

EXHIBIT 5

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.¹

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6000. QUOTATION AND TRANSACTION REPORTING FACILITIES

6100. QUOTING AND TRADING IN NMS STOCKS

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6180. Transaction Reporting

6181. Timely Transaction Reporting

FINRA emphasizes the obligations of members to report securities transactions within [90 seconds after execution] the required time period. All reportable transactions not reported within [90 seconds after execution] the required time period shall be [reported as] marked late, and FINRA routinely monitors members' compliance with the [90 second] reporting requirements. If FINRA finds a pattern or practice of unexcused late reporting, that is, repeated reports of executions [after 90 seconds] submitted after the required time period without reasonable justification or exceptional circumstances, the member may be found to be in violation of Rule 2010. Exceptional circumstances will be determined on a case-by-case basis and may include instances of system failure by a member or service bureau, or unusual market conditions, such as extreme volatility in a security, or in the market as a whole. Timely reporting of all transactions is necessary and appropriate for the fair and orderly operation of the marketplace, and FINRA will

¹ This Exhibit 5 reflects the underlying rule text as amended pursuant to SR-FINRA-2009-031. See Securities Exchange Act Release No. 60377 (July 23, 2009), 74 FR 38250 (July 31, 2009) (Order Approving File No. SR-FINRA-2009-031). SR-FINRA-2009-031 will be implemented on January 11, 2010. See Regulatory Notice 09-52 (August 2009).

view noncompliance as a rule violation.

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6200. ALTERNATIVE DISPLAY FACILITY

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6280. Transaction Reporting

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6282. Transactions Reported by Members to TRACS

(a) When and How Transactions are Reported to TRACS

(1) Transaction Reporting to TRACS During Normal Market Hours

Members shall, within [9]30 seconds after execution, transmit to TRACS, or if TRACS is unavailable due to system or transmission failure, by telephone, facsimile or e-mail to ADF Operations, last sale reports of transactions in ADF-eligible securities executed between 9:30 a.m. and 4:00 p.m. Eastern Time otherwise than on an exchange. Transactions not reported within [9]30 seconds after execution shall be designated as late.

(2) Transaction Reporting to TRACS Outside Normal Market Hours

(A) Last sale reports of transactions in ADF-eligible securities executed between 8:00 a.m. and 9:30 a.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(B) Last sale reports of transactions in ADF-eligible securities executed between 4:00 p.m. and 6:30 p.m. Eastern Time shall be reported

within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(C) through (D) No Change.

(3) No Change.

(4) Other Modifiers Required to be Reported to TRACS

Reporting Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) if the trade is executed during normal market hours and it is reported later than [9]30 seconds after execution;

(B) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6220) (Note: the time at which the member and the other party agreed to the Stop Stock Price must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction if the Stop Stock Transaction is executed and reported within [9]30 seconds of the time the member and the other party agree to the Stop Stock Price);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include the prior reference time in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is

based on a prior reference point in time if the trade is executed and reported within [9]30 seconds from the prior reference point in time);

(H) to identify pre-opening and after-hours trades (executed between 8:00 a.m. and 9:30 a.m. Eastern Time or between 4:00 p.m. and 6:30 p.m. Eastern Time) reported more than [9]30 seconds after execution;

(I) through (K) No Change.

(5) No Change.

(6) Transactions not reported within [9]30 seconds after execution, or such other time period prescribed by rule, shall be designated as late. Any transaction that is required to be reported on trade date, but is not reported on trade date, must be reported on an “as/of” basis on a subsequent date (T+N) and shall be designated as late. Any transaction that is required to be reported on an “as/of” basis the following business day (T+1), but is not reported T+1, must be reported on a subsequent date (T+N) and shall be designated as late. A pattern or practice of late reporting without exceptional circumstances may be considered conduct inconsistent with high standards of commercial honor and just and equitable principles of trade in violation of Rule 2010.

(b) through (j) No Change.

6300. TRADE REPORTING FACILITIES

6300A. FINRA/NASDAQ TRADE REPORTING FACILITY

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6380A. Transaction Reporting

(a) When and How Transactions are Reported

(1) Trade Reporting Facility Participants shall, within [9]30 seconds after execution, transmit to the FINRA/Nasdaq Trade Reporting Facility or if the FINRA/Nasdaq Trade Reporting Facility is unavailable due to system or transmission failure, by telephone to the FINRA/Nasdaq Trade Reporting Facility Operations Department, last sale reports of transactions in designated securities executed during normal market hours. Transactions not reported within [9]30 seconds after execution shall be designated as late.

