

Required fields are shown with yellow backgrounds and asterisks.

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

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

| | |
|---|--|
| Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010 | Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934 |
| Section 806(e)(1) * | Section 806(e)(2) * |
| <input type="checkbox"/> | <input type="checkbox"/> |
| | Section 3C(b)(2) * |
| | <input type="checkbox"/> |

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

Description

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

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 action.

First Name * Lisa Last Name * Horrigan

Title * Associate General Counsel

E-mail * Lisa.Horrigan@finra.org

Telephone * (202) 728-8190 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.

(Title *)

Date 02/14/2014 Senior Vice President and Director of Capital Markets Policy

By Stephanie M. Dumont

Stephanie Dumont,

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.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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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 *

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 1A- Notice of Proposed Rule Change, Security-Based Swap Submission, or Advance Notice by Clearing Agencies *

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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, security-based swap submission, or advance notice 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

Add Remove View

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

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

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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.

On November 12, 2013, Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (the “Commission” or “SEC”) proposed rule change SR-FINRA-2013-050, which proposes amendments to FINRA rules governing the reporting of (i) over-the-counter (“OTC”) transactions in equity securities to the FINRA Facilities;¹ and (ii) orders in NMS stocks and OTC Equity Securities to the Order Audit Trail System (“OATS”) (the “original filing”). On November 29, 2013, the SEC published the proposed rule change for comment in the Federal Register.² The comment period closed on December 20, 2013. The Commission received one comment letter in response to the Federal Register publication.³

On February 3, 2014, the Commission approved proposed rule change SR-FINRA-2013-053, which updated the rules governing the Alternative Display Facility (“ADF”).⁴

FINRA is filing this Partial Amendment No. 1 to (1) address the comments the Commission received in response to the Federal Register publication and propose amendments, where appropriate; and (2) propose technical amendments to update cross-references and make other non-substantive changes to the ADF rules as a result of the approval of SR-FINRA-2013-053. With this Partial Amendment No. 1, FINRA is including (1) Exhibit 4 (see below), which reflects changes to the text of the proposed rule change pursuant to this Partial Amendment No. 1, marked to show additions to and deletions from the text as proposed in the original filing; and (2) Exhibit 5 (see below), which reflects the changes to the current rule text that are proposed in this proposed rule

¹ Specifically, the FINRA Facilities are the Alternative Display Facility and the Trade Reporting Facilities (“TRF”), to which members report OTC transactions in NMS stocks, as defined in SEC Rule 600(b) of Regulation NMS; and the OTC Reporting Facility (“ORF”), to which members report transactions in “OTC Equity Securities,” as defined in FINRA Rule 6420, as well as transactions in Restricted Equity Securities, as defined in FINRA Rule 6420, effected pursuant to Securities Act Rule 144A.

² See Securities Exchange Act Release No. 70924 (November 22, 2013), 78 FR 71695 (November 29, 2013) (Notice of Filing of File No. SR-FINRA-2013-050).

³ See Letter from Manisha Kimmel, Executive Director, Financial Information Forum, to Elizabeth M. Murphy, Secretary, Securities and Exchange Commission, dated December 20, 2013 (“FIF Letter”).

⁴ See Securities Exchange Act Release No. 71467 (February 3, 2014), 79 FR 7485 (February 7, 2014) (Order Approving File No. SR-FINRA-2013-053). SR-FINRA-2013-053 was effective on the date of approval by the Commission.

change, as amended by this Partial Amendment No. 1.⁵

Summary of Comments and Responses Thereto

The commenter raises several issues relating to the proposed rule change that are summarized and responded to below.

Additional Clarification

The commenter requests clarification on a number of aspects of the proposed rule change. First, with respect to block transactions, the commenter asks which route time would be expected on the trade report, given that often multiple Intermarket Sweep Orders (“ISOs”) are routed and the route times could differ by one or more milliseconds. As described in the original filing, current FINRA guidance requires members to use the time that all material terms of the transaction are known as the execution time in the trade report, and under the proposed rule change, firms will be required to also report the time that the firm routed the ISOs (if different from the execution time). Thus, firms will continue to report the time that all material terms of the transaction are known in the “execution time” field, and in the new time field (i.e., the reference or “ISO time” field), firms should report the time they used to determine the ISOs, if any, to route to any better-priced protected quotations (sometimes referred to as the time the firm takes a “snapshot” of the market).⁶ Firms are reminded that, to comply with SEC Rule 611(b)(6), SEC staff has stated that firms need to utilize an automated system that is capable of ascertaining current protected quotations and simultaneously routing the

⁵ Exhibits 4 and 5 below reflect the underlying rule text as amended pursuant to SR-FINRA-2013-053. FINRA notes that in some instances, the original filing and SR-FINRA-2013-053 proposed identical changes to the ADF rules (e.g., to change references to “TRACS” to the “ADF” or “System”). Those changes that were approved pursuant to SR-FINRA-2013-053 are reflected in the underlying rule text in Exhibits 4 and 5 and are not marked as proposed changes in this Partial Amendment No. 1.

In addition, both the original filing and SR-FINRA-2013-053 proposed to adopt new Rule 7130(e) (Reporting Cancelled Trades). The version of Rule 7130(e) that was adopted pursuant to SR-FINRA-2013-053 appears as the underlying rule text in Exhibit 5 and only conforming changes are proposed in this Partial Amendment No. 1 (i.e., to include the specific references to reversals proposed in the original filing).

⁶ As FINRA noted in NASD Member Alert: Guidance Relating to “Execution Time” for Purposes of Compliance with NASD Trade Reporting Rules (June 13, 2007), in surveilling for compliance with SEC Rule 611(b)(6) in this context, firms should compare routed ISOs with the protected quotations that were displayed at the time of routing.

necessary ISOs.⁷ Thus, FINRA would expect the “snapshot” time and the time that ISOs are routed to be the same. To the extent that these times differ, or where multiple ISOs are routed and the route times differ, using the “snapshot” time in all instances will eliminate any confusion regarding which time to report.

Second, the commenter asks whether report cards and matching will be maintained at the one-second level rather than at the millisecond level, noting that currently clocks are required to be synchronized to within one second of the National Institute of Standards and Technology (NIST) standard. With respect to report cards, the determination whether a trade has been reported late (i.e., outside the 10-second reporting window under FINRA rules) will remain at the second level for firms that report execution time in seconds, and for firms that report time in milliseconds, the determination will be made at the millisecond level. Thus, for example, a trade with an execution time of 10:01:00 must be reported no later than 10:01:10, and a trade with an execution time of 10:01:00:999 must be reported no later than 10:01:10:999.

