

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-70131; File No. SR-FINRA-2013-033)

August 7, 2013

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change to Amend FINRA Rule 9217 (Violations Appropriate for Disposition Under Plan Pursuant to SEC Rule 19d-1(c)(2))

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (the “Act”),¹ and Rule 19b-4 thereunder,² notice is hereby given that on July 24, 2013, Financial Industry Regulatory Authority (“FINRA”) filed with the Securities and Exchange Commission (“Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by FINRA. 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 the Substance of the Proposed Rule Change

FINRA is proposing to amend FINRA Rule 9217 (Violations Appropriate for Disposition Under Plan Pursuant to SEA Rule 19d-1(c)(2)) to include additional rule violations eligible for disposition under FINRA’s Minor Rule Violation Plan (“MRVP”).

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

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

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

FINRA Rule 9216(b) provides procedures for disposition of certain rule violations designated as minor rule violations pursuant to a plan declared effective by the Commission in accordance with Section 19(d)(1) of the Act and Rule 19d-1(c)(2) thereunder. FINRA's MRVP allows FINRA to impose a fine of up to \$2,500 on any member or person associated with a member for a minor violation of an eligible rule. FINRA Rule 9217 sets forth the rules eligible for disposition pursuant to FINRA's MRVP. FINRA is proposing to expand the universe of eligible rules as part of an effort to concentrate regulatory resources on higher risk matters: expanded use of the MRVP could free up resources better allocated to high-risk matters because MRVP settlements typically are handled more efficiently and expeditiously.

The purpose of the MRVP is to provide reasonable but meaningful sanctions for minor or technical violations of rules when the conduct at issue does not warrant stronger, reportable disciplinary sanctions. The inclusion of a rule in FINRA's MRVP does not minimize the importance of compliance with such rule, nor does it preclude FINRA from choosing to pursue violations of eligible rules through an Acceptance, Waiver and Consent ("AWC") or Complaint if the nature of the violations or prior disciplinary history warrants more significant sanctions. Rather, the option to impose an MRVP sanction gives FINRA additional flexibility to administer its enforcement program in the most effective and efficient manner, while still fully meeting FINRA's remedial objectives in addressing violative conduct. For example, MRVP dispositions

provide a useful tool for implementing the concept of progressive discipline to remediate misconduct. FINRA will continue to examine and surveil for compliance with eligible rules in a manner consistent with its examination programs and will determine on a case-by-case basis whether disposition pursuant to the MRVP is appropriate.

FINRA conducted a comprehensive review of its rules and examination dispositions to determine the rules it proposes to add to the MRVP. Among other things, FINRA considered (1) rules routinely cited in formal disciplinary actions that are not currently part of the MRVP; (2) rules cited frequently in informal actions; (3) rules comparable to existing rules in the MRVP; and (4) rules included in other self-regulatory organization MRVPs.

The rules proposed for inclusion in the MRVP broadly can be grouped into several categories.

Filings and Notifications

In general, FINRA believes that isolated failures to comply with rules that require periodic reporting, filings or notifications are appropriate for inclusion in the MRVP. At the same time FINRA recognizes that willful, widespread or repeated failures under such eligible rules may be more appropriate for disposition through an AWC or the filing of a Complaint. FINRA notes that the current MRVP includes several such rules. Accordingly, the proposed rule change would add the following rules to the MRVP for violations involving late or incomplete notices or filings: FINRA Rule 2251(a) (Forwarding of Proxy and other Issuer-Related Materials) (failure to timely forward proxy and other issuer-related materials); FINRA Rule 4524 (Supplemental FOCUS Information) (failure to timely file or filing of incomplete reports or information); FINRA Rule 5110(b) (Corporate Financing Rule – Underwriting Terms and Arrangements) (failure to timely file or filing of incomplete documents or information); FINRA

Rule 5121(b)(2) (Public Offerings of Securities with Conflicts of Interest) (failure to give timely notification of termination or settlement of public offering or failure to file net capital computation); FINRA Rule 5122(b)(2) (Private Placements of Securities Issued by Members) (failure to timely file private placement documents); FINRA Rule 5190 (Notification Requirements for Offering Participants) (failure to give timely notification of participation in offerings); and FINRA Rule 6760 (Obligation to Provide Notice) (failure to give timely or complete notification concerning offerings of TRACE-Eligible Securities). FINRA believes inclusion of these rules is appropriate, as certain instances of late filings or notifications may constitute minor, technical violations of the applicable rules that can be remediated through the MRVP.

