

EXHIBIT 5

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

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4000. FINANCIAL AND OPERATIONAL RULES

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4500. BOOKS, RECORDS AND REPORTS

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[4554. Alternative Trading Systems – Recording and Reporting Requirements of Order and Execution Information for NMS Stocks]

The SEC has approved a proposed rule change (SR-FINRA-2020-024) to remove Rule 4554 from the FINRA rulebook; however, by its terms, SR-FINRA-2020-024 will not be implemented until FINRA has determined that the Consolidated Audit Trail has achieved a level of accuracy and reliability sufficient to replace the Order Audit Trail System. Once FINRA has determined that such standards have been met, FINRA will file for immediate effectiveness a rule filing setting forth the basis for its determination and will publish a Regulatory Notice announcing the implementation date of SR-FINRA-2020-024.

[(a) Subject to the terms and conditions contained herein, each ATS must record and report the information described below for each order it receives in an NMS stock, as defined in Rule 600(b)(47) of SEC Regulation NMS. For purposes of this Rule, the term “order” includes a broker-dealer’s proprietary quotes that are transmitted to an ATS. The information described in paragraphs (b) and (c) shall be reported to FINRA no later than

8:00 a.m. Eastern Time on the calendar day following receipt of the order in the ATS in an electronic form as prescribed by FINRA.]

[(b) All orders received by an ATS must be recorded and reported to OATS pursuant to FINRA Rules 7440 and 7450. The following information must be recorded and reported to FINRA by all ATSs when reporting receipt of an order to OATS:]

[(1) Whether the ATS displays subscriber orders outside the ATS (other than to alternative trading system employees). If an ATS does display subscriber orders outside the ATS (other than to alternative trading system employees), indicate whether the order is displayed to subscribers only or through publicly disseminated quotation data);]

[(2) Whether the ATS is an ADF Trading Center as defined in FINRA Rule 6220;]

[(3) Whether the order can be routed away from the ATS for execution;]

[(4) Whether there is a counter-party restriction on such order;]

[(5) A unique identifier for each order type offered by the ATS. An ATS must provide FINRA with (i) a list of all of its order types 20 days before such order types become effective and (ii) any changes to its order types 20 days before such changes become effective. An identifier shall not be required for market and limit orders that have no other special handling instructions;]

[(6) The NBBO (or relevant reference price) in effect at the time of order receipt and the timestamp of when the ATS recorded the effective NBBO (or relevant reference price); and]

[(7) Identification of the market data feed used by the ATS to record the NBBO (or other reference price) for purposes of subparagraph (6). If for any reason, the ATS uses an alternative feed than what was reported on its ATS data submission, the ATS must notify FINRA of the fact that an alternative source was used, identify the alternative source, and specify the date(s), time(s) and securities for which the alternative source was used.]

[(c) The following information must be recorded and reported to FINRA by all ATSS when reporting execution of an order to OATS:]

[(1) The NBBO (or relevant reference price) in effect at the time of order execution;]

[(2) The timestamp of when the ATS recorded the effective NBBO (or relevant reference price); and]

[(3) Identification of the market data feed used by the ATS to record the NBBO (or other reference price) for purposes of subparagraph (1). If for any reason, the ATS uses an alternative feed than what was reported on its ATS data submission, the ATS must notify FINRA of the fact that an alternative source was used, identify the alternative source, and specify the date(s), time(s) and securities for which the alternative source was used;]

[(d) For all OATS-reportable event types, all ATSS must record and report to FINRA the sequence number assigned to the order event by the ATS's matching engine.]

[(e) The following information must also be recorded and reported to FINRA by ATSS that display subscriber orders when reporting receipt of an order to OATS:]

[(1) Whether the order is hidden or displayable;]

[(2) Display Quantity;]

[(3) Reserve Quantity;]

[(4) Display Price;]

[(5) Entered price;]

[(6) If the ATS is an ADF Trading Center, the quote identifier provided to the ADF if such order resulted in a new quote being transmitted to the ADF.]

[(f) For an ATS that displays subscriber orders, each time the ATS's matching engine re-prices a displayed order or changes the display quantity of a displayed order, the ATS must report to OATS the time of such modification, the applicable new display price or size, and if the ATS is an ADF Trading Center, the quote identifier provided to the ADF if such modification resulted in a new quote being transmitted to the ADF.]