In addition, FINRA agrees that synchronization to the NIST standard would remain at the second (and not millisecond) level. However, if a firm submits multiple reports for the same event (e.g., a trade report and an OATS execution report), FINRA would expect the granularity of the time stamps to be consistent (i.e., both to the second or both to the millisecond, but not one to the second and one to the millisecond).⁸ Thus, for example, where the firm is reporting execution time in milliseconds, FINRA would match the execution time on the firm’s OATS Execution Report and on its corresponding trade report at the millisecond (not second) level.

Third, the commenter asks whether for T+365 reporting, the requirement to include control numbers will be on a “go forward basis” only. As described in the original filing, FINRA is proposing to require that when members reverse a trade, they identify the original trade in the reversal report by including its control number and report date. FINRA assumes that the commenter is asking whether, following implementation of the proposed rule change, firms will be required to provide the control number when reversing trades that were executed prior to implementation. FINRA notes that in accordance with system requirements, the control number field will be a required field for all reports of reversals following implementation. However, FINRA will validate the control number only where the original trade was executed after implementation of the proposed rule change. Accordingly, when reversing trades that were executed prior to

⁷ SEC staff has further indicated that it does not believe it would be possible for manual routing of ISOs to comply with the requirement in Rule 611(b)(6). See SEC “Responses to Frequently Asked Questions Concerning Rule 611 and Rule 610 of Regulation NMS” (April 4, 2008 update), FAQ 3.03: Executing and Reporting Block Trades Pursuant to ISO Exception.

⁸ OATS uses four fields, including the execution time stamp, to link an OATS Execution Report or OATS Combined Order/Execution Report to the corresponding trade report.

implementation, firms will not be required to provide an actual control number and instead may insert a “dummy” number to populate the required field.

Fourth, the commenter asks whether Form T will be retired as a result of the proposed rule change. FINRA believes that the proposed rule change requiring firms to report trades executed on non-business days and T+365 trades to the FINRA Facilities will significantly reduce the need for Form T. However, there may still be instances – albeit rare – where firms may need to report with Form T (e.g., where the ticker symbol for the security is no longer available or a market participant identifier is no longer active). Accordingly, FINRA presently is retaining Form T and will revisit the issue based on experience following implementation of the proposed rule change.⁹

Fifth, in response to the commenter’s request for clarification, FINRA is confirming that the FINRA Facilities that offer matching will match corresponding “step-out” and “step-in” submissions. The system will not match two “step-in” or two “step-out” submissions. As noted in the original filing, the proposed rule change will not affect the process for effectuating a step-out with a single submission via an Automatic Give-Up (“AGU”) or Qualified Special Representative (“QSR”) agreement.

Sixth, the commenter asks whether declined trades that are corrected and subsequently accepted are subject to the “20 minute rule” for trade comparison. FINRA notes that pursuant to Rules 7130(b), 7230A(b) and 7330(b), a firm is required to accept or decline a trade within 20 minutes after execution, and FINRA generally expects firms to complete the process of accepting or declining a trade, including any subsequent updates, within that time frame. Firms are reminded that where the reporting party enters inaccurate trade information, rather than declining the trade, the contra party should submit its own correct information within 20 minutes of execution to be in compliance with the rule.¹⁰

ORF Closing Time

The commenter recommends keeping the current 8:00 p.m. closing time for the ORF to maintain consistency with FINRA’s TRFs, asserting that this would reduce the likelihood of errors, allow firms to leverage current workflows and assist firms in resolving operational issues and completing processing before the end of the day.

FINRA notes that the proposed 6:30 p.m. closing time is consistent with the closing time for the ADF, as well as FINRA’s Trade Reporting and Compliance Engine (“TRACE”). While the TRF Business Members are responsible for setting the hours of operation for the TRFs and have elected to keep those facilities open until 8:00 p.m.,

⁹ Any proposal to retire Form T altogether would be subject to a separate proposed rule change to delete the references to Form T in the FINRA trade reporting rules. See Rules 6282(a)(7), 6380A(a)(8), 6380B(a)(8) and 6622(a)(8).

¹⁰ See, e.g., Trade Reporting FAQ #103.3, available at www.finra.org/Industry/Regulation/Guidance/P038942.

FINRA has determined that it is more cost-effective from a staffing, operational and regulatory standpoint to maintain a uniform 6:30 p.m. closing time for the FINRA-operated facilities (i.e., the ORF, ADF and TRACE). However, in response to the commenter's concerns about the potential impact on firms of closing the ORF at 6:30 p.m., FINRA has determined to maintain the closing time at 8:00 p.m., as set forth in Exhibits 4 and 5. FINRA may revisit this issue at a later date, after the ORF has migrated to FINRA's Multi-Product Platform ("MPP") and firms have gained experience with the new platform. Any proposal to close the ORF would be subject to a separate rule filing.

Implementation Effort/Time Frame

The commenter recommends a nine-month implementation period following Commission approval and also recommends allowing the additional time fields for Stop Stock and prior reference price transactions be reported beginning April 28, 2014, since they are already included in the technical specifications for the MPP.

As contemplated in the original filing, FINRA has determined to implement the proposed rule change in phases, with the amendments to the trade reporting rules becoming operative for the ORF first and for the ADF and TRFs at a subsequent date. The proposed rule change will be implemented for the ORF upon migration of the ORF to the MPP. On January 21, 2014, FINRA announced that ORF migration has been rescheduled from April 28, 2014 to June 2, 2014. FINRA believes that firms will have sufficient time to make the necessary systems changes for implementation on June 2, 2014 for the ORF and implementation no later than September 30, 2014 for the ADF and TRFs. FINRA will announce the implementation dates in a Regulatory Notice.¹¹

The commenter also notes its understanding that the millisecond requirement was not intended to introduce a significant burden on firms and that only those systems that capture millisecond time stamps in a reportable format are required to be reported. As stated in the original filing, FINRA is not mandating that firms start capturing milliseconds and any such proposal would be subject to a separate rule filing and notice and comment. However, where a firm's system, such as an alternative trading system ("ATS"), captures time in milliseconds, FINRA expects that the ATS will be capable of reporting in milliseconds. FINRA also notes that as technology advances, FINRA would expect to see more systems capturing milliseconds and therefore more submissions to the FINRA Facilities and OATS reflecting time in milliseconds.