Late Registrations

For many of the same reasons, the proposed rule change also would include in the MRVP the following MSRB and FINRA rules for certain isolated or technical failures to timely register: MSRB Rule G-2 (Standards of Professional Qualification) and MSRB Rule G-3(b)(ii)(D) and (c)(ii)(D) (Classification of Principals and Representatives; Numerical Requirements; Testing; Continuing Education Requirements) (failure to pass qualification examination within 90 days of becoming a principal)³ and NASD Rule 1021(d) (Registration Requirements) (failure to pass qualification examination within 90 days of acting in a principal capacity). These provisions permit a municipal securities representative or registered representative, as applicable, to temporarily function in a principal capacity, provided such person registers as a principal and

³ The proposed rule change includes both MSRB Rule G-2 and G-3 because the two are linked. Rule G-3 states that no broker, dealer or municipal securities dealer “shall be qualified for the purposes of Rule G-2” unless the requirements set forth in Rule G-3 are met. FINRA typically charges a violation of both rules where there is a failure to comply with the requirements of Rule G-3.

passes the appropriate qualification examination within 90 days of acting in such capacity. Typically, these circumstances occur when a registered principal leaves a firm or has an extended absence. FINRA believes MRV disposition may be appropriate in limited circumstances where a representative assumes principal duties but takes more than 90 days to pass the corresponding qualification examination.

Untimely Marking, Transaction Reporting and other Market Rules

The proposed rule change similarly would add to the MRVP late filing and notification requirements related to market regulation. The current FINRA MRVP includes several such market rules, including, for example, FINRA Rule 4560 (failure to timely file reports of short positions); FINRA Rules 6380A, 6622, 6730 (transaction reporting); FINRA Rule 7450 (OATS reporting); and MSRB Rule G-14 (failure to submit reports). Thus, the proposed rule change would include: Rule 605(a)(1) and (3) of SEC Regulation NMS (Disclosure of Order Execution Information) (failure to timely report or provide complete order execution information); Rule 606 of SEC Regulation NMS (Disclosure of Order Routing Information) (failure to timely disclose or provide complete order routing information); FINRA Rule 6181 (Timely Transaction Reporting) (failure to timely report transactions in NMS securities); and FINRA Rule 6623 (Timely Transaction Reporting) (failure to timely report transactions in OTC and restricted equity securities).

The proposed rule change further would make eligible for MRVP disposition other marking and reporting requirements related to trade and audit data: Rule 200(g) of SEC Regulation SHO (Definition of “Short Sale” and Marking Requirements) (failure to accurately mark sell orders of equity securities); FINRA Rule 6182 (Trade Reporting of Short Sales) (failure to accurately mark short sales in NMS stocks); FINRA Rule 6250 (Quote and Order

Access Requirements) (failure to comply with quote and order access requirements for FINRA's Alternative Display Facility); FINRA Rule 6624 (Trade Reporting of Short Sales) (failure to accurately mark short sales in OTC Equity Securities); FINRA Rule 7330 (Trade Report Input) (failure to timely and accurately input trade reports into the OTC Reporting Facility); and FINRA Rule 7360 (Audit Trail Requirements) (ongoing obligation to input trade reporting requirements in Rule 7330(d) accurately and completely). In addition, the proposed rule change would add three rules governing the FINRA/NYSE Trade Reporting Facility whose counterpart rules regarding the FINRA/NASDAQ Trade Reporting Facility are already subject to MRV treatment: FINRA Rule 6380B (Transaction Reporting); FINRA Rule 7230B (Trade Report Input); and FINRA Rule 7260B (Audit Trail Requirements).

