

OMB APPROVAL

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Page 1 of * 21

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

File No.* SR - 2014 - * 011

Amendment No. (req. for Amendments *)

Filing by Financial Industry Regulatory Authority

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

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

☐

Section 3C(b)(2) *

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Exhibit 2 Sent As Paper Document



Exhibit 3 Sent As Paper Document



Description

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

Proposed Rule Change to Amend FINRA Rule 6432 (Compliance with the Information Requirements of SEA Rule 15c2-11)

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 * Racquel Last Name * Russell
 Title * Associate 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.

(Title *)

Date 03/06/2014

By Stephanie M. Dumont

(Name *)

Senior Vice President and Director of Capital Markets
 Policy

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 EFFT website.

Form 19b-4 Information *

Add Remove View

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 *

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, 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

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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

Exhibit 4 - Marked Copies

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 the Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”),¹ Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to amend FINRA Rule 6432 to require members to certify that they have and will not accept any payment or other consideration for market making from issuers and related persons.

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

* * * * *

6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

* * * * *

6400. QUOTING AND TRADING IN OTC EQUITY SECURITIES

* * * * *

6430. OTC Equity Quotation Requirements

* * * * *

6432. Compliance with the Information Requirements of SEA Rule 15c2-11

(a) No Change.

(b) The information to be filed shall contain:

(1) O[o]ne copy of all information required to be maintained under SEA Rule 15c2-11(a)(1), (2), (3), (4), or (5), including any information that may be required by future amendments thereto. Members are not required to file with

¹ 15 U.S.C. 78s(b)(1).

FINRA copies of any information that is available through the SEC's Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system; provided, however, that the filing with FINRA shall contain identifying information for each issuer report or statement available through EDGAR that was relied upon in satisfying the member's obligations under this Rule and SEA Rule 15c2-11(a), including the type of report, report date and any other information as may be requested by FINRA.

(2) [In addition, this filing shall identify]Identification of the issuer, the issuer's predecessor in the event of a merger or reorganization within the previous 12 months, the type of non-exchange-listed security to be quoted (e.g., ADR, warrant, unit, or common stock), the quotation medium to be used, the member's initial or resumed quotation, and the particular subsection of SEA Rule 15c2-11 with which the member is demonstrating compliance.

(3) [Additionally, i]If a member is initiating or resuming quotation of a non-exchange-listed security with a priced entry, [the member's filing must specify] the basis upon which that priced entry was determined and the factors considered in making that determination.

(4) A certification that neither the member nor persons associated with the member have accepted or will accept any payment or other consideration prohibited by FINRA Rule 5250.

(c) through (e) No Change.

• • • **Supplementary Material:** -----

01. No Change.

* * * * *

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The Chief Legal Officer of FINRA authorized the filing of the proposed rule change with the SEC 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. The implementation date of the proposed rule change will be announced in a Regulatory Notice.

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

(a) Purpose

FINRA Rule 5250 (Payments for Market Making) prohibits members from receiving any payment or other consideration by issuers or issuers' affiliates and promoters, directly or indirectly, for publishing a quotation, acting as a market maker, or submitting an application in connection therewith. The Rule is intended, among other things, to prohibit members from receiving consideration from an issuer for quoting or making a market in the issuer's securities and to assure that members act in an independent capacity when publishing a quotation or making a market in an issuer's

securities.² The prohibition against receiving payments for market making activities includes within its scope payments for submitting an application in connection with market making, including the filing of a Form 211.

FINRA Rule 6432 (Compliance with the Information Requirements of SEA Rule 15c2-11) sets forth the standards applicable to member firms for demonstrating compliance with SEA Rule 15c2-11.³ Pursuant to the Rule 6432, members must submit to FINRA a Form 211 which, among other things, requires the member to provide information regarding the issuer sought to be quoted. FINRA is proposing to amend Rule 6432 to require members to, as part of the Form 211 process, certify to FINRA that neither the member nor its associated persons have or will accept any payment or other consideration for posting a quotation or market making as prohibited under Rule 5250, including in connection with the filing of the Form 211.

² As stated in prior filings and notices, FINRA believes a market maker should have considerable latitude and freedom to make or terminate market making activities in an issuer's securities. The decision by a member to make a market in a given security and the question of price generally are dependent on a number of factors, including, among others, supply and demand, the member's expectations toward the market, its current inventory position, and exposure to risk and competition. The decision, however, should not be influenced by payments to the member by the issuer. FINRA's policy concerning payments for market making was first set forth in Notice to Members 75-16 and then codified as NASD Rule 2460 (now FINRA Rule 5250) in 1997. See Notice to Members 75-16 (February 1975) and Securities Exchange Act Release No. 38812 (July 3, 1997), 62 FR 37105 (July 10, 1997) ("Order Approving File No. SR-NASD-97-46").