Proposed Technical Changes

FINRA is proposing a number of technical amendments to update cross-references and make other non-substantive changes to Rules 6282, 7130 and 7140 relating to the ADF as the result of approval of SR-FINRA-2013-053.

¹¹ Pursuant to the original filing, the proposed amendments to the OATS rules will be implemented no later than 45 days after Commission approval.

First, in the original filing, FINRA proposed to adopt the requirement that firms include the control number and report date of the original trade in reports of reversals as paragraph (3) of Rule 6282(j). Pursuant to SR-FINRA-2013-053, Rule 6282(j) was renumbered as Rule 6282(g). In this Partial Amendment No. 1, FINRA is proposing to adopt the new requirement relating to reversals as paragraph (3) of Rule 6282(g), without any changes to the rule text that was proposed in the original filing. In addition, FINRA is proposing to update the cross-references in Rules 6282(g)(2) and 6282.02 to reflect the renumbering of Rule 6282(j) as 6282(g). These cross-references inadvertently were not updated in SR-FINRA-2013-053.

Second, in the original filing, FINRA proposed to adopt the requirement that firms use a new “step-in” indicator as paragraph (3) of Rule 7130(d). Pursuant to SR-FINRA-2013-053, Rule 7130(d) was renumbered as Rule 7130(g). In this Partial Amendment No. 1, FINRA is proposing to adopt the new “step-in” indicator requirement as paragraph (3) of Rule 7130(g), without any changes to the rule text that was proposed in the original filing.

Third, FINRA is proposing to renumber the paragraphs of Rule 7140. Pursuant to SR-FINRA-2013-053, new paragraph (a) (Trade by Trade Match) was adopted. FINRA is proposing to renumber that paragraph as (a)(1) and to renumber paragraph (b) (Trade Acceptance) as (a)(2).¹² Additionally, FINRA is proposing to amend the proposed text in paragraph (a)(2) to change the cross-reference to Rule 6282(j) to 6282(g).¹³ The new provision entitled “Automatic Lock-in,” which was numbered in the original filing as paragraph (a)(2) of Rule 7140, is now being proposed as (a)(3). Finally, the provision entitled “T+N Trade Processing,” which was renumbered as paragraph (c) in SR-FINRA-2013-053, would be renumbered as (b).

¹² FINRA proposed to renumber the provision entitled “Trade Acceptance” from paragraph (a) to (a)(1) in the original filing, and in SR-FINRA-2013-053, this provision was renumbered from paragraph (a) to (b).

¹³ As noted above, Rule 6282(j) was renumbered as 6282(g) pursuant to SR-FINRA-2013-053.

EXHIBIT 4

Exhibit 4 shows the changes proposed in this Partial Amendment No. 1, with the proposed changes in the published filing shown as if adopted. Proposed new language in this Partial Amendment No. 1 is underlined; proposed deletions in this Partial Amendment No. 1 are in brackets.

* * * * *

6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

* * * * *

6200. ALTERNATIVE DISPLAY FACILITY

* * * * *

6280. Transaction Reporting

* * * * *

6282. Transactions Reported by Members to the ADF

(a) through (f) No Change.

(g) Reporting Cancelled and Reversed Trades

(1) No Change.

(2) Deadlines for Reporting Cancelled and Reversed Trades

(A) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or before 4:00 p.m. on the date of execution, the member responsible under paragraph ([j]g)(1) shall report the cancellation as soon as practicable but no later than 10 seconds after the time the trade is cancelled.

(B) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled after 4:00 p.m., but before 6:30 p.m. on the date of

execution, the member responsible under paragraph (j)(1) shall use its best efforts to report the cancellation not later than 6:30 p.m. on the date of execution, and otherwise it shall report the cancellation on the following business day by 6:30 p.m.

(C) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or after 6:30 p.m. on the date of execution, the member responsible under paragraph (j)(1) shall report the cancellation on the following business day by 6:30 p.m.

(D) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled prior to 6:30 p.m. on the date of execution, the member responsible under paragraph (j)(1) shall report the cancellation by 6:30 p.m.

(E) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled at or after 6:30 p.m. on the date of execution, the member responsible under paragraph (j)(1) shall report the cancellation on the following business day by 6:30 p.m.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (j)(1) shall report the cancellation (or reversal) (i) by 6:30 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before 6:30 p.m., or (ii) by 6:30 p.m. on the following business day if the trade is cancelled (or reversed) at or after 6:30 p.m.

(G) For purposes of determining the deadline by which a trade cancellation (or reversal) must be reported to FINRA pursuant to paragraph [(j)g] of this Rule the term “cancelled” (or “reversed,” as applicable) shall mean the time at which (i) the member with the reporting responsibility informs its contra party, or is informed by its contra party, that a trade is being cancelled (or reversed), (ii) the member with the reporting responsibility and its contra party agree to cancel (or reverse) a trade if neither party can unilaterally cancel (or reverse) the trade, or (iii) the member with the reporting responsibility takes an action to cancel (or reverse) the trade on its books and records, whichever event occurs first.

(3) When submitting a report of a reversal to the ADF, members must identify the original report of the previously submitted trade by including the original report date and the control number assigned by the ADF to the original trade report.

(h) No Change.

••• **Supplementary Material:** -----

.01 No Change.

.02 Trade Reporting Time Frame

(a) With respect to the requirement under paragraphs (a) and [(j)g] of this Rule that members report trades and trade cancellations “as soon as practicable,” a member with the trade reporting obligation under paragraph (b) of this Rule must adopt policies and procedures reasonably designed to comply with this requirement and must implement systems that commence the trade reporting process without delay upon execution (or

cancellation, as applicable). Where a member has such reasonably designed policies, procedures and systems in place, the member generally will not be viewed as violating the “as soon as practicable” requirement because of delays in trade reporting that are due to extrinsic factors that are not reasonably predictable and where the member does not purposely intend to delay the reporting of the trade. In no event may a member purposely withhold trade reports, e.g., by programming its systems to delay reporting until the last permissible second.

(b) No Change.

.03 through .04 No Change.

* * * * *

6600. OTC REPORTING FACILITY

* * * * *

6620. Reporting Transactions in OTC Equity Securities and Restricted Equity Securities

* * * * *

6622. Transaction Reporting

(a) When and How Transactions are Reported

(1) No Change.

(2) Transaction Reporting Outside Normal Market Hours

(A) No Change.

(B) Last sale reports of transactions in OTC Equity Securities executed between 4:00 p.m. and [6:30]8:00 p.m. Eastern Time shall be reported as soon as practicable but no later than 10 seconds after execution

and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(C) No Change.