[(g) For orders held by an ADF Trading Center, if the order becomes associated with a quote identifier based on an action by the matching engine (e.g., another order is cancelled making the order being held the best priced order in the matching engine), the ADF Trading Participant must provide a new quote identifier for that order.]

[(h) "ATS" shall mean any alternative trading system, as defined in Rule 300(a)(1) of SEC Regulation ATS, that has filed a Form ATS with the SEC and that is required to report pursuant to FINRA's Order Audit Trail System and equity trade reporting rules.]

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

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[7400. ORDER AUDIT TRAIL SYSTEM]

The SEC has approved a proposed rule change (SR-FINRA-2020-024) to remove the Rule 7400 Series from the FINRA rulebook; however, by its terms, SR-FINRA-2020-024 will not be implemented until FINRA has determined that the Consolidated Audit Trail has achieved a level of accuracy and reliability sufficient to replace the Order Audit Trail System. Once FINRA has determined that such standards have been met, FINRA will file for immediate effectiveness a rule filing setting forth the basis for its determination and will publish a Regulatory Notice announcing the implementation date of SR-FINRA-2020-024.

[7410. Definitions]

[For purposes of the Rule 7400 Series:]

[(a) Terms shall have the same meaning as those defined in the FINRA By-Laws and rules, unless otherwise specified.]

[(b) “Bunched Order” shall mean two or more orders that are aggregated prior to execution.]

[(c) “Customer” shall mean a person other than a broker or dealer.]

[(d) “Electronic Communication Network” shall mean any electronic system that widely disseminates to third parties orders entered therein by an exchange market maker or over-the-counter market maker, and permits such orders to be executed in whole or in part, and as further defined in Rule 600(b)(23) of SEC Regulation NMS.]

[(e) “Electronic Order” shall mean an order captured by a member in an electronic order-routing or execution system.]

[(f) “Index Arbitrage Trade” shall have the same meaning as the term “Index Arbitrage” in New York Stock Exchange Rule 7410.]

[(g) “Intermarket sweep order” shall have the same meaning as contained in Rule 600(b)(30) of SEC Regulation NMS.]

[(h) “Manual Order” shall mean an order that is captured by a member other than in an electronic order-routing or execution system.]

[(i) “NMS stock” shall have the same meaning as contained in Rule 600(b)(47) of SEC Regulation NMS.]

[(j) “Order” shall mean any oral, written, or electronic instruction to effect a transaction in an NMS stock or an OTC equity security that is received by a member from another person for handling or execution, or that is originated by a department of a member for execution by the same or another member, other than any such instruction to effect a proprietary transaction originated by a trading desk in the ordinary course of a member's market making activities.]

[(k) “Order Audit Trail System” shall mean the automated system owned and operated by FINRA that is designed to capture order information in NMS stocks and OTC equity securities reported by members for integration with trade and quotation information to provide FINRA with an accurate time sequenced record of orders and transactions.]

[(l) “OTC equity security” shall have the same meaning as defined in Rule 6420, except that for purposes of the Rule 7400 Series, the term OTC equity security shall not include direct participation programs, as defined in Rule 6420.]

[(m) “Program Trade” shall have the same meaning as the term “Program Trading” in New York Stock Exchange Rule 7410.]

[(n) “Reporting Agent” shall mean a third party that enters into any agreement with a member pursuant to which the Reporting Agent agrees to fulfill such member's obligations under Rule 7450.]

[(o) “Reporting Member” shall mean a member that receives or originates an order and has an obligation to record and report information under Rules 7440 and 7450.]

[(1) A member shall not be considered a Reporting Member in connection with an order, if the following conditions are met:]

[(A) the member engages in a non-discretionary order routing process, pursuant to which it immediately routes, by electronic or other means, all of its orders to:]

[(i) a single receiving Reporting Member; or]

[(ii) two receiving Reporting Members, provided:]

[a. orders are routed by the member to each receiving Reporting Member on a pre-determined schedule approved by FINRA; and]

[b. orders are routed to two receiving Reporting Members pursuant to the schedule for a time period not to exceed one year; and]

[(B) the member does not direct and does not maintain control over subsequent routing or execution by the receiving Reporting Member(s);]

[(C) the receiving Reporting Member(s) record(s) and report(s) all information required under Rules 7440 and 7450 with respect to the order; and]

[(D) the member has a written agreement with the receiving Reporting Member(s) specifying the respective functions and responsibilities of each party to effect full compliance with the requirements of Rules 7440 and 7450.]

