by broker-dealers admitted to membership in FINRA and their associated persons. Unless otherwise indicated, the requirements of the [NNQS] OTC Bulletin Board Rules are in addition to the requirements contained in the other FINRA rules, By-Laws, and Schedules to the By-Laws.

#### **6520. Operation of the Service**

The [NNQS]OTCBB provides an electronic quotation medium for subscribing members to reflect market making interest in [NNQS]OTCBB-eligible securities. Subscribing market makers can utilize the Service to enter, update, and display their proprietary quotations in individual securities on a real-time basis. Such quotation entries may consist of a priced bid and/or offer; an unpriced indication of interest (including “bid wanted” or “offer wanted” indications); or a bid/offer accompanied by a modifier to reflect unsolicited customer interest. A subscribing market maker can also access the proprietary quotations that other firms have entered into the Service along with highest bid and lowest offer (i.e., an inside bid-ask calculation) in any [NNQS]OTCBB-eligible security with at least two market makers displaying two-sided markets.

#### **6530. [NNQS]OTCBB-Eligible Securities**

A member shall be permitted to quote the following categories of securities in the Service:

(a) any domestic equity security that satisfies the requirements of subparagraph (1) and either subparagraph (2) or (3) or (4) below:

(1) through (4) No Change.

(5) The grace periods set forth in paragraphs (a)(2), (a)(3) and (a)(4) above shall be calculated from the date notice is published on the Daily List that the symbol of a delinquent issuer will be modified.

(b) through (d) No Change.

(e)(1) Notwithstanding the foregoing paragraphs, a member shall not be permitted to quote a security if:

(A) while quoted on the [NNQS]OTCBB, the issuer of the security has failed to file a complete required annual or quarterly report by the due date for such report (including, if applicable, any extensions permitted by SEA Rule 12b-25) three times in the prior two-year period; or

(B) the security has been removed from the [NNQS]OTCBB due to the issuer's failure to satisfy paragraph (a)(2), (3) or (4), above, two times in the prior two-year period.

(2) If an issuer's security becomes ineligible for quotation on the [NNQS]OTCBB pursuant to paragraph (e)(1)(A) above, the security will be removed from quotation on the [NNQS]OTCBB without the benefit of any grace period for the third delinquency, except that FINRA will provide seven calendar days from the date notification is mailed to the issuer pursuant to paragraph (f)(1) to permit an aggrieved

party to request a review of the determination by a Hearing Officer (as defined in Rule 9120(r)) pursuant to paragraph (f) below. Following the removal of an issuer's security pursuant to this paragraph (e), such security shall not be eligible for quotation until the issuer has timely filed in a complete form all required annual and quarterly reports due in a one-year period. For purposes of this paragraph, a report filed within any applicable extensions permitted by SEA Rule 12b-25 will be considered timely filed.

(f) No Change.

#### **6540. Requirements Applicable to Market Makers**

(a) Market-maker participation in the [NNQS]OTCBB is voluntary and open to any FINRA member firm that satisfies the financial/operational requirements applicable to member firms engaged in over-the-counter market making; subscribes to the service designated by FINRA that permits [NNQS]OTCBB quotations; and demonstrates compliance with (or qualifies for an exception or exemption from) SEA Rule 15c2-11 at the time of initiating (or resuming) the quotation of any [NNQS]OTCBB-eligible security in the Service. Rule 6432 sets forth the procedure for demonstrating compliance with SEA Rule 15c2-11.

(b) An alternative trading system (ATS), as defined in Rule 300(a) of SEC Regulation ATS, or electronic communications network (ECN), as defined in Rule 600(b)(23) of SEC Regulation NMS, shall be eligible to participate in the Service, provided however, that such ATS or ECN is a FINRA member and otherwise meets the requirements for participation set forth in the [Non-NMS Quotation Service]OTC Bulletin Board Rules. Where used in the [Non-NMS Quotation Service]OTC Bulletin Board Rules, the term "market maker" shall be construed to include a participating ATS or ECN.



(c) [NNQS]OTCBB-eligible securities that meet the frequency-of-quotation requirement for the so called “piggyback” exception in SEA Rule 15c2-11(f)(3)(i) are identified in the Service as “active” securities. A member can commence market making in any active security by registering as a market maker through the service designated by FINRA that permits [NNQS]OTCBB quotations. In all other instances, a member must follow the procedure contained in this Rule to become qualified as a market maker in a particular [NNQS]OTCBB-eligible security.