(2) Transaction Reporting to the FINRA/Nasdaq Trade Reporting Facility
Outside Normal Market Hours

(A) Last sale reports of transactions in designated securities executed between 8:00 a.m. and 9:30 a.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(B) Last sale reports of transactions in designated securities executed between 4:00 p.m. and 8:00 p.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(C) through (D) No Change.

(3) No Change.

(4) Transactions not reported within [9]30 seconds after execution, or such other time period prescribed by rule, shall be designated as late. Any

transaction that is required to be reported on trade date, but is not reported on trade date, must be reported on an “as/of” basis on a subsequent date (T+N) and shall be designated as late. Any transaction that is required to be reported on an “as/of” basis the following business day (T+1), but is not reported T+1, must be reported on a subsequent date (T+N) and shall be designated as late. A pattern or practice of late reporting without exceptional circumstances may be considered conduct inconsistent with high standards of commercial honor and just and equitable principles of trade in violation of Rule 2010.

(5) Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) if the trade is executed during normal market hours and it is reported later than [9]30 seconds after execution;

(B) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6320A) (Note: the time at which the member and the other party agreed to the Stop Stock Price must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction if the Stop Stock Transaction is executed and reported within [9]30 seconds of the time the member and the other party agree to the Stop Stock Price);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include the prior reference time

in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time if the trade is executed and reported within [9]30 seconds from the prior reference point in time);

(H) to identify pre-opening and after-hours trades (executed between 8:00 a.m. and 9:30 a.m. Eastern time or between 4:00 p.m. and 8:00 p.m. Eastern time) reported more than [9]30 seconds after execution;

(I) through (K) No Change.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(6) No Change.

(7) To identify pre-opening and after-hours trades reported late, the FINRA/Nasdaq Trade Reporting Facility will convert to the late modifier, as applicable, on any pre-opening or after-hours report submitted to the FINRA/Nasdaq Trade Reporting Facility more than [9]30 seconds after execution.

(8) No Change.

(b) through (f) No Change.

(g) Reporting Cancelled Trades

(1) No Change.

(2) Deadlines for Reporting Cancelled Trades

(A) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern

Time and cancelled before 5:13:30 p.m. on the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation within [9]30 seconds of the time the trade is cancelled.

(B) through (G) No Change.

(h) No Change.

6300B. FINRA/NYSE TRADE REPORTING FACILITY

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6380B. Transaction Reporting

(a) When and How Transactions are Reported

(1) Trade Reporting Facility Participants shall, within [9]30 seconds after execution, transmit to the FINRA/NYSE Trade Reporting Facility or, if the FINRA/NYSE Trade Reporting Facility is unavailable due to system or transmission failure, by telephone to the FINRA/NYSE TRF Operations Department, last sale reports of transactions in designated securities executed during normal market hours. Transactions not reported within [9]30 seconds after execution shall be designated as late.

(2) Transaction Reporting to the FINRA/NYSE Trade Reporting Facility
Outside Normal Market Hours

(A) Last sale reports of transactions in designated securities executed between 8:00 a.m. and 9:30 a.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(B) Last sale reports of transactions in designated securities executed between 4:00 p.m. and 8:00 p.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(C) through (D) No Change.

(3) No Change.

(4) Transactions not reported within [9]30 seconds after execution, or such other time period prescribed by rule, shall be designated as late. Any transaction that is required to be reported on trade date, but is not reported on trade date, must be reported on an “as/of” basis on a subsequent date (T+N) and shall be designated as late. Any transaction that is required to be reported on an “as/of” basis the following business day (T+1), but is not reported T+1, must be reported on a subsequent date (T+N) and shall be designated as late. A pattern or practice of late reporting without exceptional circumstances may be considered conduct inconsistent with high standards of commercial honor and just and equitable principles of trade in violation of Rule 2010.

(5) Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) if the trade is executed during normal market hours and it is reported later than [9]30 seconds after execution;

(B) through (E) No Change.