[(2) A member shall not be considered a Reporting Member in connection with an order if:]

[(A) the member was approved as a member pursuant to IM-1013-1 or IM-1013-2;]

[(B) the member operates consistent with IM-1013-1 or IM-1013-2, including limiting its business operations to “permitted floor activities,” as that term is defined in IM-1013-1 and IM-1013-2; and]

[(C) the order was received by the member through systems operated and regulated by the New York Stock Exchange or NYSE Amex.]

[(p) “SRO-assigned identifier” shall mean a unique identifier assigned to a broker or dealer by a national securities exchange or national securities association for use by such broker or dealer when accessing the exchange or a facility of the association.]

[7420. Applicability]

[(a) Unless otherwise indicated, the requirements of the Rule 7400 Series are in addition to the requirements contained in the FINRA By-Laws and rules.]

[(b) Unless otherwise indicated, the requirements of the Rule 7400 Series shall apply to all brokers and dealers admitted to membership in FINRA and to their associated persons.]

[(c) Unless otherwise indicated, the requirements of the Rule 7400 Series shall apply to all executed or unexecuted orders.]

[(d)(1) For purposes of this paragraph, the term “foreign equity security” shall mean any equity security that is issued by a corporation or other organization incorporated or organized under the laws of any foreign country.]

[(2) Unless otherwise indicated, the requirements of the Rule 7400 Series shall apply to an order involving an OTC equity security that is a foreign equity security only if the order results in a trade that is subject to the transaction reporting requirements in Rule 6622.]

[7440. Recording of Order Information]

[(a) Procedures]

[(1) Subject to the terms and conditions contained in Rules 7420 through 7460, each Reporting Member shall:]

[(A) immediately following receipt or origination of an order, record each item of information described in paragraph (b) of this Rule that applies to such order, and record any additional information described in paragraph (b) of this Rule that applies to such order immediately after such information is received or becomes available; and]

[(B) immediately following the transmission of an order to another member, or from one department to another within the same member,

record each item of information described in paragraph (c) of this Rule that applies with respect to such transmission; and]

[(C) immediately following the modification, cancellation, or execution of an order, record each item of information described in paragraph (d) of this Rule that applies with respect to such modification, cancellation, or execution.]

[(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) Each Reporting Member shall, by the end of each business day, record each item of information required to be recorded under this Rule in such electronic form as is prescribed by FINRA from time to time.]

[(4) With respect to each order that is received or executed at its trading department, each Reporting Member shall record an identification of:]

[(A) each registered person who receives the order directly from a customer;]

[(B) each registered person who executes the order; and]

[(C) the department that originated the order if the order is originated by the member and transmitted manually to another department.]

[(5) Maintaining and Preserving Records]

[(A) Each Reporting Member shall maintain and preserve records of the information required to be recorded under this Rule for the period of time and accessibility specified in SEA Rule 17a-4(b).]

[(B) The records required to be maintained and preserved under this Rule may be immediately produced or reproduced on “micrographic media” as defined in SEA Rule 17a-4(f)(1)(i) or by means of “electronic storage media” as defined in SEA Rule 17a-4(f)(1)(ii) that meet the conditions set forth in SEA Rule 17a-4(f) and be maintained and preserved for the required time in that form.]

[(b) Order Origination and Receipt]

[Unless otherwise indicated, the following order information must be recorded under this Rule when an order is received or originated. For purposes of this Rule, the order origination or receipt time is the time the order is received from the customer.]

[(1) an order identifier meeting such parameters as may be prescribed by FINRA assigned to the order by the Reporting Member that uniquely identifies the order for the date it was received;]

[(2) the identification symbol assigned by FINRA to the security to which the order applies;]

[(3) the market participant symbol assigned by FINRA to the Reporting Member;]

[(4) the identification of any department or the identification number of any terminal where an order is received directly from a customer;]

[(5) where the order is originated by a Reporting Member, the identification of the department of the member that originates the order;]

[(6) where the Reporting Member is a party to an agreement described in Rule 7450(c), the identification of the Reporting Agent;]

[(7) the number of shares to which the order applies;]

[(8) the designation of the order as a buy or sell order;]

[(9) the designation of the order as a short sale or a short sale exempt order;]

[(10) the designation of the order as a market order, limit order, stop order or stop limit order;]

[(11) any limit or stop price prescribed in the order;]

[(12) the date on which the order expires, and, if the time in force is less than one day, the time when the order expires;]

[(13) the time limit during which the order is in force;]