**(1) Permissible Quotation Entries**

(A) A member firm that has qualified as a market maker in a particular [NNQS]OTCBB-eligible security may enter into the Service a priced bid and/or offer, an unpriced indication of interest (including “bid wanted” and “offer wanted” indications) or a bid or offer accompanied by a modifier to reflect unsolicited customer interest. Every quotation entry must include the appropriate telephone number for the firm's trading desk.

(B) No Change.

(C) A priced bid and/or offer entered into the Service for a Direct Participation Program security shall be non-firm.<sup>1</sup> Moreover, a market maker is only permitted to update quotation entries in such securities twice daily, i.e., once between 8:30 a.m. and 9:30 a.m. Eastern Time, and once between noon and 12:30 p.m. Eastern Time.<sup>2</sup>

(2) No Change.

**(3) Voluntary Termination of Registration**

A market maker can voluntarily terminate its registration in an [NNQS]OTCBB-eligible security by withdrawing its quotations in that security from the Service. The firm may re-register to quote the security by satisfying the requirements specified above.

(4) No Change.

**(5) Clearance and Settlement**

(A) A market maker shall clear and settle transactions in [NNQS] OTCBB-quoted securities through the facilities of a registered clearing agency that uses a continuous net settlement system. This requirement applies only to transactions in [NNQS]OTCBB securities that are clearing eligible.

(B) No Change.

(C) Notwithstanding subparagraph (A) hereof, transactions in [NNQS] OTCBB-quoted securities may be settled “ex-clearing” provided that both parties to the transactions agree.

(d) No Change.

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<sup>1</sup> The non-firm or indicative nature of a priced entry is specifically identified on the montage of market maker quotations for this subset of [NNQS]OTCBB-eligible securities.

<sup>2</sup> Examples of entries that would be considered an update include a market maker inserting a new, non-firm priced quotation, substituting an unpriced indication for a non-firm priced entry, or an initial registration without a price.

**6550. Transaction Reporting**

Member firms that effect transactions in [NNQS]OTCBB-eligible securities shall report them pursuant to the requirements of the Rule 6620 Series.

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**7700. CHARGES FOR OTC REPORTING FACILITY, [NON-NMS QUOTATION]OTC BULLETIN BOARD AND TRADE REPORTING AND COMPLIANCE ENGINE SERVICES**

\* \* \* \* \*

**7720. [Non-NMS Quotation]OTC Bulletin Board Service**

The following charge shall apply to a broker-dealer that displays quotations or trading interest in the [Non-NMS Quotation]OTC Bulletin Board Service:

Position Charge	\$6.00/security/month
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\* \* \* \* \*

**7740. Historical Research and Administrative Reports**

(a) The charge to be paid by the purchaser of an Historical Research Report regarding [Non-NMS Quotation Service]OTC Bulletin Board security or other OTC security through the [FINRA] web site shall be determined in accordance with the following schedule:

	Number of fields of information in the report		
	1-10	11-15	16 or more
A. Issues Summary Statistics			

For a security for a day	\$10	\$15	\$20
For a security for a month, quarter, or year	\$20	\$30	\$40
For all issues for a day	\$50	\$75	\$100
For all issues for a month, quarter, or year	\$100	\$150	\$200
B. Intra-Day Quote and Intra-Day Time and Sales Data			
For a security and/or a market participant for a day	\$15	\$25	\$35
For all market participants for a day or for all securities for a day	\$30	\$40	\$50
(For purposes of this report, market participants are those entities qualified to participate in the [Non-NMS Quotation] <u>OTC Bulletin Board</u> Service pursuant to Rule 6540(a) and (b)).			
C. FINRA may, in its discretion, choose to make a report that purchasers wish to obtain every trading day available on a subscription discount basis. In such cases, the price for a subscription to receive a report every trading day in a month shall be the applicable rate to receive the report for a day times 20; the price for a subscription to receive the report for every trading			

day in a quarter shall be the applicable rate to receive the report every day times 60; and the price for a subscription to receive a report every trading day in a year shall be the applicable rate to receive the report for a day times 240.

D. All [NNQS] <u>OTCBB</u> Issuers Directory		\$250	
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(b) Administrative Reports — \$25 per user, per month.

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