³ SEA Rule 15c2-11 prescribes information review and maintenance requirements for broker-dealers that publish quotations in a quotation medium for certain over-the-counter equity securities. Specifically, SEA Rule 15c2-11 prohibits a broker-dealer from publishing, or submitting for publication, a quotation for a covered OTC equity security unless it has obtained and reviewed current information about the issuer whose security is the subject of the quotation that the broker-dealer believes is accurate and obtained from a reliable source. See 17 CFR 240.15c2-11.

FINRA intends to include the new certification as part of the current Form 211, which is required to be completed by members prior to initiating or resuming quotations in a non-exchange-listed security⁴ in any quotation medium.⁵ Thus, only members submitting a Form 211 going forward will be required to certify that no payments for market making prohibited by Rule 5250 have or will be accepted. FINRA believes that this approach seamlessly implements this new requirement without imposing any additional burden on members, since both the submission of the Form 211 as well as the substantive prohibition on receipt of Rule 5250 payments already apply to members.

As noted in Item 2 of this filing, FINRA has filed the proposed rule change for immediate effectiveness. The implementation date of the proposed rule change will be announced in a Regulatory Notice.

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁶ 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

⁴ Rule 6432(e) defined “non-exchange-listed security” as any equity security, other than a restricted equity security, that is not traded on any national securities exchange. Rule 6420(k) defines “restricted equity security” as any equity security that meets the definition of “restricted security” as contained in Securities Act Rule 144(a)(3).

⁵ Rule 6420(j) defines “quotation medium” as any inter-dealer quotation system or any publication or electronic communications network or other device that is used by brokers or dealers to make known to others their interest in transactions in any OTC Equity Security, including offers to buy or sell at a stated price or otherwise, or invitations of offers to buy or sell.

⁶ 15 U.S.C. 78o-3(b)(6).

interest. FINRA also believes that the proposed rule change is consistent with the provisions of Section 15A(b)(11) of the Act,⁷ which requires, among other things, that FINRA's 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 that the proposed rule change meets these requirements in that it maintains the protections that Rule 5250 was designed to provide by helping to ensure that a member makes an independent decision (rather than one influenced by payments to a member from an issuer) in determining to make a market in the issuer's security in advance of FINRA permitting a member to initiate or resume quotations. By including a requirement that members certify to their compliance of this rule on the Form 211, FINRA is reinforcing the importance of member compliance with Rule 5250. The proposed rule change also facilitates FINRA's ability to identify potential red flags in connection with members' planned quotation activities by explicitly including the Rule 5250 certification as part of the review process required of members seeking to initiate quotations in securities that require Form 211 clearance.

4. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change would require that members submitting a Form 211 certify to FINRA that neither the member nor persons associated with the member have or will accept any payment or other consideration prohibited by FINRA Rule 5250,

⁷ 15 U.S.C. 78o-3(b)(11).

which generally prohibits a member from receiving payments, directly or indirectly, from an issuer of a security, or any affiliate or promoter thereof, for publishing a quotation, acting as market maker in a security, or submitting an application in connection therewith. Thus, the proposed rule change helps ensure that members act in an independent capacity when publishing a quotation or making a market in an issuer's securities. Because the certification relates to compliance with a rule the member is already subject to and will be included as part of the existing Form 211, FINRA does not believe there is any substantial additional burden on competition imposed by the proposal. FINRA recognizes that the certifying firm may choose to require sub-certifications within the firm, but FINRA does not view this as required by the rule or involving significant costs relative to the compliance benefits of the certification. Further, any member submitting a new Form 211 will be required to comply with the new certification, which does not impose any disparate treatment among such members that might result in a burden on competition.

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) or Section 19(b)(7)(D)

The proposed rule change is effective upon filing pursuant to Section 19(b)(3) of

the Act⁸ and paragraph (f)(1) of Rule 19b-4 thereunder,⁹ in that the proposed rule change constitutes a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule of FINRA.

The proposed rule change requires members to certify that they have and will not accept any payment or other consideration for market making – a prohibition that members currently are subject to pursuant to Rule 5250. In addition, the certification will be included as part of existing Form 211, which members are required to submit when initiating or resuming quotations in any non-exchange listed security, consistent with the requirements of Rule 6432. Accordingly, FINRA has designated this rule filing as constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule.¹⁰ FINRA will announce the implementation date in a Regulatory Notice.

