

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-61948; File No. SR-FINRA-2010-019]

### Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Extend the Implementation Period for SR-FINRA-2009-065

April 20, 2010.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) <sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on April 14, 2010, 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 and II below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a “non-controversial” rule change under section 19(b)(3)(A) of the Act<sup>3</sup> and Rule 19b-4(f)(6) thereunder,<sup>4</sup> which renders the proposal effective upon filing with 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 proposes to extend by 45 days the proposed implementation period for the rule changes approved in SR-FINRA-2009-065.<sup>5</sup>

The proposed rule change would not make any new changes to the text of FINRA rules.

#### 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

On October 1, 2009, FINRA filed SR-FINRA-2009-065, a proposed rule change to expand the Trade Reporting and Compliance Engine (“TRACE”) to designate asset-backed securities, mortgage-backed securities and other similar securities (collectively, “Asset-Backed Securities”) as eligible for TRACE, and to establish reporting, fee and other requirements for such securities. In SR-FINRA-2009-065, FINRA stated that it would announce the effective date of the proposed rule change in a *Regulatory Notice* to be published “no later than 60 days following Commission approval” and to establish the effective date “no later than 270 days following publication” of the *Regulatory Notice* announcing the Commission’s approval.

The proposed rule change was published for notice and comment.<sup>6</sup> FINRA filed its response to comments on December 22, 2009,<sup>7</sup> and Amendment No. 1 to SR-FINRA-2009-065 on January 19, 2010 (hereinafter, SR-FINRA-2009-065 and Amendment No. 1 thereto are, collectively, the “TRACE ABS filing”).<sup>8</sup> The Commission approved the TRACE ABS filing on February 22, 2010.<sup>9</sup>

As represented in the TRACE ABS filing, FINRA will publish a *Regulatory*

<sup>6</sup> See Securities Exchange Act Release No. 60860 (October 21, 2009), 74 FR 55600 (October 28, 2009) (Notice of Filing of File No. SR-FINRA-2009-065).

<sup>7</sup> See Letter from Sharon Zackula, Associate Vice President and Associate General Counsel, FINRA, to Elizabeth M. Murphy, Secretary, Commission, dated December 22, 2009.

<sup>8</sup> The TRACE ABS filing included amendments to: (a) Rule 6710 to amend the defined terms, “Asset-Backed Security” and “TRACE-Eligible Security” to include Asset-Backed Securities as TRACE-Eligible Securities, to amend several other defined terms, and to add several new defined terms, most of which relate to Asset-Backed Securities; (b) Rule 6730 to require the reporting of Asset-Backed Securities transactions, to establish a six-month pilot period for reporting such transactions no later than T + 1 during TRACE System hours, and to amend certain requirements in connection with the reporting of commissions, factors, transaction size and settlement terms in Asset-Backed Securities transactions; (c) Rule 6750 to provide that information on a transaction in a TRACE-Eligible Security that is an Asset-Backed Security will not be disseminated; (d) Rule 6760 to amend the notification requirements; (e) Rule 7730 to establish fees for reporting transactions in Asset-Backed Securities; and (f) the Rule 6700 Series and Rule 7730 to incorporate certain other technical, administrative and clarifying changes.

<sup>9</sup> See SEC Order Approving TRACE Expansion—Asset-Backed Securities.

*Notice* no later than April 23, 2010, the 60th day following Commission approval of the TRACE ABS filing. However, in this proposed rule change, FINRA proposes to extend by 45 days the period in which to establish the effective date of the TRACE ABS filing. Specifically, the effective date of the TRACE ABS filing will be no later than 315 days, rather than 270 days, following publication of the *Regulatory Notice* announcing Commission approval of the filing.

FINRA recognizes that Asset-Backed Securities are complex instruments, and that, in preparing for the accurate reporting of transactions in Asset-Backed Securities, firms must make operational changes, including significant changes to their systems, and modifications to a variety of compliance and supervisory processes and procedures. Staffing and training also may be implicated. System changes are also being made by FINRA to the TRACE System and by vendors and other service providers. In view of the changes that must be implemented, FINRA believes it is appropriate to extend for up to 45 days the date on which the TRACE ABS filing may become effective.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, such that FINRA can implement the proposed rule change immediately.

