

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-103435; File No. SR-FINRA-2025-011]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Amend FINRA Rules 6380A and 6380B (Transaction Reporting) to Extend the Trade Reporting Facilities Operating Hours

July 11, 2025.

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 July 8, 2025, the 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 “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4 under the Act,³ 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 Rules 6380A and 6380B regarding the operation of the FINRA/NYSE Trade Reporting Facility, the FINRA/Nasdaq Trade Reporting Facility Carteret, and the FINRA/Nasdaq Trade Reporting Facility Chicago (the “Trade Reporting

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 240.19b-4(f)(6).

Facilities” or “TRFs”) to extend TRF operating hours from opening at 8:00 a.m. Eastern Time (“E.T.”) to opening at 4:00 a.m. E.T.⁴

The text of the proposed rule change is available on FINRA’s website at <http://www.finra.org>, at the principal office of FINRA and at the Commission’s Public Reference Room.

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

Background

The TRFs are facilities of FINRA that are operated by NYSE Market (DE), Inc. (in the case of the FINRA/NYSE TRF) and Nasdaq, Inc. (in the case of the FINRA/Nasdaq TRF Carteret and the FINRA/Nasdaq TRF Chicago). Along with the Alternative Display Facility (“ADF”),⁵ the TRFs provide FINRA members with a mechanism for the reporting of over-the-

⁴ Unless otherwise specified, all times referred to in the proposed rule change are E.T.

⁵ Collectively, the TRFs and the ADF are referred to as the “FINRA facilities.” The ADF is a display-only facility operated by FINRA that provides members with a facility for the display of quotations, the reporting of trades, and the comparison of trades in NMS stocks. Currently, there are no active quoting ADF participants, and only one Trade Reporting Only participant utilizing the ADF as a back-up trade reporting facility. The ADF operating hours are 8:00 a.m. to 6:30 p.m. for both quotation display and trade

counter (“OTC”) trades in NMS stocks. While members are required to report all OTC trades in NMS stocks to FINRA, they may choose which FINRA facility (or facilities) to use to satisfy their trade reporting obligations.

Currently, the operating hours of the TRFs are 8:00 a.m. to 8:00 p.m. each business day. These operating hours are reflected in the transaction reporting rules for the FINRA/Nasdaq TRFs (FINRA Rule 6380A (Transaction Reporting)) and the FINRA/NYSE TRF (FINRA Rule 6380B (Transaction Reporting)). Under these reporting rules, transactions executed during normal market hours, i.e., 9:30 a.m. to 4:00 p.m.,⁶ must be reported as soon as practicable but no later than 10 seconds after execution. Transactions executed outside normal market hours must be reported as follows:

- for transactions executed between 8:00 a.m. and 9:30 a.m., as soon as practicable but no later than 10 seconds after execution, with a unique trade report modifier to denote execution outside normal market hours;
- for transactions executed between 4:00 p.m. and 8:00 p.m., as soon as practicable but no later than 10 seconds after execution, with a unique trade report modifier to denote execution outside normal market hours;

reporting. Separately, FINRA operates the OTC Reporting Facility (“ORF”), a facility for the reporting of trades in OTC Equity Securities. The ORF operating hours are 8:00 a.m. to 8:00 p.m. The instant proposed rule change is limited to the TRFs and FINRA is not at this time proposing any changes to the operational hours of either the ADF or the ORF.

⁶ “Normal market hours” are defined as 9:30 a.m. to 4:00 p.m. for purposes of the FINRA TRF rules. See [FINRA] Rules 6320A(a)(6) and 6320B(a)(6).

- for transactions executed between midnight and 8:00 a.m., by 8:15 a.m., with a unique trade report modifier to denote execution outside normal market hours; and
- for transactions executed between 8:00 p.m. and midnight, or on any non-business day,⁷ by 8:15 a.m. on the following business day, designated “as/of” and with a unique trade report modifier to denote execution outside normal market hours.