(F) if the trade is a Stop Stock Transaction (as defined in Rule

6320B) (Note: the time at which the member and the other party agreed to the Stop Stock Price must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction if the Stop Stock Transaction is executed and reported within [9]30 seconds of the time the member and the other party agree to the Stop Stock Price);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include the prior reference time in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time if the trade is executed and reported within [9]30 seconds from the prior reference point in time);

(H) to identify pre-opening and after-hours trades (executed between 8:00 a.m. and 9:30 a.m. Eastern time or between 4:00 p.m. and 8:00 p.m. Eastern time) reported more than [9]30 seconds after execution;

(I) through (K) No Change.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

(6) No Change.

(7) To identify pre-opening and after-hours trades reported late, the

FINRA/NYSE Trade Reporting Facility will convert to the late modifier, as applicable, on any pre-opening or after-hours report submitted to the FINRA/NYSE Trade Reporting Facility more than [9]30 seconds after execution.

(8) No Change.

(b) through (e) No Change.

(f) Reporting Cancelled Trades

(1) No Change.

(2) Deadlines for Reporting Cancelled Trades

(A) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled before 4:00 p.m. on the date of execution, the member responsible under paragraph (f)(1) shall report the cancellation within [9]30 seconds of the time the trade is cancelled.

(B) through (G) No Change.

(g) through (h) No Change.

6400. QUOTING AND TRADING IN OTC EQUITY SECURITIES

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6420. Definitions

(a) No Change.

(b) “Direct participation program” or DPP, means a program which provides for flow-through tax consequences regardless of the structure of the legal entity or vehicle for distribution including, but not limited to, oil and gas programs, real estate programs, agricultural programs, cattle programs, condominium securities, Subchapter S corporate offerings and all other programs of a similar nature, regardless of the industry represented

by the program, or any combination thereof. A program may be composed of one or more legal entities or programs but when used herein, the term shall mean each of the separate entities or programs making up the overall program and/or the overall program itself. Excluded from this definition are real estate investment trusts, tax qualified pension and profit sharing plans pursuant to Sections 401 and 403(a) of the Internal Revenue Code and individual retirement plans under Section 408 of that Code, tax sheltered annuities pursuant to the provisions of Section 403(b) of the Internal Revenue Code, and any company, including separate accounts, registered pursuant to the Investment Company Act.

(b) through (c) redesignated as (c) through (d)

(e) “Normal market hours” means 9:30 a.m. Eastern Time to 4:00 p.m. Eastern Time.

(d) through (k) redesignated as (f) through (m)

(n) “OTC Reporting Facility Participant” means any member of FINRA in good standing that uses the OTC Reporting Facility.

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6500. OTC BULLETIN BOARD[®] SERVICE

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6530. OTCBB-Eligible Securities

A member shall be permitted to quote the following categories of securities in the Service:

(a) through (c) No Change.

(d) any Direct Participation Program as defined in Rule [6642] 6420 that is not

listed on a national securities exchange in the U.S. and that satisfies the requirements of paragraph (a)(2) or (3) or (4) above.

(e) through (f) No Change.

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6550. Transaction Reporting

Member firms that effect transactions in OTCBB-eligible securities shall report them pursuant to the requirements of the Rule 6620 Series[, except for transactions in Direct Participation Program securities, which shall be reported pursuant to the requirements of the Rule 6640 Series].

6600. OTC REPORTING FACILITY

6610. General

Members that report transactions in OTC Equity Securities, [and] including secondary market transactions in non-exchange-listed Direct Participation Program securities, to the OTC Reporting Facility must comply with the Rule 6600 and 7300 Series, as well as all other applicable rules and regulations.

6620. Reporting Transactions in OTC Equity Securities

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6622. Transaction Reporting

(a) When and How Transactions are Reported

(1) [OTC Market Makers] OTC Reporting Facility Participants shall, within [9]30 seconds after execution, transmit to the OTC Reporting Facility, or if the OTC Reporting Facility is unavailable due to system or transmission failure, by telephone to the Operations Department, last sale reports of transactions in

OTC Equity Securities executed [between the hours of 9:30 a.m. and 4:00 p.m. Eastern Time] during normal market hours. Transactions not reported within [9]30 seconds after execution shall be designated as late.

[(2) Non-Market Makers shall, within 90 seconds after execution, transmit to the OTC Reporting Facility, or by telephone to the Operations Department if the OTC Reporting Facility is unavailable due to system or transmission failure, last sale reports of transactions in OTC Equity Securities executed between the hours of 9:30 a.m. and 4:00 p.m. Transactions not reported within 90 seconds after execution shall be designated as late.]

