

Trade Reporting Notice

FINRA Updates the Transparency Services FINRA Participant Agreement

Summary

FINRA member firms that have an obligation to report over-the-counter secondary market transactions in eligible equity and fixed income securities must submit their transaction reports to the appropriate FINRA facility and are required to complete a participant application agreement before they are given access to the facility.¹ Facilities covered by the FINRA Transparency Services Participation Agreement (FPA) and documentation include:

- ▶ TRACE (Corporate and Agency; Securitized Products; and Treasuries)
- ▶ OTC Reporting Facility (ORF)
- ▶ Alternative Display Facility (ADF)

Questions regarding this Notice or about the FPA should be directed to [FINRA Market Operations](#) at (866) 776-0800 or FINRAOperations@FINRA.org.

Discussion

Firms use the FPA to add a new FINRA product, delete an existing product or update the firm's clearing relationships. FINRA has updated the equities and fixed income transparency facilities [FPA](#) to version 1.4. FPA version 1.4 replaces the existing FPA version 1.3a.

New Procedures

In addition to updating certain definitions and contract terms within the FPA, FINRA has modified the procedure for member firms executing the agreement. While the agreement will continue to be available for download and review, the method of execution and submission has changed.

April 3, 2017

Key Topics

- ▶ Alternative Display Facility (ADF)
- ▶ OTC Reporting Facility (ORF)
- ▶ Trade Reporting and Compliance Engine (TRACE)
- ▶ Transparency Services Participation Agreement

Referenced Rules & Notices

- ▶ FINRA Rule 6720
- ▶ FINRA Rule 7120
- ▶ FINRA Rule 7320

Beginning April 10, 2017, member firms must use the FPA Form via the [FINRA Firm Gateway \(Firm Gateway\)](#) to execute and submit the agreement. Users will not be able to access the FPA Form via the Gateway before April 10. Access to the FPA Form via the Firm Gateway can be provided by your firm's [Super Account Administrator \(SAA\)](#).

Member firms that currently have an FPA on file with FINRA and need to add a new FINRA product or Market Participant Identifier (MPID), delete an existing product or MPID, or update the firm's clearing relationships must also use the FPA Form via the Firm Gateway. **This includes current TRACE participants needing to begin reporting Treasury transactions to TRACE.**

Posting of the revised FPA serves as notice of this change. The posting date is indicated by the date shown next to the agreement or amendment. Member firm participants that currently have an FPA on file with FINRA are not required to re-execute the agreement. The modified FPA will go into effect 90 days after the posting of this notice and will be binding on existing participants.

Existing participants will have 30 days after the posting date to opt out of the revised FPA or will be deemed to have agreed to and accepted the revised FPA. Existing participants that opt out of the revised FPA will lose access to all products covered under the FPA. Firms should notify FINRA of their intention to opt out in accordance with the notice provisions under the FPA.

Member firms will be able to gain access to the new FPA Form beginning April 10, 2017.

References

FINRA has created a [consolidated web page](#) where the new FPA and other required products' forms and agreements are located. Previously the agreements and forms were in each product's web page on FINRA.org. The Legal Agreements link on each product page will be re-routed to the consolidated Legal Agreements page.

FINRA is also providing an [FPA User Guide](#), and will host a Phone-in Workshop and Webex presentation on April 6, 2017, which will include a demonstration of the form.

Endnotes

1. See Rules 6720, 7120 and 7320.