(D) Last sale reports of transactions in OTC Equity Securities executed (i) between ~~[6:30]~~8:00 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day by 8:15 a.m. Eastern Time, be designated “as/of” trades to denote their execution on a prior day and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(3) Transaction Reporting for Restricted Equity Securities

(A) Last sale reports of transactions in Restricted Equity Securities effected under Securities Act Rule 144A and executed between midnight and ~~[6:30]~~8:00 p.m. Eastern Time shall be reported on the same business day as the transaction.

(B) Last sale reports of transactions in Restricted Equity Securities effected under Securities Act Rule 144A executed (i) between ~~[6:30]~~8:00 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day by ~~[6:30]~~8:00 p.m. Eastern Time and be designated “as/of” trades to denote their execution on a prior day.

(4) No Change.

(5) Members also shall append the applicable trade report modifiers as

specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) through (G) No Change.

(H) to identify pre-opening and after-hours trades (executed between 8:00 a.m. and 9:30 a.m. Eastern Time or between 4:00 p.m. and [6:30]8:00 p.m. Eastern Time) reported more than 10 seconds after execution.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(6) through (8) No Change.

(b) through (e) No Change.

(f) Reporting Cancelled and Reversed Trades

(1) No Change.

(2) Deadlines for Reporting Cancelled and Reversed Trades in OTC

Equity Securities

(A) No Change.

(B) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled after 4:00 p.m., but before [6:30]8:00 p.m. on the date of execution, the member responsible under paragraph (f)(1) shall use its best efforts to report the cancellation not later than [6:30]8:00 p.m. on the date of execution, and otherwise it shall report the cancellation on the following business day by [6:30]8:00 p.m.

(C) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or after [6:30]8:00 p.m. on the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation on the following business day by [6:30]8:00 p.m.

(D) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled prior to [6:30]8:00 p.m. on the date of execution, the member responsible for reporting under paragraph (f)(1) shall report the cancellation by [6:30]8:00 p.m.

(E) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled at or after [6:30]8:00 p.m. on the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation on the following business day by [6:30]8:00 p.m.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation (or reversal) (i) by [6:30]8:00 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before [6:30]8:00 p.m., or (ii) by [6:30]8:00 p.m. on the following business day if the trade is cancelled (or reversed) at or after [6:30]8:00 p.m.

(G) No Change.

(3) Deadlines for Reporting Cancelled and Reversed Trades in Restricted Equity Securities

(A) For trades previously submitted to the OTC Reporting Facility and cancelled before [6:30]8:00 p.m. Eastern Time on the date of

execution, the member responsible under paragraph (f)(1) shall report the cancellation by [6:30]8:00 p.m.

(B) For trades cancelled at or after [6:30]8:00 p.m. Eastern Time on the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation on the following business day by [6:30]8:00 p.m.

(C) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation or reversal

(i) by [6:30]8:00 p.m. on the date of cancellation if the trade is cancelled before [6:30]8:00 p.m., or

(ii) by [6:30]8:00 p.m. on the following business day if the trade is cancelled at or after [6:30]8:00 p.m.

(4) No Change.

(g) through (h) No Change.

••• **Supplementary Material:** -----

.01 through .04 No Change.

* * * * *

**7000. CLEARING, TRANSACTION AND ORDER DATA REQUIREMENTS,
AND FACILITY CHARGES**

7100. ALTERNATIVE DISPLAY FACILITY

* * * * *

7130. Trade Report Input

(a) through (f) No Change.

(g) Submission of Non-Tape Reports Associated With Previously Executed

Trades

(1) through (2) No Change.

(3) Where permitted by subparagraph (1) above, if both parties are submitting a clearing-only report to effectuate a step-out, the member transferring out of the position must report a “step-out” and the member receiving the position must report a “step-in.”

(h) No Change.

••• Supplementary Material: -----

.01 No Change.

7140. Trade Report Processing

(a) Locked-in trades may be determined in the System through one of the following methods:

(a)1 Trade by Trade Match

Both parties to the trade submit transaction data and the System performs an on-line match;

(a)2 Trade Acceptance

The Reporting Party enters its version of the trade into the system and the contra party reviews the trade report and accepts or declines the trade. An acceptance results in a locked-in trade. A declined trade report will be carried over at the end of trade date processing and will remain in the System, but will not be subject to the automatic lock-in process. A declined trade must be

cancelled by the Reporting Party pursuant to Rule 6282([j]g) if the trade was originally reported to the System for dissemination purposes.

([2]3) Automatic Lock-in

Any trade that remains open (i.e. unmatched or unaccepted) at the end of its entry day will be carried over for continued comparison and reconciliation. The System will automatically lock in and submit to DTCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will carry over any T+22 (calendar day) or older “as/of” trade that remains open, but such trade will not be subject to the automatic lock-in process.

([c]b) T+N Trade Processing

T+N (or “as/of”) entries may be submitted until 6:30 p.m. each business day. “As/of” reports of trades executed on non-business days and T+365 or greater trades will not be submitted to clearing by the System.

* * * * *

7300. OTC REPORTING FACILITY

* * * * *

7330. Trade Report Input

(a) through (f) No Change.

(g) Reporting Certain Transactions for Purposes of Regulatory Transaction

Fee Assessment

The following types of transactions that are assessed a regulatory transaction fee in accordance with Section 3 of Schedule A to the FINRA By-Laws shall be reported in

the manner prescribed by FINRA to denote that they are submitted for regulatory purposes and not for dissemination. Transactions must be submitted to the System by [6:30]8:00 p.m. Eastern Time (or the end of the System reporting session that is in effect at that time). Transactions may be entered as clearing or non-clearing.

(1) through (3) No Change.

(h) through (i) No Change.

••• Supplementary Material: -----

.01 No Change.

7340. Trade Report Processing

(a) No Change.

(b) T+N Trade Processing

T+N (or “as/of”) entries may be submitted until [6:30]8:00 p.m. each business day. “As/of” reports of trades executed on non-business days and T+365 or greater trades will not be submitted to clearing by the System.

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EXHIBIT 5

Exhibit 5 shows the text of the proposed rule change, as amended by this Partial Amendment No. 1. Proposed new language is underlined; proposed deletions are in brackets.

* * * * *

6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

* * * * *

6200. ALTERNATIVE DISPLAY FACILITY

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6280. Transaction Reporting

* * * * *

6282. Transactions Reported by Members to the ADF

(a) When and How Transactions are Reported

(1) No Change.

