

Rule A-18: Mandatory Participation in Business Continuity and Disaster Recovery Testing

(a) Purpose. Pursuant to Regulation Systems Compliance and Integrity under the Securities Exchange Act of 1934 and with respect to the MSRB's business continuity and disaster recovery plans, including its backup systems, the MSRB is required to establish standards for the designation of MSRB Registrants that the MSRB reasonably determines are, taken as a whole, the minimum necessary for the maintenance of fair and orderly markets in the event of the activation of such plans. The MSRB has established standards and will designate Participants according to those standards as set forth below.

(b) Designation. The MSRB shall designate Participants as those MSRB Registrants whose submissions of data to the MSRB, taken as a whole, account for a meaningful percentage of the MSRB's data submission volume required to be provided by MSRB Registrants, measured during the Measurement Period. The Measurement Period will be determined by the MSRB and published to MSRB Registrants. The percentage of data submission volume and the minimum number of Participants that the MSRB considers to be meaningful will be determined by the MSRB, published to MSRB Registrants in advance of the Measurement Period, and applied during the Measurement Period (not retroactively). The MSRB will individually notify all Participants that are subject to section (c) at least forty-five (45) calendar days prior to the testing set forth in section (c).

(c) Participation. Participants are required to participate in functional and performance testing of the operation of the MSRB's business continuity and disaster recovery plans, in the manner and frequency specified by the MSRB, provided that the frequency shall be at least once every 12 months.

(d) Definitions. For purposes of this Rule,

(i) "Measurement Period" means the time period, whether monthly or quarterly, during which time the MSRB measures data submission volume required to be provided by MSRB Registrants for purposes of designating Participants in accordance with section (b).

(ii) "MSRB Registrants" means brokers, dealers, municipal securities dealers or municipal advisors registered with the MSRB.

(iii) "Participants" means those MSRB Registrants that the MSRB has determined, pursuant to section (b), are among those MSRB Registrants whose submissions of data to the MSRB, taken as a whole, account for a meaningful percentage of the MSRB's data submission volume required to be provided by MSRB Registrants, measured during the Measurement Period, which percentage of data submission volume represents the minimum necessary for the maintenance of fair and orderly markets in the event of the activation of the MSRB's business continuity and disaster recovery plans.