Rules to Achieve Consistency

In addition to the market rules referenced above, FINRA further proposes to add certain rules to the MRVP to achieve consistency with rules that already are part of the plan. Thus, the proposed rule change would add FINRA Rule 1250(a), the Regulatory Element of FINRA's continuing education requirements. The current MRVP includes FINRA Rule 1250(b), the Firm Element provision of the continuing education requirements, and FINRA believes there is no compelling reason to differentiate with respect to the MRVP minor violations of the regulatory element. Similarly, the proposed rule change further would bring consistency to the enforcement of the MSRB Rules by adding to the MRVP MSRB Rule G-3(h) (Classification of Principals and Representatives; Numerical Requirements; Testing; Continuing Education Requirements) (failure to comply with the continuing education requirements) to include in the MRVP both the Firm and Regulatory Elements of the MSRB's equivalent continuing education requirements rule. The proposed rule change also seeks consistency by adding MSRB Rule G-21

(Advertising) to the MRVP, since the FINRA communications with the public counterparts, FINRA Rules 2210, 2212, 2213, 2215, 2216 and NASD Interpretive Material 2210-2, already are subject to MRVP disposition.

FINRA Rule 9217 currently states that “[f]ailures to provide or update contact information as required by FINRA or NASD rules” may be resolved pursuant to the MRVP. Accordingly, FINRA proposes to add NASD Rule 1150 (Executive Representative) (failure to review and update executive representative designation and contact information) and NASD Rule 1160 (Contact Information Requirements) to the MRVP. For the same reason, FINRA also proposes to add MSRB Rules G-40(a) and (c) (Electronic Mail Contacts), which require each broker, dealer or municipal securities dealer to designate and update electronic mail contact information for communications with the MSRB, and FINRA Rule 4370(f) (Business Continuity and Emergency Contact Information), which requires a member to report to FINRA emergency contact information and to designate emergency contact persons. Rule 4370(f)(2) further requires member to promptly update such information in the event of any material change in accordance with NASD Rule 1160. FINRA also proposes to include in the MRVP other provisions of Rule 4370, which are discussed below.

Recordkeeping

The current MRVP includes violations of FINRA Rule 4510 Series (Books and Records Requirements) for failure to keep and preserve books, accounts, records, memoranda, and correspondence in conformance with all applicable laws, rules and regulations and statements of policy promulgated thereunder, and with FINRA rules. Rule 4511 requires firms to preserve for at least six years those FINRA books and records for which there is no specified period under FINRA rules or applicable Exchange Act rules. Otherwise, the rule mandates compliance with

the books and record requirements under FINRA rules, the Exchange Act and the applicable Exchange Act rules. The proposed rule change would add to the MRVP specific SEC and MSRB rules that require records to be made and preserved: Exchange Act Rule 17a-3(a) (Records to Be Made By Certain Exchange Members, Brokers and Dealers); Exchange Act Rule 17a-4 (Records to Be Preserved By Certain Exchange Members, Brokers and Dealers); MSRB Rule G-8 (Books and Records to Be Made By Brokers, Dealers and Municipal Securities Dealers); and MSRB Rule G-9 (Preservation of Records). FINRA typically charges recordkeeping violations under both FINRA Rule 4511 or MSRB Rule G-9 and the applicable Exchange Act rules. FINRA includes the Exchange Act rules because those rules have greater specificity than the self-regulatory organization rules. In addition, the violation often involves a record specified in the Exchange Act rules, such as an order ticket. Under such circumstances, FINRA believes it appropriate to charge a violation of the specific Exchange Act provision, as well as the more general FINRA rule that requires compliance with the Exchange Act books and records rules.

Supervisory Procedures Regarding MRVP Rules

The current MRVP includes NASD Rule 3010(b) (Supervision; Written Procedures), but only with respect to failures to timely file reports required of a firm subject to the “Taping Rule” – a requirement to, among other things, tape record conversations of its registered persons and file with FINRA periodic reports on supervision of telemarketing activities of its registered persons. The proposed rule change would expand the MRVP to include any violation of NASD Rule 3010(b) (Supervision; Written Procedures) for failure to maintain adequate written supervisory procedures with respect to the provision of a rule that is eligible for MRV disposition. Thus, for example, FINRA Rules 7440 and 7450 currently are included in FINRA’s