(2) Transaction Reporting Outside Normal Market Hours

(A) through (C) No Change.

(D) Last sale reports of transactions in ADF-eligible securities executed (i) between 6:30 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day [(T+1)] by 8:15 a.m. Eastern Time, be designated “as/of” trades to denote their execution on a prior day and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(3) No Change.

(4) Other Modifiers Required to be Reported

Reporting Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6220) (Note: the transaction report shall include both the time of execution of the trade and the time at which the member and the other party agreed to the Stop Stock Price; [must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction] if the Stop Stock Transaction is executed and reported within 10 seconds of the time the member and the other party agree to the Stop Stock Price, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include both the time of execution of the trade and the prior reference time; [in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time] if the trade is executed and reported within 10 seconds from the prior reference point in time, the designated modifier

shall not be appended and only the time of execution of the trade shall be reported);

(H) through (K) No Change.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(5) through (8) No Change.

(b) through (f) No Change.

(g) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled in accordance with the Rule 11890 Series, [M]members shall report the cancellation or reversal of any trade through the ADF that was previously submitted to FINRA through the ADF. The member responsible under [the Rule 6280 Series] Rule 6282 for submitting the original trade report shall submit the cancellation or reversal report in accordance with the procedures set forth in paragraphs (g)(2) and (3).

(2) Deadlines for Reporting Cancelled and Reversed Trades

(A) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or before 4:00 p.m. on the date of execution, the member responsible under paragraph ([j]g)(1) shall report the cancellation as soon as practicable but no later than 10 seconds after the time the trade is cancelled.

(B) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled after 4:00 p.m., but before 6:30 p.m. on the date of execution, the member responsible under paragraph (j)g(1) shall use its best efforts to report the cancellation not later than 6:30 p.m. on the date of execution, and otherwise it shall report the cancellation on the following business day by 6:30 p.m.

(C) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or after 6:30 p.m. on the date of execution, the member responsible under paragraph (j)g(1) shall report the cancellation on the following business day by 6:30 p.m.

(D) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled prior to 6:30 p.m. on the date of execution, the member responsible under paragraph (j)g(1) shall report the cancellation by 6:30 p.m.

(E) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled at or after 6:30 p.m. on the date of execution, the member responsible under paragraph (j)g(1) shall report the cancellation on the following business day by 6:30 p.m.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (j)g(1) shall report the cancellation (or reversal) (i) by 6:30 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before 6:30

p.m., or (ii) by 6:30 p.m. on the following business day if the trade is cancelled (or reversed) at or after 6:30 p.m.

(G) For purposes of determining the deadline by which a trade cancellation (or reversal) must be reported to FINRA pursuant to paragraph [(j)g] of this Rule the term “cancelled” (or “reversed,” as applicable) [or “cancellation”] shall mean the time at which (i) the member with the reporting responsibility informs its contra party, or is informed by its contra party, that a trade is being cancelled (or reversed), (ii) the member with the reporting responsibility and its contra party agree to cancel (or reverse) a trade if neither party can unilaterally cancel (or reverse) the trade, or (iii) the member with the reporting responsibility takes an action to cancel (or reverse) the trade on its books and records, whichever event occurs first.

(3) When submitting a report of a reversal to the ADF, members must identify the original report of the previously submitted trade by including the original report date and the control number assigned by the ADF to the original trade report.

(h) No Change.

••• Supplementary Material: -----

.01 No Change.

.02 Trade Reporting Time Frame

(a) With respect to the requirement under paragraphs (a) and [(j)g] of this Rule that members report trades and trade cancellations “as soon as practicable,” a member

with the trade reporting obligation under paragraph (b) of this Rule must adopt policies and procedures reasonably designed to comply with this requirement and must implement systems that commence the trade reporting process without delay upon execution (or cancellation, as applicable). Where a member has such reasonably designed policies, procedures and systems in place, the member generally will not be viewed as violating the “as soon as practicable” requirement because of delays in trade reporting that are due to extrinsic factors that are not reasonably predictable and where the member does not purposely intend to delay the reporting of the trade. In no event may a member purposely withhold trade reports, e.g., by programming its systems to delay reporting until the last permissible second.

(b) No Change.

.03 Trade reports of block transactions using the Intermarket Sweep Order (ISO) exception (outbound) under SEC Rule 611 of Regulation NMS must include the time that all material terms of the transaction are known (including, but not limited to, the final number of shares executed after reflecting any fills of routed ISOs) and, if different from the time of execution, members must also include the time that ISOs are sent to trading centers with protected quotations that are priced superior to the block transaction price.

.04 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member’s system captures time in milliseconds.

6300. TRADE REPORTING FACILITIES

6300A. FINRA/NASDAQ TRADE REPORTING FACILITY

* * * * *

6380A. Transaction Reporting

(a) When and How Transactions are Reported

(1) No Change.

(2) Transaction Reporting to the FINRA/Nasdaq Trade Reporting Facility Outside Normal Market Hours

(A) through (C) No Change.

(D) Last sale reports of transactions in designated securities executed (i) between 8:00 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day [(T+1)] by 8:15 a.m. Eastern Time, be designated “as/of” trades to denote their execution on a prior day and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(3) through (4) No Change.

(5) Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6320A) (Note: the transaction report shall include both the time of execution of the trade and the time at which the member and the other party agreed to the Stop Stock Price; [must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction] if the Stop Stock Transaction is executed and reported within 10 seconds of the time the

member and the other party agree to the Stop Stock Price, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include both the time of execution of the trade and the prior reference time; [in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time] if the trade is executed and reported within 10 seconds from the prior reference point in time, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(H) through (K) No Change.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(6) through (8) No Change.

(b) through (f) No Change.

(g) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled in accordance with the Rule 11890 Series, members shall report to the FINRA/Nasdaq Trade Reporting Facility the cancellation or reversal of any trade previously submitted to the FINRA/Nasdaq Trade Reporting Facility. The member responsible for submitting the original trade report shall submit the cancellation or reversal report in accordance with the procedures set forth in paragraphs (g)(2) and (3).

(2) Deadlines for Reporting Cancelled and Reversed Trades

(A) through (E) No Change.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation (or reversal) (i) by 8:00 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before 8:00 p.m., or (ii) by 8:00 p.m. on the following business day if the trade is cancelled (or reversed) at or after 8:00 p.m.