[(14) any request by a customer that a limit order not be displayed, or that a block size limit order be displayed, pursuant to applicable rules;]

[(15) special handling requests, specified by FINRA for purposes of this Rule;]

[(16) the date and time the order is originated or received by a Reporting Member;]

[(17) an identification of the order as related to a Program Trade or an Index Arbitrage Trade;]

[(18) the type of account, i.e., retail, wholesale, employee, proprietary, or any other type of account designated by FINRA, for which the order is submitted;]

[(19) when the Reporting Member receives an order from a U.S.-registered broker-dealer that is not a member, or from a non-U.S.-registered broker-dealer that is not a member but has received an SRO-assigned identifier for purposes of accessing a FINRA facility pursuant to Rule 7220A or 7320, identification of such broker-dealer by providing an SRO-assigned identifier assigned to the broker-dealer or the number assigned to the broker-dealer in the Central Registration Depository system;]

[(20) if the member is relying on the exception provided in Rule 5320.02 with respect to the order, the unique identification of any appropriate information barriers in place at the department within the member where the order was received or originated; and]

[(21) if a Reporting Member operates a Trading Center for purposes of Rule 6191, the information required by paragraph (b)(2)(A)(ii) of Rule 6191.]

[(c) Order Transmittal]

[Order information required to be recorded under this Rule when an order is transmitted includes the following.]

[(1) When a Reporting Member transmits an order to a department within the member, the Reporting Member shall record:]

[(A) the order identifier assigned to the order by the Reporting Member,]

[(B) the market participant symbol assigned by FINRA to the Reporting Member,]

[(C) the date the order was first originated or received by the Reporting Member,]

[(D) an identification of the department and nature of the department to which the order was transmitted,]

[(E) the date and time the order was received by that department,]

[(F) the number of shares to which the transmission applies,]

[(G) any special handling requests, and]

[(H) if the member is relying on the exception provided in Rule 5320.02 with respect to the order, the unique identification of any appropriate information barriers in place at the department within the member to which the order was transmitted.]

[(2) When a member electronically transmits an order to another member, other than an order transmitted electronically for execution on an Electronic Communications Network:]

[(A) the transmitting Reporting Member shall record:]

[(i) the order identifier assigned to the order by the Reporting Member and the routed order identifier, if different, which the transmitting Reporting Member also must provide to the receiving Reporting Member,]

[(ii) the market participant symbol assigned by FINRA to the Reporting Member,]

[(iii) the market participant symbol assigned by FINRA to the member to which the order is transmitted,]

[(iv) the date the order was first originated or received by the Reporting Member,]

[(v) the date and time the order is transmitted,]

[(vi) the number of shares to which the transmission applies,]

[(vii) whether the order is an intermarket sweep order,]

[(viii) the price at which the order is transmitted, and]

[(ix) the designation of the order as short exempt, if applicable; and]

[(B) the receiving Reporting Member shall record, in addition to all other information items in Rule 7440(b) that apply with respect to such order:]

[(i) the routed order identifier assigned to the order by the member that transmits the order and]

[(ii) the market participant symbol assigned by FINRA to the member that transmits the order.]

[(3) When a member electronically transmits an order for execution on an Electronic Communications Network:]

[(A) the transmitting Reporting Member shall record:]

[(i) the fact that the order was transmitted to an Electronic Communications Network,]

[(ii) the order identifier assigned to the order by the Reporting Member and the routed order identifier, if different, which the transmitting Reporting Member also must provide to the receiving Reporting Member,]

[(iii) the market participant symbol assigned by FINRA to the Reporting Member,]

[(iv) the market participant symbol assigned by FINRA to the member to which the order is transmitted,]

[(v) the date the order was first originated or received by the Reporting Member,]

[(vi) the date and time the order is transmitted,]

[(vii) the number of shares to which the transmission applies,]

[(viii) whether the order is an intermarket sweep order,]

[(ix) the price at which the order is transmitted, and]

[(x) the designation of the order as short exempt, if applicable; and]

[(B) the receiving Reporting Member operating the Electronic Communications Network shall record:]

[(i) the fact that the order was received by an Electronic Communications Network,]

[(ii) the routed order identifier assigned to the order by the member that transmits the order,]

[(iii) the market participant symbol assigned by FINRA to the transmitting Reporting Member, and]

[(iv) other information items in Rule 7440(b) that apply with respect to such order, which must include information items (1), (2), (3), (6), (7), (8), (10), (11), (12), (13), (15), and (16).]