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

Not applicable.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

Not applicable.

⁸ 15 U.S.C. 78s(b)(3).

⁹ 17 CFR 240.19b-4(f)(1).

¹⁰ 17 CFR 240.19b-4(f)(1).

11. Exhibits

Exhibit 1. Completed notice of proposed rule change for publication in the Federal Register.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-FINRA-2014-011)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend FINRA Rule 6432 (Compliance with the Information Requirements of SEA Rule 15c2-11)

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on , Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as “constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule” under Section 19(b)(3)(A)(i) of the Act³ and Rule 19b-4(f)(1) thereunder,⁴ which renders the proposal effective upon receipt of this filing by the Commission. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

FINRA is proposing to amend FINRA Rule 6432 to require members to certify that they have and will not accept any payment or other consideration for market making from issuers and related persons.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A)(i).

⁴ 17 CFR 240.19b-4(f)(1).

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

* * * * *

6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

* * * * *

6400. QUOTING AND TRADING IN OTC EQUITY SECURITIES

* * * * *

6430. OTC Equity Quotation Requirements

* * * * *

6432. Compliance with the Information Requirements of SEA Rule 15c2-11

(a) No Change.

(b) The information to be filed shall contain:

(1) Q~~o~~ne copy of all information required to be maintained under SEA Rule 15c2-11(a)(1), (2), (3), (4), or (5), including any information that may be required by future amendments thereto. Members are not required to file with FINRA copies of any information that is available through the SEC's Electronic Data Gathering, Analysis, and Retrieval ("EDGAR") system; provided, however, that the filing with FINRA shall contain identifying information for each issuer report or statement available through EDGAR that was relied upon in satisfying the member's obligations under this Rule and SEA Rule 15c2-11(a), including the type of report, report date and any other information as may be requested by FINRA.

(2) [In addition, this filing shall identify]Identification of the issuer, the issuer's predecessor in the event of a merger or reorganization within the previous 12 months, the type of non-exchange-listed security to be quoted (e.g., ADR, warrant, unit, or common stock), the quotation medium to be used, the member's initial or resumed quotation, and the particular subsection of SEA Rule 15c2-11 with which the member is demonstrating compliance.

(3) [Additionally, i]If a member is initiating or resuming quotation of a non-exchange-listed security with a priced entry, [the member's filing must specify] the basis upon which that priced entry was determined and the factors considered in making that determination.

(4) A certification that neither the member nor persons associated with the member have accepted or will accept any payment or other consideration prohibited by FINRA Rule 5250.

(c) through (e) No Change.

• • • Supplementary Material: -----

01. No Change.

* * * * *

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

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

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

1. Purpose

FINRA Rule 5250 (Payments for Market Making) prohibits members from receiving any payment or other consideration by issuers or issuers' affiliates and promoters, directly or indirectly, for publishing a quotation, acting as a market maker, or submitting an application in connection therewith. The Rule is intended, among other things, to prohibit members from receiving consideration from an issuer for quoting or making a market in the issuer's securities and to assure that members act in an independent capacity when publishing a quotation or making a market in an issuer's securities.⁵ The prohibition against receiving payments for market making activities includes within its scope payments for submitting an application in connection with market making, including the filing of a Form 211.

FINRA Rule 6432 (Compliance with the Information Requirements of SEA Rule 15c2-11) sets forth the standards applicable to member firms for demonstrating

⁵ As stated in prior filings and notices, FINRA believes a market maker should have considerable latitude and freedom to make or terminate market making activities in an issuer's securities. The decision by a member to make a market in a given security and the question of price generally are dependent on a number of factors, including, among others, supply and demand, the member's expectations toward the market, its current inventory position, and exposure to risk and competition. The decision, however, should not be influenced by payments to the member by the issuer. FINRA's policy concerning payments for market making was first set forth in Notice to Members 75-16 and then codified as NASD Rule 2460 (now FINRA Rule 5250) in 1997. See Notice to Members 75-16 (February 1975) and Securities Exchange Act Release No. 38812 (July 3, 1997), 62 FR 37105 (July 10, 1997) ("Order Approving File No. SR-NASD-97-46").

compliance with SEA Rule 15c2-11.⁶ Pursuant to the Rule 6432, members must submit to FINRA a Form 211 which, among other things, requires the member to provide information regarding the issuer sought to be quoted. FINRA is proposing to amend Rule 6432 to require members to, as part of the Form 211 process, certify to FINRA that neither the member nor its associated persons have or will accept any payment or other consideration for posting a quotation or market making as prohibited under Rule 5250, including in connection with the filing of the Form 211.