(G) For purposes of determining the deadline by which a trade cancellation (or reversal) must be reported pursuant to paragraph (g) of this [r]Rule the term “cancelled” (or “reversed,” as applicable) shall mean the time at which (i) the member with the reporting responsibility informs its contra party, or is informed by its contra party, that a trade is being cancelled (or reversed), (ii) the member with the reporting responsibility and its contra party agree to cancel (or reverse) a trade if neither party can unilaterally cancel (or reverse) the trade, or (iii) the member with the

reporting responsibility takes an action to cancel (or reverse) the trade on its books and records, whichever event occurs first.

(3) When submitting a report of a reversal to the FINRA/Nasdaq Trade Reporting Facility, members must identify the original report of the previously submitted trade by including the original report date and the control number assigned by the FINRA/Nasdaq Trade Reporting Facility to the original trade report.

(h) No Change.

••• Supplementary Material: -----

.01 through .02 No Change.

.03 Trade reports of block transactions using the Intermarket Sweep Order (ISO) exception (outbound) under SEC Rule 611 of Regulation NMS must include the time that all material terms of the transaction are known (including, but not limited to, the final number of shares executed after reflecting any fills of routed ISOs) and, if different from the time of execution, members must also include the time that ISOs are sent to trading centers with protected quotations that are priced superior to the block transaction price.

.04 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member's system captures time in milliseconds.

6300B. FINRA/NYSE TRADE REPORTING FACILITY

* * * * *

6380B. Transaction Reporting

(a) When and How Transactions are Reported

(1) No Change.

(2) Transaction Reporting to the FINRA/NYSE Trade Reporting Facility Outside Normal Market Hours

(A) through (C) No Change.

(D) Last sale reports of transactions in designated securities executed (i) between 8:00 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day [(T+1)] by 8:15 a.m. Eastern Time, be designated “as/of” trades to denote their execution on a prior day and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(3) through (4) No Change.

(5) Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6320B) (Note: the transaction report shall include both the time of execution of the trade and the time at which the member and the other party agreed to the Stop Stock Price; [must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction] if the Stop Stock Transaction is executed and reported within 10 seconds of the time the member and the other party agree to the Stop Stock Price, the designated

modifier shall not be appended and only the time of execution of the trade shall be reported);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include both the time of execution of the trade and the prior reference time; [in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time] if the trade is executed and reported within 10 seconds from the prior reference point in time, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(H) through (K) No Change.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(6) through (8) No Change.

(b) through (e) No Change.

(f) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled in accordance with the Rule 11890 Series, members shall report to the FINRA/NYSE Trade Reporting Facility the

cancellation or reversal of any trade previously submitted to the FINRA/NYSE Trade Reporting Facility. The member responsible for submitting the original trade report shall submit the cancellation or reversal report in accordance with the procedures set forth in paragraphs (f)(2) and (3).

(2) Deadlines for Reporting Cancelled and Reversed Trades

(A) through (E) No Change.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation (or reversal) (i) by 8:00 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before 8:00 p.m., or (ii) by 8:00 p.m. on the following business day if the trade is cancelled (or reversed) at or after 8:00 p.m.

(G) For purposes of determining the deadline by which a trade cancellation (or reversal) must be reported pursuant to paragraph (f) of this Rule the term “cancelled” (or “reversed,” as applicable) shall mean the time at which (i) the member with the reporting responsibility informs its contra party, or is informed by its contra party, that a trade is being cancelled (or reversed), (ii) the member with the reporting responsibility and its contra party agree to cancel (or reverse) a trade if neither party can unilaterally cancel (or reverse) the trade, or (iii) the member with the reporting responsibility takes an action to cancel (or reverse) the trade on its books and records, whichever event occurs first.

(3) When submitting a report of a reversal to the FINRA/NYSE Trade Reporting Facility, members must identify the original report of the previously submitted trade by including the original report date and the control number assigned by the FINRA/NYSE Trade Reporting Facility to the original trade report.

(g) through (h) No Change.

••• Supplementary Material: -----

.01 through .02 No Change.

.03 Trade reports of block transactions using the Intermarket Sweep Order (ISO) exception (outbound) under SEC Rule 611 of Regulation NMS must include the time that all material terms of the transaction are known (including, but not limited to, the final number of shares executed after reflecting any fills of routed ISOs) and, if different from the time of execution, members must also include the time that ISOs are sent to trading centers with protected quotations that are priced superior to the block transaction price.

.04 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member's system captures time in milliseconds.

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6600. OTC REPORTING FACILITY

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6620. Reporting Transactions in OTC Equity Securities and Restricted Equity Securities

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6622. Transaction Reporting

(a) When and How Transactions are Reported

(1) No Change.

(2) Transaction Reporting Outside Normal Market Hours

(A) through (C) No Change.

(D) Last sale reports of transactions in OTC Equity Securities executed (i) between 8:00 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day [(T+1)] by 8:15 a.m. Eastern Time, be designated “as/of” trades to denote their execution on a prior day and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(3) Transaction Reporting for Restricted Equity Securities

(A) No Change.

(B) Last sale reports of transactions in Restricted Equity Securities effected under Securities Act Rule 144A executed (i) between 8:00 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day [(T+1)] by 8:00 p.m. Eastern Time and be designated “as/of” trades to denote their execution on a prior day.

(4) No Change.

(5) Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6420) (Note: the transaction report shall include both the time of execution of the trade and the time at which the member and the other party agreed to the Stop Stock Price; [must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction] if the Stop Stock Transaction is executed and reported within 10 seconds of the time the member and the other party agree to the Stop Stock Price, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include both the time of execution of the trade and the prior reference time; [in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time] if the trade is executed and reported within 10 seconds from the prior reference point in time, the designated modifier shall not be appended and only the time of execution of the trade shall be reported); and

(H) to identify pre-opening and after-hours trades (executed between 8:00 a.m. and 9:30 a.m. Eastern [t]Time or between 4:00 p.m. and 8:00 p.m. Eastern [t]Time) reported more than 10 seconds after execution.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(6) through (8) No Change.

(b) through (e) No Change.

(f) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled in accordance with the Rule 11890 Series, members shall report to the OTC Reporting Facility the cancellation or reversal of any trade previously submitted to the OTC Reporting Facility. The member responsible under Rule 6622 for submitting the original trade report shall submit the cancellation or reversal report in accordance with the procedures set forth in paragraphs (f)(2), (3) and (4).

(2) Deadlines for Reporting Cancelled and Reversed Trades in OTC Equity Securities

(A) through (E) No Change.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation (or reversal) (i) by 8:00 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before 8:00 p.m., or (ii) by 8:00 p.m. on the following business day if the trade is cancelled (or reversed) at or after 8:00 p.m.

