

SECURITIES AND EXCHANGE COMMISSION  
(Release No. 34-71262; File No. SR-FINRA-2013-050)

January 9, 2014

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Designation of Longer Period for Commission Action on Proposed Rule Change Relating to Over-the-Counter Equity Trade Reporting and OATS Reporting

On November 12, 2013, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> a proposed rule change to amend the FINRA rules governing the reporting of (i) over-the-counter (“OTC”) transactions in equity securities to the FINRA Facilities;<sup>3</sup> and (ii) orders in NMS stocks and OTC Equity Securities to the Order Audit Trail System (“OATS”). The Proposal was published for comment in the Federal Register on November 29, 2013.<sup>4</sup> The Commission received one comment letter on the proposal.<sup>5</sup>

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

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

<sup>3</sup> Specifically, the FINRA Facilities are the Alternative Display Facility (“ADF”) 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 (i.e., non-NMS stocks such as OTC Bulletin Board and OTC Market securities), as well as transactions in Restricted Equity Securities, as defined in FINRA Rule 6420, effected pursuant to Securities Act Rule 144A.

<sup>4</sup> See Securities Exchange Act Release No. 70924 (November 22, 2013), 78 FR 71695 (“Notice”).

<sup>5</sup> See Letter to Elizabeth M. Murphy, Secretary, Commission, from Manisha Kimmel, Executive Director, Financial Information Forum, dated December 20, 2013 (“FIF Letter”).

Section 19(b)(2) of the Act<sup>6</sup> provides that within 45 days of the publication of notice of the filing of a proposed rule change, or within such longer period up to 90 days as the Commission may designate if it finds such longer period to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission shall either approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether these proposed rule changes should be disapproved. The 45<sup>th</sup> day for this filing is January 13, 2014.

The Commission is extending the 45-day time period for Commission action on the proposed rule change. The Commission finds that it is appropriate to designate a longer period within which to take action on the proposed rule change so that it has sufficient time to consider and take action on the Exchange's proposed rule change.

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<sup>6</sup> 15 U.S.C. 78s(b)(2).

Accordingly, pursuant to Section 19(b)(2)(A)(ii)(I) of the Act<sup>7</sup> and for the reasons stated above, the Commission designates February 27, 2014, as the date by which the Commission should either approve or disapprove, or institute proceedings to determine whether to disapprove, the proposed rule change (File No. SR-FINRA-2013-050).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>8</sup>

Kevin M. O'Neill  
Deputy Secretary

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<sup>7</sup> 15 U.S.C. 78s(b)(2)(A)(ii)(I).

<sup>8</sup> 17 CFR 200.30-3(a)(31).