All trade reports submitted to the TRFs, other than non-tape reports,⁸ are reported to and publicly disseminated by the appropriate Securities Information Processor (“SIP”).⁹ Currently, the operating hours of the SIPs are 4:00 a.m. until 8:00 p.m. on business days.¹⁰ Transactions executed during current TRF operating hours—i.e., between 8:00 a.m. and 8:00 p.m. on business

⁷ A non-business day means a weekend or holiday. See [FINRA] Rules 6380A(a)(2)(D) and 6380B(a)(2)(D).

⁸ “Tape” or “media” reports are those that are submitted to a TRF for public dissemination by the Securities Information Processors. By contrast, “non-tape” or “non-media” reports are not submitted to a TRF for public dissemination but are submitted for regulatory and/or clearance and settlement purposes. Another term that is often used with respect to “tape” or “media” reports is “for publication.” In certain limited circumstances, trade reports submitted for publication may be suppressed from public dissemination (e.g., transactions in Restricted Equity Securities effected pursuant to Securities Act Rule 144A, as well as T+365 trades and trades executed on a non-business day).

⁹ Market data is transmitted to three tapes based on the listing venue of the security: securities listed on New York Stock Exchange are disseminated through Tape A; securities listed on BYX, BZX, EDGA, EDGX, IEX, LTSE, MEMX, MIAX, Nasdaq BX, Nasdaq PSX, NYSE American, NYSE Texas, NYSE National, or NYSE Arca are disseminated through Tape B; and securities listed on Nasdaq are disseminated through Tape C. Tape A and Tape B market data is disseminated pursuant to the Consolidated Tape Association Plan (“CTA Plan”) and the Consolidated Quotation Plan (“CQ Plan”), while Tape C market data is disseminated pursuant to the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privileges Basis (“UTP Plan”).

¹⁰ See, e.g., UTP Plan, Section XI.

days—are reported to the TRFs and publicly disseminated through the SIPs in real time, since both the TRFs and SIPs are operating during those hours. However, because TRF operating hours do not begin until 8:00 a.m. each business day, OTC transactions in NMS stocks executed when the SIPs are open but the TRFs are still closed (i.e., between 4:00 a.m. and 8:00 a.m. on a business day) cannot be reported to a TRF until 8:00 a.m., and therefore are not publicly disseminated by the SIPs until after 8:00 a.m. once they are reported to a TRF.

At this time, FINRA is proposing to extend the opening time of the TRFs from 8:00 a.m. to 4:00 a.m. each business day, thereby enabling real-time public dissemination of trade reports for OTC transactions in NMS stocks executed between 4:00 a.m. and 8:00 a.m.¹¹ To implement this proposed enhancement to TRF operating hours, the proposed rule change would amend the FINRA TRF reporting rules to reflect the new 4:00 a.m. opening time, as described in detail below.

Proposed Amendments to TRF Reporting Rules

At this time, FINRA is proposing to amend its TRF reporting rules to provide that the TRF operating hours will now begin at 4:00 a.m. each business day, rather than the current 8:00 a.m. opening time. Specifically, the proposed rule change would make amendments to FINRA

¹¹ As recently announced by the Operating Committees of the CTA Plan, the CQ Plan, and the UTP Plan (the “SIP Plans”), the SIP Plans’ Operating Committees plan to submit proposed amendments to the SIP Plans that would extend the SIP operating hours to run from 8:00 p.m. Sundays to 8:00 p.m. Fridays, excluding holidays, with a technical pause beginning at 8:00 p.m. Monday through Thursday that would be as brief as technically feasible, but not greater than one hour. See SIP Plan Operating Committee Press Release, SIPs to Proposed Extended Operating Hours, available at <https://www.prnewswire.com/news-releases/sips-to-propose-extended-operating-hours-302447700.html>. As an initial, incremental step, FINRA is proposing in the instant filing to align the TRF operating hours with the current SIP operating hours. FINRA intends to separately seek to propose additional rule changes as appropriate to further expand TRF operating hours with the goal of ultimately aligning TRF operating hours with any extension of the SIP operating hours, if approved by the SEC.