FINRA intends to include the new certification as part of the current Form 211, which is required to be completed by members prior to initiating or resuming quotations in a non-exchange-listed security⁷ in any quotation medium.⁸ Thus, only members submitting a Form 211 going forward will be required to certify that no payments for market making prohibited by Rule 5250 have or will be accepted. FINRA believes that this approach seamlessly implements this new requirement without imposing any

⁶ SEA Rule 15c2-11 prescribes information review and maintenance requirements for broker-dealers that publish quotations in a quotation medium for certain over-the-counter equity securities. Specifically, SEA Rule 15c2-11 prohibits a broker-dealer from publishing, or submitting for publication, a quotation for a covered OTC equity security unless it has obtained and reviewed current information about the issuer whose security is the subject of the quotation that the broker-dealer believes is accurate and obtained from a reliable source. See 17 CFR 240.15c2-11.

⁷ Rule 6432(e) defined “non-exchange-listed security” as any equity security, other than a restricted equity security, that is not traded on any national securities exchange. Rule 6420(k) defines “restricted equity security” as any equity security that meets the definition of “restricted security” as contained in Securities Act Rule 144(a)(3).

⁸ Rule 6420(j) defines “quotation medium” as any inter-dealer quotation system or any publication or electronic communications network or other device that is used by brokers or dealers to make known to others their interest in transactions in any OTC Equity Security, including offers to buy or sell at a stated price or otherwise, or invitations of offers to buy or sell.

additional burden on members, since both the submission of the Form 211 as well as the substantive prohibition on receipt of Rule 5250 payments already apply to members.

FINRA has filed the proposed rule change for immediate effectiveness. The implementation date of the proposed rule change will be announced in a Regulatory Notice.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁹ which requires, among other things, that FINRA rules must be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and, in general, to protect investors and the public interest. FINRA also believes that the proposed rule change is consistent with the provisions of Section 15A(b)(11) of the Act,¹⁰ which requires, among other things, that FINRA's 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 that the proposed rule change meets these requirements in that it maintains the protections that Rule 5250 was designed to provide by helping to ensure that a member makes an independent decision (rather than one influenced by payments to a member from an issuer) in determining to make a market in the issuer's security in advance of FINRA permitting a member to initiate or resume quotations. By including a requirement that members certify to their compliance of this rule on the Form 211,

⁹ 15 U.S.C. 78o-3(b)(6).

¹⁰ 15 U.S.C. 78o-3(b)(11).

FINRA is reinforcing the importance of member compliance with Rule 5250. The proposed rule change also facilitates FINRA's ability to identify potential red flags in connection with members' planned quotation activities by explicitly including the Rule 5250 certification as part of the review process required of members seeking to initiate quotations in securities that require Form 211 clearance.

B. Self-Regulatory Organization's Statement on Burden on Competition

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change would require that members submitting a Form 211 certify to FINRA that neither the member nor persons associated with the member have or will accept any payment or other consideration prohibited by FINRA Rule 5250, which generally prohibits a member from receiving payments, directly or indirectly, from an issuer of a security, or any affiliate or promoter thereof, for publishing a quotation, acting as market maker in a security, or submitting an application in connection therewith. Thus, the proposed rule change helps ensure that members act in an independent capacity when publishing a quotation or making a market in an issuer's securities. Because the certification relates to compliance with a rule the member is already subject to and will be included as part of the existing Form 211, FINRA does not believe there is any substantial additional burden on competition imposed by the proposal. FINRA recognizes that the certifying firm may choose to require sub-certifications within the firm, but FINRA does not view this as required by the rule or involving significant costs relative to the compliance benefits of the certification. Further, any member submitting a new Form 211 will be required to comply with the new

certification, which does not impose any disparate treatment among such members that might result in a burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹¹ and paragraph (f)(1) of Rule 19b-4 thereunder.¹² 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

¹¹ 15 U.S.C. 78s(b)(3)(A).

¹² 17 CFR 240.19b-4(f)(1).

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FINRA-2014-011 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-FINRA-2014-011. 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-2014-011 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.¹³

Elizabeth M. Murphy

Secretary

¹³ 17 CFR 200.30-3(a)(12).