[(4) When a member manually transmits an order to another member, other than to an Electronic Communications Network:]

[(A) the transmitting Reporting Member shall record:]

[(i) the fact that the order was transmitted manually,]

[(ii) the order identifier assigned to the order by the Reporting Member,]

[(iii) the market participant symbol assigned by FINRA to the Reporting Member,]

[(iv) the market participant symbol assigned by FINRA to the member to which the order is transmitted,]

[(v) the date the order was first originated or received by the Reporting Member,]

[(vi) the date and time the order is transmitted,]

[(vii) the number of shares to which the transmission applies,]

[(viii) for each order to be included in a bunched order, the bunched order route indicator assigned to the bunched order by the Reporting Member,]

[(ix) whether the order is an intermarket sweep order,]

[(x) the price at which the order is transmitted, and]

[(xi) the designation of the order as short exempt, if applicable; and]

[(B) the receiving Reporting Member shall record, in addition to all other information items in Rule 7440(b) that apply with respect to such order:]

[(i) the fact that the order was received manually and]

[(ii) the market participant symbol assigned by FINRA to the member that transmits the order.]

[(5) When a member manually transmits an order to an Electronic Communications Network:]

[(A) the transmitting Reporting Member shall record:]

[(i) the fact that the order was transmitted manually,]

[(ii) the order identifier assigned to the order by the Reporting Member,]

[(iii) the market participant symbol assigned by FINRA to the Reporting Member,]

[(iv) the market participant symbol assigned by FINRA to the member to which the order is transmitted,]

[(v) the date the order was first originated or received by the Reporting Member,]

[(vi) the date and time the order is transmitted,]

[(vii) the number of shares to which the transmission applies,]

[(viii) for each order to be included in a bunched order, the bunched order route indicator assigned to the bunched order by the Reporting Member,]

[(ix) whether the order is an intermarket sweep order,]

[(x) the price at which the order is transmitted, and]

[(xi) the designation of the order as short exempt, if applicable; and]

[(B) the receiving Reporting Member shall record:]

[(i) the fact that the order was received manually,]

[(ii) the market participant symbol assigned by FINRA to the transmitting Reporting Member, and]

[(iii) other information items in Rule 7440(b) that apply with respect to such order, which must include information items (1), (2), (3), (6), (7), (8), (10), (11), (12), (13), (15), and (16).]

[(6) When a member transmits an order to a non-member, including but not limited to a national securities exchange, the Reporting Member shall record:]

[(A) the fact that the order was transmitted to a non-member,]

[(B) the order identifier assigned to the order by the Reporting Member,]

[(C) the market participant symbol assigned by FINRA to the Reporting Member,]

[(D) the date the order was first originated or received by the Reporting Member,]

[(E) the date and time the order is transmitted,]

[(F) the number of shares to which the transmission applies,]

[(G) for each manual order to be included in a bunched order, the bunched order route indicator assigned to the bunched order by the Reporting Member,]

[(H) the routed order identifier or other unique identifier required by the non-member receiving the order, as applicable,]

[(I) identification of the non-member where the trade was transmitted,]

[(J) whether the order is an intermarket sweep order,]

[(K) the price at which the order is transmitted, and]

[(L) the designation of the order as short exempt, if applicable.]

[(d) Order Modifications, Cancellations, and Executions]

[Order information required to be recorded under this Rule when an order is modified, canceled, or executed includes the following.]

[(1) When a Reporting Member modifies or receives a modification to the terms of the order, the Reporting Member shall record, in addition to all other applicable information items (including a new order identifier) that would apply as if the modified order were originated or received at the time of the modification:]

[(A) the order identifier assigned to the order by the Reporting Member prior to the modification,]

[(B) the date and time the modification was originated or received, and]

[(C) the date the order was first originated or received by the Reporting Member.]

[(2) When the Reporting Member cancels or receives a cancellation of an order, in whole or part, the Reporting Member shall record:]

[(A) the order identifier assigned to the order by the Reporting Member,]

[(B) the market participant symbol assigned by FINRA to the Reporting member,]

[(C) the date the order was first originated or received by the Reporting Member,]

[(D) the date and time the cancellation was originated or received,]

[(E) if the open balance of an order is canceled after a partial execution, the number of shares canceled, and]

[(F) whether the order was canceled on the instruction of a customer or the Reporting Member.]