Rules 6380A (for the FINRA/Nasdaq TRFs) and 6380B (for the FINRA/NYSE TRF) to change the opening time from 8:00 a.m. to 4:00 a.m. FINRA also is proposing conforming changes to paragraphs (a)(2)(A), (C), and (D) and (a)(5)(H) of FINRA Rules 6380A and 6380B, which address reporting of transactions executed outside normal hours and the requirement that firms must append a modifier to identify pre-opening and after-hours trades reported more than 10 seconds after execution. Together, the proposed amendments would extend the general requirement to report transactions to the TRFs as soon as practicable but no later than 10 seconds after execution to cover the new four-hour period from 4:00 a.m. and 8:00 a.m., and require transactions executed when the TRFs are closed to be reported within 15 minutes after the new opening time of 4:00 a.m.¹²

Specifically, paragraph (a)(2)(A) of FINRA Rules 6380A and 6380B currently requires members to report transactions executed between 8:00 a.m. and 9:30 a.m. as soon as practicable but no later than 10 seconds after execution, and that the trade be designated with the unique trader report modifier to denote execution outside normal market hours. FINRA is proposing to amend this paragraph to cover transactions executed between 4:00 a.m. and 9:30 a.m. Paragraph (a)(2)(C) of FINRA Rules 6380A and 6380B requires members to report transactions executed between midnight and 8:00 a.m. by 8:15 a.m. on the trade date, and that the trade be designated with the unique trade report modifier to denote execution outside normal market hours. FINRA is amending this paragraph to only cover transactions executed between midnight and 4:00 a.m. Finally, paragraph (a)(2)(D) of FINRA Rules 6380A and 6380B currently requires members to

¹² FINRA has also published guidance and technical documentation relating to TRF reporting, available at <https://www.finra.org/filing-reporting/trade-reporting-facility-trf>. FINRA would make appropriate conforming change to such guidance and technical documentation in connection with implementation of the proposed rule change.

report transactions executed between 8:00 p.m. and midnight, or on any non-business day, on the following business day by 8:15 a.m., and further requires that such trades be designated “as/of” and carry the unique trade report identifier to denote execution outside normal market hours. FINRA is amending this paragraph to require such transactions to be reported within 15 minutes after the new TRF opening time, i.e., by 4:15 a.m., designated “as/of” and carry the unique trade report modifier.

In addition, the proposed rule change would make a conforming change to paragraph (a)(5)(H) of FINRA Rules 6380A and 6380B, which requires members to append the applicable trade report modifier to identify pre-opening trades (currently, trades executed between 8:00 a.m. and 9:30 a.m.) and after-hours trades (i.e., trades executed between 4:00 p.m. and 8:00 p.m.) that are reported more than 10 seconds after execution. FINRA is amending paragraph (a)(5)(H) of FINRA Rules 6380A and 6380B to cover pre-opening trades starting from 4:00 a.m. instead of 8:00 a.m. FINRA is not proposing any changes to the definition of “normal market hours,” which would remain 9:30 a.m. to 4:00 p.m., or to the closing time of the TRFs, which would remain 8:00 p.m.

FINRA believes the proposed rule change would enhance market transparency by facilitating the real-time reporting and public dissemination of information on OTC trades in NMS stocks for additional hours when the SIPs are open and otherwise disseminating real-time market data. In addition, extending the TRF hours would allow firms to report in real time for an additional period of time, which FINRA understands is operationally preferable to queuing trades for bulk reporting during the 15-minute period after the TRFs open.

FINRA has filed the proposed rule change for immediate effectiveness. The implementation date of the proposed rule change will be during the first quarter of 2026. FINRA

will announce the specific implementation date of the proposed rule change in a Regulatory Notice, which will be published at least 60 days prior to the implementation date.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹³ 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 believes that the proposed rule change is consistent with the Act because it would enhance market transparency by enabling the reporting and real-time public dissemination of OTC transactions in NMS stocks for an additional four-hour period of each business day. As described above, the TRFs currently only accept transaction reports beginning at 8:00 a.m. each business day, whereas the SIPs are currently operational and able to disseminate real-time market data beginning at 4:00 a.m. each business day. FINRA believes that extending the TRF hours would improve the timeliness of trade information available to the public with respect to trades executed during the 4:00 a.m. to 8:00 a.m. early morning period. Further, FINRA members may also benefit from operational efficiencies and reduced technological burdens by reporting OTC trades in NMS stocks in real time during the early morning period, as they do for the regular trading day, rather than queuing such trade reports for bulk reporting after 8:00 a.m.