[(3)2] Transaction Reporting Outside Normal Market Hours

(A) Last sale reports of transactions in OTC Equity Securities executed between 8:00 a.m. and 9:30 a.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(B) Last sale reports of transactions in OTC Equity Securities executed between 4:00 p.m. and 8:00 p.m. Eastern Time shall be reported within [9]30 seconds after execution and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(C) through (D) No Change.

(4) renumbered as (3)

[(5)4] Transactions not reported within [9]30 seconds after execution, or

such other time period prescribed by rule, shall be designated as late. Any transaction that is required to be reported on trade date, but is not reported on trade date, must be reported on an “as/of” basis on a subsequent date (T+N) and shall be designated as late. Any transaction that is required to be reported on an “as/of” basis the following business day (T+1), but is not reported T+1, must be reported on a subsequent date (T+N) and shall be designated as late. A pattern or practice of late reporting without exceptional circumstances may be considered conduct inconsistent with high standards of commercial honor and just and equitable principles of trade in violation of Rule 2010.

[(6) All members shall append the .PRP trade report modifier to transaction reports that reflect a price different from the current market when the execution price is based on a prior reference point in time. The transaction report shall include the prior reference time in lieu of the actual time the trade was executed. The .PRP modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time if the trade is executed and reported within 90 seconds from the prior reference point in time.]

(5) Members also shall append the applicable trade report modifiers as specified by FINRA to all last sale reports, including reports of “as/of” trades:

(A) if the trade is executed during normal market hours and it is reported later than 30 seconds after execution;

(B) if the trade is a Seller’s Option Trade, denoting the number of days for delivery;

(C) if the trade is a Cash Trade;

(D) if the trade is a Next Day Trade;

(E) if the trade occurs at a price based on an average weighting or another special pricing formula;

(F) if the trade is a Stop Stock Transaction (as defined in Rule 6420) (Note: the time at which the member and the other party agreed to the Stop Stock Price must be given in lieu of including the time of execution on the trade report and the designated modifier shall not be appended to a report of a Stop Stock Transaction if the Stop Stock Transaction is executed and reported within 30 seconds of the time the member and the other party agree to the Stop Stock Price);

(G) if the transaction report reflects a price different from the current market when the execution price is based on a prior reference point in time (Note: the transaction report shall include the prior reference time in lieu of the actual time the trade was executed and the designated modifier shall not be appended to a report of a transaction whose price is based on a prior reference point in time if the trade is executed and reported within 30 seconds from the prior reference point in time); and

(H) to identify pre-opening and after-hours trades (executed between 8:00 a.m. and 9:30 a.m. Eastern time or between 4:00 p.m. and 8:00 p.m. Eastern time) reported more than 30 seconds after execution.

To the extent that any of the modifiers required by this Rule conflict, FINRA shall provide guidance regarding the priorities among modifiers and members shall report in accordance with such guidance, as applicable.

[(7)6] [FINRA] The OTC Reporting Facility will append the [.T modifier or the .SLD] appropriate modifier[, as appropriate,] to [those] indicate that a trade was executed outside normal market hours or that a report was submitted late to the OTC Reporting Facility, where such report[s submitted to the OTC Reporting Facility that] contains the time of execution, but [that] does not contain the appropriate modifier.

[(8)] All members shall append the .W trade report modifier to reports of Stop Stock Transactions, as such term is defined in Rule 6420, and include the time at which the member and the other party agreed to the Stop Stock Price, as such term is defined in Rule 6420, in lieu of including the time of execution on the trade report. The .W modifier shall not be appended to a report of a Stop Stock Transaction if the Stop Stock Transaction is executed and reported within 90 seconds of the time the member and the other party agree to the Stop Price.]

[[9)7] To identify [late] pre-opening and after-hours trades reported late, [FINRA] the OTC Reporting Facility will convert [the .T modifier to .ST for] to the late modifier, as applicable, on any pre-opening or after-hours report submitted to the OTC Reporting Facility more than [9)30 seconds after execution.

(b) through (e) No Change.

(f) Reporting Cancelled Trades

(1) No Change.

(2) Deadlines for Reporting Cancelled Trades

(A) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled before 5:13:30 p.m. on the date of execution, the

member responsible under paragraph (f)(1) shall report the cancellation within [9]30 seconds of the time the trade is cancelled.