MRVP and require recording and transmission of Order Audit Trail System (“OATS”) data. NASD Rule 3010(b) requires members with such data to have written supervisory procedures reasonably designed to achieve compliance with the OATS rules. The proposed rule change would allow FINRA to resolve as an MRV a failure to maintain adequate written supervisory procedures with respect to compliance with OATS rules, whether or not there is a violation of the OATS rules themselves. The proposed rule change would also include the parallel MSRB Rule G-27 (Supervision) to the same extent. FINRA believes inclusion of these provisions is logically consistent with the purposes of the MRVP: if the potential underlying violation is eligible for MRV disposition, the procedures to require compliance with that rule also should be eligible for such disposition.

Options

FINRA Rule 2360(b)(5) (Reporting of Options Positions) requires, among other things, members to report each account in which a member has an interest that has established an aggregate position of 200 or more option contracts. The proposed rule change makes this rule eligible for disposition under the MRVP for, among other things, technical or manual inputting problems that in the judgment of FINRA do not materially affect the market. FINRA notes that other provisions of FINRA’s options reporting rules are eligible for MRVP disposition⁴ and that options reporting requirements are part of the MRVP for almost all of the options exchanges,⁵

⁴ The MRVP currently covers violations of FINRA Rule 2360(b)(3) regarding position limits, (b)(4) regarding exercise limits and (b)(23) regarding tendering procedures for exercise of options.

⁵ See NYSE MKT Rule 590(g) (referencing violations of reporting rules including Rule 906 (Reporting of Options Positions)); NYSE Arca Options Rule 10.12(h)(23); BATS Rule 25.3(b); Nasdaq Options Rule Chapter X, Section 7(d); BX Options Rule Chapter X, Section 7(d); CBOE Rule 17.50(g)(15); C2 Rule Chapter 17 (which incorporates the rules contained in CBOE Chapter XVII); ISE Rule 1614(d)(10).

thus including them in FINRA's plan would promote greater consistency across the markets. The need for such consistency is heightened because FINRA is party to an agreement allocating regulatory responsibility for options reporting rules.⁶

Other Rules

Finally, the proposed rule change would make violations of several other rules eligible for disposition under the MRVP. With respect to each rule, FINRA believes that a minor violation, depending on the circumstances, could appropriately be remediated under the terms of the MRVP without compromising investor protection.

Exchange Act Rule 10b-10 (Confirmation of Transactions) requires broker-dealers to disclose specified information in writing to customers at or before completion of a transaction, including but not limited to information concerning the date and time of the transaction, the number of shares bought or sold, the price or average price of the transaction, the capacity in which the member is acting in connection with the transaction, and the nature of the remuneration received or to be received by the member. FINRA has observed circumstances where members have committed minor violations of the rule by failing to fully or accurately disclose such information. For example, FINRA has seen circumstances where a broker-dealer mistakenly reported the "average price" of a transaction as the "price" or mismarked a principal transaction as an agency transaction. Depending upon the specific facts and circumstances of the

⁶ See Securities Exchange Act Release No. 68362 (December 5, 2012) 77 FR 73719 (December 11, 2012) (Notice of Filing and Order Approving and Declaring Effective an Amendment to the Plan for the Allocation of Regulatory Responsibilities Among the NYSE MKT LLC, BATS Exchange, Inc., BOX Options Exchange LLC, C2 Options Exchange, Incorporated, the Chicago Board Options Exchange, Incorporated, the International Securities Exchange LLC, Financial Industry Regulatory Authority, Inc., the NYSE Arca, Inc., The NASDAQ Stock Market LLC, NASDAQ OMX BX, Inc., NASDAQ OMX PHLX, Inc., and Miami International Securities Exchange, LLC concerning options-related market surveillance).

transaction, including the sophistication of the customer and the nature of the information that was not disclosed or improperly disclosed, FINRA believes an MRV could be an appropriate disposition.