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

Section 15A(b)(9) of the Act¹⁴ requires that FINRA's rules not impose any burden on competition that is not necessary or appropriate in furtherance of the purpose of the

¹³ 15 U.S.C. 78o-3(b)(6).

¹⁴ 15 U.S.C. 78o-3(b)(9).

Act. 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.

Economic Impact Assessment

FINRA has undertaken an economic impact assessment, as set forth below, to analyze the potential economic impacts of the proposal, including potential costs, benefits, and distributional and competitive effects, relative to the current baseline.

Regulatory Need

As discussed above, FINRA is proposing to extend the opening time of the TRFs from 8:00 a.m. to 4:00 a.m. each business day, thereby enabling real-time reporting and public dissemination of OTC transactions in NMS stocks executed between 4:00 a.m. and 8:00 a.m. and improving the timeliness of transparency for these transactions.

Economic Baseline

FINRA estimates that, from January 2024 to February 2025, approximately 2.5 percent of OTC trades in NMS stocks were executed outside of TRF operating hours.¹⁵ Table 1 shows the breakdown of the OTC trades in NMS stocks occurring outside of and during TRF operating hours categorized by media and non-media trades, including the breakdown during different periods outside of TRF operating hours.

¹⁵ The analysis uses FINRA TRF transaction data as of April 16, 2025. The analysis excludes trades that are canceled, declined, rejected, reversed, or with special trade conditions, which account for approximately 0.03 percent of OTC trade reports in NMS stocks. The analysis includes both media and non-media trades reported to the TRFs. See supra note 8.

Media and non-media trades executed outside of TRF operating hours account for approximately 0.6 percent and 1.9 percent, respectively, of all OTC trades in NMS stocks reported to the TRFs. Because some trades are reported with a delay, the analysis used all trades reported within ten days after execution. As discussed below, the majority of

Table 1. Number of OTC trades in NMS stocks reported to the TRFs from January 2024 to February 2025 (by media and non-media trades)

Execution time	Media trades		Non-media trades	
	Number of trade reports	Percentage of all trade reports	Number of trade reports	Percentage of all trade reports
Between midnight and 4:00 a.m. on business days (excluding 4:00 a.m.)	20,869,793	0.12%	64,826,157	0.38%
Between 4:00 a.m. and 8:00 a.m. on business days (excluding 8:00 a.m.)	48,747,658	0.28%	194,064,567	1.13%
Between 8:00 p.m. and midnight on business days (excluding 8:00 p.m. and midnight) or any time on non-business days	30,258,225	0.18%	68,706,127	0.40%
Total outside of TRF operating hours	99,875,676	0.58%	327,596,851	1.91%
Total within TRF operating hours	9,031,882,703	52.73%	7,669,681,211	44.78%
Total outside of and within TRF operating hours	9,131,758,379	53.31%	7,997,278,062	46.69%
Total number of trade reports	17,129,036,441			

Among the total OTC trades in NMS stocks executed outside of TRF operating hours, approximately 98 percent of trades were reported by 8:15 a.m. on business days,¹⁶ suggesting

trades are reported within the timeframe specified under the current reporting requirements.

¹⁶ Approximately 97 percent of media trades and 98 percent of non-media trades for OTC trades in NMS stocks executed outside of TRF operating hours were reported within the timeframe required by the rules. Specifically, for OTC trades in NMS stocks, approximately 97 percent of media trades executed between midnight and 4:00 a.m. on business days were reported between 8:00 a.m. and 8:15 a.m. on the same day; approximately 98 percent of media trades executed between 4:00 a.m. and 8:00 a.m. on

that the vast majority of trades executed outside of TRF operating hours were ready to be reported to the TRFs when the facilities resumed operations at 8:00 a.m. on business days.

FINRA estimates that, from January 2024 to February 2025, OTC trades in NMS stocks reported to the TRFs were executed by 375 firms.¹⁷ Of the 375 firms, 217 firms executed OTC trades in NMS stocks exclusively during the TRF operating hours of 8:00 a.m. to 8:00 p.m. on business days and did not execute any OTC trades in NMS stocks outside of TRF operating hours. These firms would not be affected by the proposed rule change.