(B) through (G) No Change.

(g) No Change.

••• Supplementary Material: -----

.01 For purposes of reporting secondary market transactions in non-exchange-listed DPP securities pursuant to this Rule 6622, the following definitions shall apply. “Date of execution” means the date when the parties to a transaction in a DPP have agreed to all of the essential terms of the transaction, including the price and number of the units to be traded. “Time of execution” means the time when the parties to a transaction in a DPP have agreed to all of the essential terms of the transaction, including the price and number of the units to be traded.

6623. Timely Transaction Reporting

FINRA emphasizes the obligations of members to report securities transactions within [90 seconds after execution] the required time period. All reportable transactions not reported within [90 seconds after execution] the required time period shall be [reported as] marked late, and FINRA routinely monitors members’ compliance with the [90 second] reporting requirements. If FINRA finds a pattern or practice of unexcused late reporting, that is, repeated reports of executions [after 90 seconds] submitted after the required time period without reasonable justification or exceptional circumstances, the member may be found to be in violation of Rule 2010. Exceptional circumstances will be determined on a case-by-case basis and may include instances of system failure by a member or service bureau, or unusual market conditions, such as extreme volatility in a

security, or in the market as a whole. Timely reporting of all transactions is necessary and appropriate for the fair and orderly operation of the marketplace, and FINRA will view noncompliance as a rule violation.

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[6640. Reporting Transactions in Direct Participation Program Securities]

[6641. General]

[All secondary market transactions by members in Direct Participation Program securities other than transactions executed on a national securities exchange shall be reported to FINRA in accordance with the procedures set forth below. All trade tickets shall be time-stamped at the time of execution.]

[6642. Definitions]

[The following terms shall have the following meanings for purposes of the Rule 6640 Series.]

[(a) “OTC Reporting Facility” means the service that, among other things, accommodates reporting of transactions in direct participation programs (DPPs). The OTC Reporting Facility comparison function will not be available for those DPPs that are not eligible for clearance and settlement through the facilities of the National Securities Clearing Corporation. However, the OTC Reporting Facility will support the entry and inclusion of transaction data on such securities for reporting purposes.]

[(b) “Date of execution” means the date when the parties to a transaction in a DPP have agreed to all of the essential terms of the transaction, including the price and number of the units to be traded.]

[(c) “Direct participation program” or DPP, means a program which provides for

flow-through tax consequences regardless of the structure of the legal entity or vehicle for distribution including, but not limited to, oil and gas programs, real estate programs, agricultural programs, cattle programs, condominium securities, Subchapter S corporate offerings and all other programs of a similar nature, regardless of the industry represented by the program, or any combination thereof. A program may be composed of one or more legal entities or programs but when used herein, the term shall mean each of the separate entities or programs making up the overall program and/or the overall program itself. Excluded from this definition are real estate investment trusts, tax qualified pension and profit sharing plans pursuant to Sections 401 and 403(a) of the Internal Revenue Code and individual retirement plans under Section 408 of that Code, tax sheltered annuities pursuant to the provisions of Section 403(b) of the Internal Revenue Code, and any company, including separate accounts, registered pursuant to the Investment Company Act of 1940.]

[(d) “Riskless principal transaction” means a principal transaction where a member, after having received an order to buy, purchases the security as principal to satisfy the order to buy or, after having received an order to sell, sells the security as principal to satisfy the order to sell.]

[(e) “Time of execution” means the time when the parties to a transaction in a DPP have agreed to all of the essential terms of the transaction, including the price and number of the units to be traded.]

[6643. Transaction Reporting]

[(a) When and How Transactions are Reported]

[(1) Reports of secondary market transactions in direct participation

programs shall be transmitted to the OTC Reporting Facility on the next business day (“T+1”) after the date of execution between 8:00 a.m. and 1:30 p.m. Eastern Time, be designated “as/of” trades to denote their execution on a prior day, and be accompanied by the time of execution. The party responsible for reporting on T+1, the trade details to be reported, and the applicable procedures shall be governed, respectively, by paragraphs (b), (c), and (d) below. Member firms that have the operational capability to report transactions within 90 seconds of execution, between the hours of 8:00 a.m. and 8:00 p.m. Eastern Time, may do so at their option. If a firm chooses this option, it need not report the same transaction(s) on T+1 as prescribed above.]

