

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-64283; File No. SR-FINRA-2011-012)

April 8, 2011

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Designation of a Longer Period for Commission Action on Proposed Rule Change Relating to TRACE Reporting of Asset-Backed Securities

I. Introduction

On March 3, 2011, 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”)¹ and Rule 19b-4 thereunder,² a proposed rule change that would amend the FINRA Rule 6700 Series and FINRA Rule 7730 to prepare for the reporting of Asset-Backed Securities transactions to TRACE.³ The proposed rule change was published for comment in the Federal Register on March 21, 2011.⁴

Section 19(b)(2) of the Act⁵ 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

¹ 15 U.S.C. 78s(b)(2).

² 17 CFR 240.19b-4.

³ On February 22, 2010, the Commission approved a proposed rule change that amends the FINRA Rule 6700 Series to define Asset-Backed Securities as TRACE-Eligible Securities and to require members to report transactions in such securities to TRACE, and, concomitantly, FINRA Rule 7730, to establish reporting fees for transactions in such securities. See Securities Exchange Act Release No. 61566 (February 22, 2010), 75 FR 9262 (March 1, 2010) (Order Approving File No. SR-FINRA-2009-065) (“TRACE ABS filing”) and Regulatory Notice 10-23 (April 2010). The rule amendments in the TRACE ABS filing currently are anticipated to become effective on May 16, 2011. See Securities Exchange Act Release No. 63223 (November 1, 2010), 75 FR 68654 (November 8, 2010) (Notice of Filing and Immediate Effectiveness of SR-FINRA-2010-054 to Extend the Implementation Period for SR-FINRA-2009-065); Regulatory Notice 10-55 (October 2010) (establishing May 16, 2011 as the effective date).

⁴ See Securities Exchange Act Release No. 64084 (March 16, 2011), 76 FR 15352 (“Notice”).

⁵ 15 U.S.C. 78s(b)(1).

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 the proposed rule change should be disapproved. The 45th day for this filing is May 5, 2011.

The Commission is hereby extending the 45-day 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. The extension of time will ensure that the Commission has sufficient time to consider and take action on the Exchange's proposal.

Accordingly, pursuant to Section 19(b)(2)(A)(ii)(I) of the Act⁶ and for the reasons stated above, the Commission designates June 19, 2011, 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-2011-012.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁷

Cathy H. Ahn
Deputy Secretary

⁶ 15 U.S.C. 78s(b)(2)(A)(ii)(I).

⁷ 17 CFR 200.30-3(a)(31).