##### 2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,<sup>10</sup> 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 flexibility to establish an effective date up to 45 days later than is currently provided by SR-FINRA-2009-065 to implement the reporting of transactions in Asset-Backed Securities will allow firms sufficient time to make necessary systems changes for the timely and accurate reporting of such transactions, creating a more accurate audit trail and enhancing FINRA’s surveillance of the market in Asset-Backed Securities for the protection of investors and in furtherance of the public interest.

<sup>10</sup> 15 U.S.C. 78o-3(b)(6).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>4</sup> 17 CFR 240.19b-4(f)(6).

<sup>5</sup> See Securities Exchange Act Release No. 61566 (February 22, 2010), 75 FR 9262 (March 1, 2010) (Order Approving File No. SR-FINRA-2009-065) (hereinafter, “SEC Order Approving TRACE Expansion—Asset-Backed Securities”).

### 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.

### 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

The Exchange represented that the proposed rule change qualifies for immediate effectiveness pursuant to Section 19(b)(3)(A) of the Exchange Act<sup>11</sup> and Rule 19b-4(f)(6) thereunder<sup>12</sup> because it: (i) Does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) by its terms, does not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest.<sup>13</sup> The Exchange has requested that the Commission waive the 30-day operative delay, so that the proposed rule change may become operative upon filing. The Commission hereby grants the Exchange's request.<sup>14</sup> The Commission believes that waiving the 30-day operative delay is consistent with the protection of investors and the public interest because it appears reasonably designed to allow firms sufficient time to make necessary systems and operational changes to facilitate the timely and accurate reporting of Asset-Backed Securities transactions as required by the TRACE ABS filing.

At any time within 60 days of the filing of the proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public

interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

### 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](mailto:rule-comments@sec.gov). Please include File Number SR-FINRA-2010-019 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-2010-019. 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 Web site (<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 Web site 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 the filing also will be available for inspection and copying at the principal office of FINRA. 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-2010-019 and should be submitted on or before May 20, 2010.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.<sup>15</sup>

**Florence E. Harmon,**  
*Deputy Secretary.*

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## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-61952; File No. SR-NYSE-2010-32]

### Self-Regulatory Organizations; New York Stock Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change To Amend Its Immediate Release Policy To Remove the Address Contact Information

April 21, 2010.

Pursuant to Section 19(b)(1)<sup>1</sup> of the Securities Exchange Act of 1934 (the "Exchange Act"),<sup>2</sup> and Rule 19b-4 thereunder,<sup>3</sup> notice is hereby given that, on April 9, 2010, New York Stock Exchange LLC (the "NYSE" or the "Exchange") filed with the Securities and Exchange Commission the proposed rule changes as described in Items I and II below, which items have been prepared by the Exchange. The Exchange has designated this proposal eligible for immediate effectiveness pursuant to Rule 19b-4(f)(6)<sup>4</sup> under the Exchange Act. The Commission is publishing this notice to solicit comments on the proposed rule changes from interested persons.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes to amend Section 202.06 of the Listed Company Manual (the "Manual") to remove the contact information provided in that rule for national news wire services.

The text of the proposed rule change is available on the Exchange's Web site (<http://www.nyse.com>), at the Exchange's Office of the Secretary, at the Commission's Public Reference room, and on the Commission's Web site at <http://www.sec.gov>.

#### II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included

<sup>11</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>12</sup> 17 CFR 240.19b-4(f)(6).

<sup>13</sup> In addition, Rule 19b-4(f)(6)(iii) requires a self-regulatory organization to submit to the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. FINRA has satisfied this requirement.

<sup>14</sup> For the purposes only of waiving the 30-day operative delay, the Commission has considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

<sup>15</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 15 U.S.C. 78a.

<sup>3</sup> 17 CFR 240.19b-4.

<sup>4</sup> 17 CFR 240.19b-4(f)(6).