[(2) All members shall report to the Market Regulation Department on Form T, reports of transactions in DPPs that were not transmitted to the OTC Reporting Facility, for whatever reason, either on the trade date or the next business day. Form T shall be used exclusively as a back-up mode whenever electronic entry of trade data is not feasible due to system malfunctions or other unusual conditions.]

[(3) A pattern or practice of late reporting without exceptional circumstances may be considered conduct inconsistent with high standards of commercial honor and just and equitable principles of trade, in violation of Rule 2010.]

[(b) Which Party Reports Transactions]

[(1) In transactions between two members, the executing party shall report the trade.]

[(2) In transactions between a member and a non-member or customer, the member shall report the trade.]

[For purposes of this paragraph (b), “executing party” shall mean the member that receives an order for handling or execution or is presented an order against its quote, does not subsequently re-route the order, and executes the transaction. In a transaction between two members where both members may satisfy the definition of executing party (e.g., manually negotiated transactions via the telephone), the member representing the sell-side shall report the transaction, unless the parties agree and contemporaneously document otherwise, unless the parties agree otherwise and the member representing the sell-side contemporaneously documents such agreement.]

[(c) Information To Be Reported]

[Each transaction report shall contain the following information:]

[(1) A symbol indicating whether the transaction is a buy, sell, or cross;]

[(2) Number of units;]

[(3) Symbol of the DPP;]

[(4) Price of the transaction as required by paragraph (d) below;]

[(5) A symbol indicating whether the transaction is as principal, riskless principal, or agent;]

[(6) Time of execution; and]

[(7) Contra broker.]

[(d) Procedures for Reporting Price, Volume, Capacity and Identification of Other Members]

[Members that are required to report pursuant to paragraph (b) above shall

transmit transaction reports for all purchases and sales in DPPs in the following manner:]

[(1) Reporting Agency Transactions]

[For agency transactions, report the number of units and the price excluding any commission or service charge.]

[(2) Reporting Dual Agency Transactions]

[For dual agency transactions, report the number of units only once, and report the price excluding any commission or service charge.]

[(3) Reporting Principal Transactions]

[For principal transactions, except as provided under subparagraph (4) below, report each purchase and sale transaction separately and report the number of units and the price. For principal transactions that are executed at a price which includes a mark-up, markdown or service charge, the price reported shall exclude the mark-up, mark-down or service charge. Such reported price shall be reasonably related to the prevailing market, taking into such consideration all relevant circumstances including, but not limited to, market conditions with respect to the DPP, the number of units involved in the transaction, the published bids and offers with size displayed in any quotation system at the time of the execution (including the reporting firm's own quotation), the cost of execution and the expenses involved in clearing the transaction.]

[(4) Reporting Riskless Principal Transactions]

[For riskless principal transactions, report as one transaction in the same manner as an agency transaction, excluding the mark-up, mark-down, or service charge.]

[(5) Identification of Other Members for Agency and Riskless

Principal Transactions]

[Any member that has a reporting obligation pursuant to paragraph (b) above and is acting in a riskless principal or agency capacity on behalf of one or more other members shall submit to FINRA one or more non-tape (either non-tape, clearing-only or non-tape, non-clearing) report(s) identifying such other member(s) as a party to the transaction, if such other member(s) is not identified on the initial trade report submitted to FINRA. Nothing in this Rule 6643(d)(5) shall negate or modify the riskless principal transaction reporting requirements set forth in Rule 6643(d)(4).]

[Example #1:]

[Member A, as agent or riskless principal on behalf of Member B, BUYS 100 shares from Member C at 40 (no mark-down included)]

[Member A has the reporting obligation under Rule 6643(b)]

[TAPE REPORT 100 shares at 40 By Member A between Member A and Member C]

[NON-TAPE REPORT 100 shares at 40 By Member A identifying Member B]

[Example #2A:]

[Member A MATCHES, as agent, the orders of Member B and Member C for 100 shares at 40]

[Member A has the reporting obligation under Rule 6643(b)]

[TAPE REPORT 100 shares at 40 By Member A between Member A and

Member B (or Member C)]

[NON-TAPE REPORT 100 shares at 40 By Member A identifying

Member C (or Member B)]

[Example #2B:]

[Member A MATCHES, as agent, the orders of Member B and Member C
for 100 shares at 40]

[Member A has the reporting obligation under Rule 6643(b)]