(G) For purposes of determining the deadline by which a trade cancellation (or reversal) must be reported to the OTC Reporting Facility pursuant to paragraph (f) of this [r]Rule the term “cancelled” (or “reversed,” as applicable) shall mean the time at which (i) the member with the reporting responsibility informs its contra party, or is informed by its contra party, that a trade is being cancelled (or reversed), (ii) the member with the reporting responsibility and its contra party agree to cancel (or reverse) a trade if neither party can unilaterally cancel (or reverse) the trade, or (iii) the member with the reporting responsibility takes an action to cancel (or reverse) the trade on its books and records, whichever event occurs first.

(3) Deadlines for Reporting Cancelled and Reversed Trades in

Restricted Equity Securities

(A) through (B) No Change.

(C) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation or reversal

(i) through (ii) No Change.

(4) When submitting a report of a reversal to the OTC Reporting Facility, members must identify the original report of the previously submitted trade by including the original report date and the control number assigned by the OTC Reporting Facility to the original trade report.

(g) through (h) No Change.

••• **Supplementary Material:** -----

.01 through .03 No Change.

.04 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member's system captures time in milliseconds.

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**7000. CLEARING, TRANSACTION AND ORDER DATA REQUIREMENTS,
AND FACILITY CHARGES**

7100. ALTERNATIVE DISPLAY FACILITY

* * * * *

7130. Trade Report Input

(a) through (d) No Change.

(e) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled by FINRA staff in accordance with the Rule 11890 Series, members shall report to the System the cancellation or reversal of any trade previously submitted to the System. The member responsible under FINRA rules for submitting the original trade report shall submit the cancellation or reversal report in accordance with the requirements set forth in paragraph (e)(2).

(2) Deadlines and Other Requirements for Reporting Cancelled and Reversed Trades

Members shall comply with deadlines and other requirements set forth in Rule 6282 for reporting cancelled and reversed trades.

(f) No Change.

(g) Submission of Non-Tape Reports Associated With Previously Executed

Trades

(1) through (2) No Change.

(3) Where permitted by subparagraph (1) above, if both parties are submitting a clearing-only report to effectuate a step-out, the member transferring out of the position must report a “step-out” and the member receiving the position must report a “step-in.”

(h) No Change.

••• Supplementary Material: -----

.01 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member’s system captures time in milliseconds.

7140. Trade Report Processing

(a) Locked-in trades may be determined in the System through one of the following methods:

([a]1) Trade by Trade Match

Both parties to the trade submit transaction data and the System performs an on-line match;

([b]2) Trade Acceptance

The Reporting Party enters its version of the trade into the system and the contra party reviews the trade report and accepts or declines the trade. An acceptance results in a locked-in trade[;]. [a]A declined trade report [is purged from the System] will be carried over at the end of trade date processing and

will remain in the System, but will not be subject to the automatic lock-in process. A declined trade must be cancelled by the Reporting Party pursuant to Rule 6282(g) if the trade was originally reported to the System for dissemination purposes.[:]

(3) Automatic Lock-in

Any trade that remains open (i.e. unmatched or unaccepted) at the end of its entry day will be carried over for continued comparison and reconciliation. The System will automatically lock in and submit to DTCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will carry over any T+22 (calendar day) or older “as/of” trade that remains open, but such trade will not be subject to the automatic lock-in process.

([c]b) T+N Trade Processing

T+N (or “as/of”) entries may be submitted until 6:30 p.m. each business day. “As/of” reports of trades executed on non-business days and T+365 or greater trades will not be submitted to clearing by the System. [At the end of daily matching, all declined trade entries will be purged from the System. The System will not purge any open trade (i.e. unmatched or unaccepted) at the end of its entry day, but will carry-over such trades to the next business day for continued comparison and reconciliation. The System will automatically lock in and submit to NSCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will not automatically lock in T+22 (calendar day) or older open “as/of” trades that were carried-over from the previous business day; these trades will

be purged by the System at the end of the carry-over day if such trades remain open. Members may re-submit these T+22 or older “as/of” trades into the System on the next business day for continued comparison and reconciliation for up to one calendar year.]

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7200. TRADE REPORTING FACILITIES

7200A. FINRA/NASDAQ TRADE REPORTING FACILITY

* * * * *

7230A. Trade Report Input

(a) through (e) No Change.

(f) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled by FINRA staff in accordance with the Rule 11890 Series, members shall report to the System the cancellation or reversal of any trade previously submitted to the System. The member responsible under FINRA rules for submitting the original trade report shall submit the cancellation or reversal report in accordance with the requirements set forth in paragraph (f)(2).

(2) Deadlines and Other Requirements for Reporting Cancelled and Reversed Trades

Members shall comply with deadlines and other requirements set forth in Rule 6380A for reporting cancelled and reversed trades.

(g) through (h) No Change.

(i) Submission of Non-Tape Reports Associated With Previously Executed

Trades

(1) through (2) No Change.

(3) Where permitted by subparagraph (1) above, if both parties are submitting a clearing-only report to effectuate a step-out, the member transferring out of the position must report a “step-out” and the member receiving the position must report a “step-in.”

••• Supplementary Material: -----

.01 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member’s system captures time in milliseconds.

7240A. Trade Report Processing

(a) Locked-in trades may be determined in the System by matching the trade information submitted by the Reporting Parties through one of the following methods:

[(a)1] Trade by Trade Match

Both parties to the trade submit transaction data and the System performs an on-line match;

[(b)2] Trade Acceptance

The Reporting Party enters its version of the trade into the System and the contra party reviews the trade report and accepts or declines the trade. An acceptance results in a locked-in trade[;]. [a]A declined trade report [is purged from the System] will be carried over at the end of trade date processing and will remain in the System, but will not be subject to the automatic lock-in

process. A declined trade must be cancelled by the Reporting Party pursuant to Rule 6380A(g) if the trade was originally reported to the System for dissemination purposes.[;]

(3) Automatic Lock-in

Any trade that remains open (i.e. unmatched or unaccepted) at the end of its entry day will be carried over for continued comparison and reconciliation. The System will automatically lock in and submit to DTCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will carry over any T+22 (calendar day) or older “as/of” trade that remains open, but such trade will not be subject to the automatic lock-in process.