FINRA Rule 4360(b) (Fidelity Bonds) requires a member to maintain minimum fidelity bond coverage commensurate with its net capital requirements. MSRB Rule G-6 (Fidelity Bonding Requirements) requires a broker, dealer or municipal securities dealer to maintain the minimum fidelity bond coverage that is required by the national securities association with which it is registered. FINRA has observed instances where a member had fidelity bond coverage but less than the required coverage. FINRA believes MRV disposition may be appropriate in such circumstances, depending on the reason for the shortfall and the magnitude and duration of the failure. For example, a modest shortfall in coverage based on a miscalculation of net capital that was quickly discovered and remedied might be appropriate for an MRV disposition.

MSRB Rule G-10 (Delivery of Investor Brochure) requires a broker, dealer or municipal securities dealer to deliver a copy of an investor brochure to a customer promptly after receiving a complaint from the customer. As with other provisions referenced above and those already part of FINRA's MRVP involving a late filing or delivery, FINRA believes that a failure to timely deliver such brochure may be appropriate for MRV disposition under certain factual circumstances; e.g., where a violation is not widespread or willful.

FINRA By-Laws Schedule A, Sec. 1(b) (Member Regulatory Fees) assesses on members a Trading Activity Fee for the sale of covered securities. The provision defines covered securities, exempts certain transactions, sets forth fee rates and provides that members shall report the volume of applicable sales in a manner prescribed by FINRA. FINRA has observed

that firms sometimes fail to make accurate payment of the Trading Activity Fee based on an inadvertent miscalculation of the fee or failure to apply the fee to the proper universe of trades. FINRA has also observed instances where a firm has inadvertently failed to accurately report the volume of sales of covered securities, thus impacting the proper calculation of the fee. FINRA believes such circumstances may be appropriate for MRVP disposition and therefore has included the By-Law provision in the proposed rule change.

FINRA Rule 2266 (SIPC Information) requires members to provide customers with written notification of the availability of SIPC information at account opening and annually thereafter. FINRA may consider isolated failures to satisfy this requirement without customer harm to be minor in nature and therefore appropriate for an MRV.

FINRA Rules 3160(a)(1), (3), (4) and (5) (Networking Arrangements Between Members and Financial Institutions) set forth standards of conduct for conducting broker-dealer services on or off the premises of a financial institution pursuant to a networking arrangement. These provisions specify: the setting in which a member may conduct broker-dealer services on the premises of a financial institution; the disclosure required to inform the customer that the broker-dealer products sold are not guaranteed or federally insured; the content requirements of communications with the public; and the requirement to promptly notify the financial institution if any associated person of a member employed by the institution has been terminated for cause. FINRA believes there are several potential factual scenarios where a minor violation could occur under these provisions. For example, Rule 3160(a)(3)(B) requires a member to disclose orally, in addition to written disclosure, that the securities products purchased are not guaranteed or federally insured. FINRA could foresee a circumstance where either written or oral disclosure is provided rather than both and believes an MRV may be appropriate under such facts. FINRA

notes that the proposed rule change excludes Rule 3160(a)(2), which sets forth the requirement that a written agreement govern any networking arrangement and include key broker-dealer obligations pursuant to Rule 701 of SEC Regulation R and ensure access to the financial institution's premises by broker-dealer supervisory personnel and regulators from FINRA and the SEC.

FINRA Rules 4370(a), (b), (c) and (e) (Business Continuity Plans and Emergency Contact Information) require a member to create, maintain and update a written business continuity plan and to disclose the elements of the plan to customers at account opening, on its website and upon customer request. The provisions allow for flexibility in the design of the plan but also include a number of minimum elements. While FINRA recognizes the importance of an effective business continuity plan, we also have seen minor violations of the provisions that may not implicate the overall effectiveness of a plan. For example, FINRA has observed instances where members have failed for a short duration to timely update their plans in violation of Rule 4370(b) or failed to address one of the ten elements set forth in Rule 4370(c). FINRA could also envision circumstances where a member failed to address an existing relationship with another broker dealer in violation of Rule 4370(a) or failed in an isolated circumstance to timely provide disclosure about its business continuity plan after receiving a request from a customer under Rule 4370(e). FINRA believes these examples may be appropriate for MRV disposition. However, FINRA does not believe MRV disposition would be appropriate where a member has no business continuity plan or procedures as required by Rule 4370(a).