[TAPE REPORT a CROSS of 100 shares at 40 By Member A]

[NON-TAPE REPORT 100 shares at 40 By Member A identifying
Member B *and*]

[NON-TAPE REPORT 100 shares at 40 By Member A identifying
Member C]

[Example #3:]

[Member A, as agent or riskless principal on behalf of Member B, BUYS
100 shares on an exchange at 40]

[DO NOT TAPE REPORT this leg (will be reported by exchange)]

[NO NON-TAPE REPORT required; however, Member A *may* submit a
NON-TAPE REPORT as between Member A and Member B]

[(e) Transactions Not Required To Be Reported]

[The following are not required to be reported under the foregoing procedures:]

[(1) Transactions made in reliance on Section 4(2) of the Securities Act;]

[(2) Transactions where the buyer and seller have agreed to trade at a
price substantially unrelated to the current market for the DPP, e.g., to enable the

seller to make a gift; and]

[(3) Transactions executed on a national securities exchange.]

[(4) Transfers of securities made pursuant to an asset purchase agreement (APA) that is subject to the jurisdiction and approval of a court of competent jurisdiction in insolvency matters, provided that the purchase price under the APA is not based on, and cannot be adjusted to reflect, the current market prices of the securities on or following the effective date of the APA.]

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

7100. ALTERNATIVE DISPLAY FACILITY/TRACS

* * * * *

7130. Trade Report Input

(a) No Change.

(b) When and How Trade Reports are Submitted to TRACS

(1) TRACS trade comparison Participants who are Reporting Members that choose to submit a trade for comparison shall transmit to TRACS the information required by the Rule 6280 Series, as applicable, within [9]30 seconds of execution, or such other time period prescribed by rule.

(2) through (6) No Change.

(c) through (d) No Change.

* * * * *

7200. TRADE REPORTING FACILITIES

7200A. FINRA/NASDAQ TRADE REPORTING FACILITY

* * * * *

7230A. Trade Report Input

(a) No Change.

(b) When and How Trade Reports are Submitted

Participants shall transmit trade reports to the System for transactions in Reportable Securities within [9]30 seconds after execution, or such other time period prescribed by rule, or shall use the Browse function to accept or decline trades within twenty (20) minutes after execution, according to the requirements of paragraph (c) of this Rule.

(c) through (i) No Change.

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7200B. FINRA/NYSE TRADE REPORTING FACILITY

* * * * *

7230B. Trade Report Input

(a) No Change.

(b) When and How Trade Reports are Submitted

Participants shall transmit trade reports to the System for transactions in Reportable Securities within [9]30 seconds after execution, or such other time period prescribed by rule.

(c) through (h) No Change.

* * * * *

7300. OTC REPORTING FACILITY

7310. Definitions

(a) through (f) No Change.

(g) The term “Reportable Security” shall mean all OTC Equity Securities as defined in Rule 6420 [and all Direct Participation Programs as defined in Rule 6642].

(h) through (i) No Change.

(j) The term “System” shall mean the OTC Reporting Facility for purposes of trades in OTC Equity Securities as defined in Rule 6420 [and Direct Participation Programs as defined in Rule 6642].

(k) No Change.

* * * * *

7330. Trade Report Input

(a) Reportable Transactions

Members shall comply with the Rule 7300 Series when reporting transactions to the System, including executions of less than one round lot if those executions are to be compared and locked-in. All trades that are reportable transactions will be processed pursuant to an effective transaction reporting plan. Trades that are not already locked-in trades will be compared and locked-in through the System. [All transactions in Direct Participation Program securities shall be reported to the System pursuant to the Rule 6640 Series as set forth therein.]

(b) When and How Trade Reports are Submitted

Participants shall transmit trade reports to the System for transactions in Reportable Securities within [9]30 seconds after execution, or such other time period prescribed by rule, or shall use the Browse function to accept or decline trades within

twenty (20) minutes after execution, according to the requirements of paragraph (c) of this Rule.

(c) through (h) No Change.

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7400. ORDER AUDIT TRAIL SYSTEM

7410. Definitions

For purposes of the Rule 7400 Series:

(a) through (k) No Change.

(l) "OTC equity security" shall mean any equity security that:

(1) through (2) No Change.

For purposes of the Rule 7400 Series, the term OTC equity security shall not include direct participation programs, as defined in Rule [6642] 6420.

(m) through (o) No Change.

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