The remaining 158 firms executed at least one OTC trade in NMS stocks between 8:00 p.m. and 8:00 a.m. on business days or on non-business days from January 2024 to February 2025. Of the 158 firms, 135 firms executed at least one OTC trade in NMS stocks between 4:00 a.m. and 8:00 a.m. on business days from January 2024 to February 2025 and therefore under the proposed rule change would be required to report these trades as soon as practicable but no later than 10 seconds after execution, rather than the current requirement to report by 8:15 a.m. Additionally, from January 2024 to February 2025, almost all of the 158 firms that executed at least one OTC trade in NMS stocks outside of current TRF operating hours also executed at least

business days were reported between 8:00 a.m. and 8:15 a.m. on the same day; and approximately 96 percent of media trades executed between 8:00 p.m. and midnight on business days or any time on non-business days were reported between 8:00 a.m. and 8:15 a.m. on the following business day. In addition, for OTC trades in NMS stocks, approximately 98 percent of non-media trades executed between midnight and 4:00 a.m. on business days were reported between 8:00 a.m. and 8:15 a.m. on the same day; approximately 99 percent of non-media trades executed between 4:00 a.m. and 8:00 a.m. on business days were reported between 8:00 a.m. and 8:15 a.m. on the same day; and approximately 97 percent of non-media trades executed between 8:00 p.m. and midnight on business days or any time on non-business days were reported between 8:00 a.m. and 8:15 a.m. on the following business day.

¹⁷ The analysis used the Central Registration Depository (CRD) number to identify firms executing trades.

one OTC trade in NMS stocks during TRF operating hours, which must be reported as soon as practicable but no later than 10 seconds after execution.

Economic Impacts

Anticipated Benefits

FINRA believes that the proposed changes would provide more timely pricing and other transaction information to the market for OTC trades in NMS stocks executed between 4:00 a.m. and 8:00 a.m. on business days, which would support more efficient price formation.

Specifically, the proposed rule change would require trades executed between 8:00 p.m. and 4:00 a.m. to be reported by 4:15 a.m. instead of 8:15 a.m. Thus, information about these trades would become available four hours earlier than under the current rules, thereby providing market participants real-time access to pricing and other information between 4:00 a.m. to 8:00 a.m. These proposed changes would serve to reduce information asymmetry and improve price discovery for trades executed during those hours.

Anticipated Costs

Members may incur initial and ongoing costs, such as programming, maintenance, and compliance costs, to implement and maintain a system to report OTC trades in NMS stocks pursuant to the proposed rule change. Furthermore, members that use third-party vendors to report OTC trades in NMS stocks to the TRFs may need to adjust their business relationships to align with the proposed rule change.

The extent of these costs for each member will depend in part on the current activities and reporting systems of each member with respect to OTC trading in NMS stocks. As discussed above, FINRA estimates 158 firms executed at least one OTC trade in NMS stocks between 8:00 p.m. and 8:00 a.m. on business days or at any time on non-business days between

January 2024 to February 2025. Almost all of the 158 firms also executed at least one OTC trade in NMS stocks between 8:00 a.m. and 8:00 p.m. on business days, and therefore these firms would already have systems in place to report trades as soon as practicable but no later than 10 seconds after execution, indicating that the initial fixed costs and variable costs may be relatively or substantially lower for those members.

FINRA identified a very small number of firms executing OTC trades in NMS stocks exclusively outside of current TRF operating hours. To the extent the current trade reporting systems of these firms are not able to report trades as soon as practicable but no later than 10 seconds after execution, such firms would incur costs to upgrade systems or employ a vendor to do so, depending on the time of trade execution.

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

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act¹⁸ and Rule 19b-4(f)(6) thereunder.¹⁹

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

¹⁸ 15 U.S.C. 78s(b)(3)(A).

¹⁹ 17 CFR 240.19b-4(f)(6).

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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FINRA-2025-011 on the subject line.

Paper Comments:

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

All submissions should refer to File Number SR-FINRA-2025-011. 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 (<https://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. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR-FINRA-2025-011 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.²⁰

Sherry R. Haywood,
Assistant Secretary.

²⁰ 17 CFR 200.30-3(a)(12).