FINRA has not proposed to include Rule 4370(d) for MRVP eligibility. That provision requires a member to designate a member of senior management to approve the plan and be responsible for an annual review of it, and FINRA does not foresee any circumstances where a

violation of those requirements would be appropriate for MRVP disposition.

FINRA Rule 5121(a) (Public Offerings of Securities with Conflicts of Interest) sets forth requirements for participation in public offerings of a member's securities where a conflict of interest is present. The rule requires prominent disclosure in the prospectus, offering circular or similar document of the nature of the conflict of interest, the name of a qualified independent underwriter that has participated in the preparation of the offering documents and the role and responsibilities of that independent underwriter. FINRA believes that under certain facts, a failure to prominently disclose these items – e.g., disclosing them in smaller font – may constitute a minor violation appropriate for MRVP disposition.

FINRA Rule 7430 (Synchronization of Member Business Clocks) requires members to synchronize their business clocks for the purposes of recording the date and time of events that must be reported pursuant to FINRA By-Laws and rules. FINRA believes that isolated violations where certain business clocks fall out of synch due to software glitches or other technical reasons may be appropriate to resolve as an MRV, and therefore FINRA has proposed to include the rule in the MRVP.

FINRA reiterates that inclusion of a rule in the MRVP does not mean that all violations of that rule must be treated pursuant to the MRVP. FINRA staff maintains the discretion to handle any violation of such rules through AWCs or Complaints with the full range of applicable sanctions.⁷ Similarly, members and associated persons maintain the right to a hearing, with all the same procedural rights accorded all formal disciplinary proceedings, instead of accepting a

⁷ FINRA does not intend to develop a formula as to when a matter must be handled pursuant to the MRVP, as opposed to informal action, or when an otherwise eligible MRVP matter would be handled through an AWC or the filing of a complaint. The disposition of any matter will depend on the particular facts and circumstances.

Minor Rule Violation.

The implementation date will be the date of Commission approval.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁸ 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 further believes that the proposed rule change is consistent with Sections 15A(b)(2) and (b)(7) of the Act,⁹ which require that FINRA enforce and provide appropriate discipline for violation of FINRA rules and applicable federal securities laws, rules and regulations. FINRA believes that adopting the proposed rule change will strengthen FINRA's ability to carry out its oversight and enforcement responsibilities in cases where full disciplinary proceedings are unwarranted in view of the minor nature of the particular violation.

In addition, FINRA's MRVP, as amended by this proposal, provides a fair procedure for disciplining members and persons associated with members, consistent with Sections 15A(b)(8) and 15A(h)(1) of the Act.¹⁰ The MRVP does not preclude a member or associated person from contesting an alleged violation and receiving a hearing on the matter with the same procedural rights through a litigated disciplinary proceeding.

⁸ 15 U.S.C. 78o-3(b)(6).

⁹ 15 U.S.C. 78o-3(b)(2) and 78o-3(b)(7).

¹⁰ 15 U.S.C. 78o-3(b)(8) and 78o-3(h)(1).

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

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. The proposed rule change will allow for a quicker, more efficient means to resolve minor violations of the eligible rules, potentially lessening the burden on firms in those circumstances where, absent the rule's inclusion in the MRVP, a more resource-intensive formal proceeding might ensue.

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

Within 45 days of the date of publication of this notice in the Federal Register or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) by order approve or disapprove such proposed rule change, or

(B) institute proceedings to determine whether the proposed rule change should be 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 (<http://www.sec.gov/rules/sro.shtml>); or

- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FINRA-2013-033 on the subject line.

Paper comments:

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

All submissions should refer to File Number SR-FINRA-2013-033. 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 (<http://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 10:00 a.m. and 3:00 p.m. Copies of such filing also will be available for inspection and copying at the principal offices of the Exchange. All comments received will be posted without change; the Commission does not edit personal

identifying information from submissions. You should submit only information that you wish to make available publicly. All submissions should refer to File Number SR-FINRA-2013-033, 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.¹¹

Kevin M. O'Neill
Deputy Secretary

¹¹ 17 CFR 200.30-3(a)(12).