([c]b) T+N Trade Processing

T+N (or “as/of”) entries may be submitted until 8:00 p.m. each business day. “As/of” reports of trades executed on non-business days and T+365 or greater trades will not be submitted to clearing by the System. [At the end of daily matching, all declined trade entries will be purged from the System. The System will not purge any open trade (i.e. unmatched or unaccepted) at the end of its entry day, but will carry-over such trades to the next business day for continued comparison and reconciliation. The System will automatically lock in and submit to DTCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will not automatically lock in T+22 (calendar day) or older open “as/of” trades that were carried-over from the previous business day; these will be purged by the System at the end of the carry-over day if they remain open. Members

may re-submit these T+22 or older “as/of” trades into the System on the next business day for continued comparison and reconciliation for up to one calendar year.]

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7200B. FINRA/NYSE TRADE REPORTING FACILITY

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7230B. Trade Report Input

(a) through (d) No Change.

(e) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled by FINRA staff in accordance with the Rule 11890 Series, members shall report to the System the cancellation or reversal of any trade previously submitted to the System. The member responsible under FINRA rules for submitting the original trade report shall submit the cancellation or reversal report in accordance with the requirements set forth in paragraph (e)(2).

(2) Deadlines and Other Requirements for Reporting Cancelled and Reversed Trades

Members shall comply with deadlines and other requirements set forth in Rule 6380B for reporting cancelled and reversed trades.

(f) through (g) No Change.

(h) Submission of Non-Tape Reports Associated With Previously Executed Trades

(1) through (2) No Change.

(3) Where permitted by subparagraph (1) above, if both parties are submitting a clearing-only report to effectuate a step-out, the member transferring out of the position must report a “step-out” and the member receiving the position must report a “step-in.”

••• **Supplementary Material:** -----

.01 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member’s system captures time in milliseconds.

7240B. Trade Report Processing

(a) All trades submitted to the System must be locked-in trades prior to entry into the System.

(b) T+N Trade Processing

T+N (or “as/of”) entries may be submitted until 8:00 p.m. each business day. “As/of” reports of trades executed on non-business days and T+365 or greater trades will not be submitted to clearing by the System.

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7300. OTC REPORTING FACILITY

7310. Definitions

[(a) The term “Browse” shall mean the function that permits a Participant to review (or query) for trades in the System identifying the Participant as a party to the transaction, subject to the specific uses contained in the System Users Guide.]

(b) through (k) renumbered as (a) through (j)

7320. Trade Reporting Participation Requirements

(a) Mandatory Participation for Clearing Agency Members

(1) Participation in the System is mandatory for any member that has an obligation to report an over-the-counter transaction to FINRA [, unless the member has an alternative electronic mechanism pursuant to FINRA rules for reporting and clearing such transaction]. Such participation in the System shall include the reconciliation of all over the counter clearing agency eligible transactions.

(2) through (5) No Change.

(b) No Change.

7330. Trade Report Input

(a) No Change.

(b) When and How Trade Reports are Submitted

Participants shall transmit trade reports to the System for Reportable System Transactions within the time period required in Rule 6622, or, in the case of trades in OTC Equity Securities, shall [use the Browse function to] accept or decline trades within twenty (20) minutes after execution, according to the requirements of paragraph (c) of this Rule.

(c) Which Party Inputs Trade Reports

Participants shall, subject to the input requirements below, either input trade reports or [use the Browse feature to] accept or decline a trade within the applicable time-frames as specified in paragraph (b) of this Rule. Trade reports shall be submitted by the member as required by Rule 6622(b).

(d) through (e) No Change.

(f) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled by FINRA staff in accordance with the Rule 11890 Series, members shall report to the System the cancellation or reversal of any trade previously submitted to the System. The member responsible under FINRA rules for submitting the original trade report shall submit the cancellation or reversal report in accordance with the requirements set forth in paragraph (f)(2).

(2) Deadlines and Other Requirements for Reporting Cancelled and Reversed Trades

Members shall comply with deadlines and other requirements set forth in Rule 6622 for reporting cancelled and reversed trades.

(g) No Change.

(h) Submission of Non-Tape Reports Associated With Previously Executed Trades

(1) through (2) No Change.

(3) Where permitted by subparagraph (1) above, if both parties are submitting a clearing-only report to effectuate a step-out, the member transferring out of the position must report a “step-out” and the member receiving the position must report a “step-in.”

(i) No Change.

••• **Supplementary Material:** -----

.01 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member's system captures time in milliseconds.

7340. Trade Report Processing

(a) Locked-in trades may be determined in the System by matching the trade information submitted by the Reporting Parties through one of the following methods:

([a]1) Trade by Trade Match

Both parties to the trade submit transaction data and the System performs an on-line match;

([b]2) Trade Acceptance

The Reporting Party enters its version of the trade into the System and the contra party reviews the trade report and accepts or declines the trade. An acceptance results in a locked-in trade[;]. [a]A declined trade report [is purged from the System] will be carried over at the end of trade date processing and will remain in the System, but will not be subject to the automatic lock-in process. A declined trade must be cancelled by the Reporting Party pursuant to Rule 6622(f) if the trade was originally reported to the System for dissemination purposes.[;]

(3) Automatic Lock-in

Any trade that remains open (i.e. unmatched or unaccepted) at the end of its entry day will be carried over for continued comparison and reconciliation. The System will automatically lock in and submit to DTCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will carry over any T+22

(calendar day) or older “as/of” trade that remains open, but such trade will not be subject to the automatic lock-in process.

([c]b) T+N Trade Processing

T+N (or “as/of”) entries may be submitted until 8:00 p.m. each business day. “As/of” reports of trades executed on non-business days and T+365 or greater trades will not be submitted to clearing by the System. [At the end of daily matching, all declined trade entries will be purged from the System. The System will not purge any open trade (i.e. unmatched or unaccepted) at the end of its entry day, but will carry-over such trades to the next business day for continued comparison and reconciliation. The System will automatically lock in and submit to DTCC as such any carried-over T to T+21 (calendar day) trade if it remains open as of 2:30 p.m. on the next business day. The System will not automatically lock in T+22 (calendar day) or older open “as/of” trades that were carried-over from the previous business day; these will be purged by the System at the end of the carry-over day if they remain open. Members may re-submit these T+22 or older “as/of” trades into the System on the next business day for continued comparison and reconciliation for up to one calendar year.]

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7400. ORDER AUDIT TRAIL SYSTEM

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7440. Recording of Order Information

(a) Procedures

(1) No Change.

(2) Each required record of the time of an event shall be expressed in terms of hours, minutes, and seconds; provided that the time of an event shall be expressed in hours, minutes, seconds, and milliseconds if the member's system captures time in milliseconds.

(3) through (5) No Change.

(b) through (d) No Change.

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