[(3) When a Reporting Member executes an order, in whole or in part, the Reporting Member shall record:]

[(A) the order identifier assigned to the order by the Reporting Member,]

[(B) the market participant symbol assigned by FINRA to the Reporting Member,]

[(C) the date the order was first originated or received by the Reporting Member,]

[(D) the Reporting Member's number assigned for purposes of identifying transaction data in the Nasdaq Market Center, ADF, Trade Reporting Facility or other system or service as may be designated by FINRA,]

[(E) the designation of the order as fully or partially executed,]

[(F) the number of shares to which a partial execution applies and the number of unexecuted shares remaining,]

[(G) the identification number of the terminal where the order was executed,]

[(H) the date and time of execution,]

[(I) the execution price,]

[(J) the capacity in which the member executed the transaction (e.g., agency, principal or riskless principal), and]

[(K) the national securities exchange or facility operated by a registered securities association where the trade was reported.]

[(4) If a Reporting Member operates a Trading Center for purposes of Rule 6191, the information required by paragraph (b)(2)(A)(iv) of Rule 6191.]

[7450. Order Data Transmission Requirements]

[(a) General Requirement]

[All applicable order information required to be recorded under Rule 7440 shall be transmitted to the Order Audit Trail System by each Reporting Member or by a Reporting Agent pursuant to an agreement described by paragraph (c) of this Rule.]

[(b) Method and Timing of Transmitting Data]

[(1) Order information shall be transmitted in electronic form, as may be prescribed by FINRA from time to time, to a receiving location designated by FINRA.]

[(2) Each Reporting Member shall transmit to the Order Audit Trail System a report containing each applicable item of order information identified in Rule 7440(b), (c), and (d) whenever an order is originated, received, transmitted to another department within the member or to another member, modified, canceled, or executed. The Reporting Member must transmit reports of all order events occurring on an OATS Business Day by 8:00 a.m. Eastern Time on the calendar day following the end of the OATS Business Day; provided, however, that if any item of information required to be reported is not available by the time the report must be transmitted, then the report shall be transmitted on the day that all such items of information become available.]

[(3) For purposes of this paragraph, an “OATS Business Day” begins at 4:00:01 p.m. Eastern Time on one market day and ends at 4:00:00 p.m. Eastern Time on the next market day.]

[(c) Reporting Agent Agreements]

[(1) Any Reporting Member may enter into an agreement with a Reporting Agent pursuant to which the Reporting Agent agrees to fulfill the obligations of such Reporting Member under this Rule. Any such agreement shall be evidenced in writing, which shall specify the respective functions and responsibilities of each party to the agreement that are required to effect full compliance with the requirements of this Rule.]

[(2) All written documents evidencing an agreement described in subparagraph (1) shall be maintained by each party to the agreement.]

[(3) Each Reporting Member remains primarily responsible for compliance with the requirements of this rule, notwithstanding the existence of an agreement described in this paragraph.]

[7460. Violation of Order Audit Trail System Rules]

[Failure of a member or person associated with a member to comply with any of the requirements of Rule 7410 through Rule 7460 may be considered conduct that is inconsistent with high standards of commercial honor and just and equitable principles of trade, in violation of Rule 2010.]

[7470. Exemption to the Order Recording and Data Transmission Requirements]

[(a) Pursuant to the Rule 9600 Series, the staff, for good cause shown after taking into consideration all relevant factors, may exempt, subject to specified terms and conditions, a member from the recording and order data transmission requirements of Rules 7440 and 7450, respectively, for manual orders, if such exemption is consistent with the protection of investors and the public interest, and the member meets the following criteria:]

[(1) the member and current control affiliates and associated persons of the member have not been subject within the last five years to any final disciplinary action, and within the last ten years to any disciplinary action involving fraud;]

[(2) the member has annual revenues of less than \$2 million;]

[(3) the member does not conduct any market making activities in NMS stocks or OTC equity securities;]

[(4) the member does not execute principal transactions with its customers (with limited exception for principal transactions executed pursuant to error corrections); and]

[(5) the member does not conduct clearing or carrying activities for other firms.]

[(b) An exemption provided pursuant to this Rule shall not exceed a period of two years. At or prior to the expiration of a grant of exemptive relief under this Rule, a member meeting the criteria set forth in paragraph (a) above may request, pursuant to the Rule 9600 Series, a subsequent exemption, which will be considered at the time of the request, consistent with the protection of investors and the public interest.]

[(c) This Rule shall be in effect until July 11, 2022.]

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