



6272. Character of Quotations

The Rule

Notices

(a) Quotation Requirements and Obligations

A member registered as a Registered Reporting ADF Market Maker shall engage in a course of dealings for its own account to assist in the maintenance, insofar as reasonably practicable, of fair and orderly markets in accordance with this Rule.

(1) Two-Sided Quote Obligation.

For each ADF-eligible security for which a member is a Registered Reporting ADF Market Maker, the member shall be willing to buy and sell such security for its own account on a continuous basis during regular market hours and shall enter and maintain a two-sided trading interest ("Two-Sided Obligation"), subject to the procedures for excused withdrawal set forth in Rule 6275.

Interest eligible to be considered as part of the Registered Reporting ADF Market Maker's Two-Sided Obligation shall have a displayed quotation size of at least one normal unit of trading (or a larger multiple thereof); provided, however, that a Registered Reporting ADF Market Maker may augment its Two-Sided Obligation size to display limit orders priced at the same price as the Two-Sided Obligation. Unless otherwise designated, a "normal unit of trading" shall be 100 shares. After an execution against its Two-Sided Obligation, a Registered Reporting ADF Market Maker must ensure that additional trading interest exists to satisfy its Two-Sided Obligation either by immediately entering new interest to comply with this obligation to maintain continuous two-sided quotations or by identifying existing interest on the ADF that will satisfy this obligation.

(2) Pricing Obligations for Registered Reporting ADF Market Makers.

For ADF-eligible securities, a Registered Reporting ADF Market Maker shall adhere to the pricing obligations established by this Rule during the trading day; provided, however, that such pricing obligations (i) shall not commence during any trading day until after the first regular way transaction on the primary listing market in the security, as reported by the responsible single plan processor, and (ii) shall be suspended during a trading halt, suspension, or pause, and shall not recommence until after the first regular way transaction in the primary listing market in the security following such halt, suspension, or pause, as reported by the responsible single plan processor, except as permitted under the Regulation NMS Plan to Address Extraordinary Market Volatility.

(A) Bid Quotations.

At the time of entry of bid interest satisfying the Two-Sided Obligation, the price of the bid interest shall be not more than the Designated Percentage away from the then current National Best Bid, or if no National Best Bid, not more than the Designated Percentage away from the last reported sale from the responsible single plan processor. In the event that the National Best Bid (or if no National Best Bid, the last reported sale) increases to a level that would cause the bid interest of the Two-Sided Obligation to be more than the Defined Limit away from the National Best Bid (or if no National Best Bid, the last reported sale), or if the bid is executed or cancelled, the Registered Reporting ADF Market Maker shall enter new bid interest at a price not more than the Designated Percentage away from the then current National Best Bid (or if no National Best Bid, the last reported sale), or identify to FINRA current resting interest that satisfies the Two-Sided Obligation.

(B) Offer Quotations.

At the time of entry of offer interest satisfying the Two-Sided Obligation, the price of the offer interest shall be not more than the Designated Percentage away from the then current National Best Offer, or if no National Best Offer, not more than the Designated Percentage away from the last reported sale from the responsible single plan processor. In the event that the National Best Offer (or if no National Best Offer, the last reported sale) increases to a level that would cause the offer interest of the Two-Sided Obligation to be more than the Defined Limit away from the National Best Offer (or if no National Best Offer, the last reported sale), or if the bid is executed or cancelled, the Registered Reporting ADF Market Maker shall enter new offer interest at a price not more than the Designated Percentage away from the then current National Best Offer (or if no National Best Offer, the last reported sale), or identify to FINRA current resting interest that satisfies the Two-Sided Obligation.

(3) Quotations Closer to the National Best Bid or Offer.

Nothing in this Rule shall preclude a Registered Reporting ADF Market Maker from quoting at price levels that are closer to the National Best Bid and Offer than the levels required by this Rule.

(4) Definitions.

For purposes of this Rule:

(A) the "Defined Limit" shall be:

(i) 9.5% for Designated Stocks (except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, the Defined Limit for Designated Stocks shall be 21.5%);

(ii) 29.5% for Other NMS Stocks with a price equal to or greater than \$1; and

(iii) 31.5% for Other NMS Stocks with a price less than \$1.

(B) the "Designated Percentage" shall be:

(i) 8% for Designated Stocks (except that between 9:30 a.m. and 9:45 a.m. and between 3:35 p.m. and the close of trading, the Designated Percentage for Designated Stocks shall be 20%);

(ii) 28% for Other NMS Stocks with a price equal to or greater than \$1; and

(iii) 30% for Other NMS Stocks with a price less than \$1.

(C) the term "Designated Stock" shall mean an ADF-eligible security that is included in the S&P 500® Index, Russell 1000® Index, or a pilot list of Exchange Traded Products;

(D) the term "Other NMS Stock" shall mean any ADF-eligible security that is not a Designated Stock; and

(E) the determination of the price of a stock shall be based on the closing price on the previous trading day, or, if no closing price exists, the last sale reported to the Consolidated Tape on the previous trading day.

(b) Minimum Price Variation for Quotations

The minimum quotation increment for quotations of \$1.00 or above in all ADF-eligible securities shall be \$0.01. The minimum quotation increment for quotations below \$1.00 in all ADF-eligible securities shall be \$0.0001. Quotations failing to meet this standard shall be rejected.

(c) Firm Quotations

(1) Consistent with Rule 602(b)(2) of SEC Regulation NMS, an ADF Trading Center that receives an offer to buy or sell from another broker-dealer shall execute a transaction for at least a normal unit of trading at its displayed quotations as disseminated through the ADF at the time of receipt of any such offer. If an ADF Trading Center displays a quotation for a size greater than a normal unit of trading, it shall, upon receipt of an offer to buy or sell from another broker-dealer, execute a transaction at least at the size displayed.

(2) If an ADF Trading Center, upon receipt of an offer to buy or sell from another broker-dealer in any amount that is at least one normal unit of trading greater than its published quotation size as disseminated through the ADF at the time of receipt of any such offer, executes a transaction in an amount of shares less than the size of the offer, then such ADF Trading Center shall, immediately after such execution, display a revised quotation at a price that is inferior to its previous published quotation. The failure of an ADF Trading Center to execute the offer in an amount greater than its published quotation size shall not constitute a violation of paragraph (c)(1) of this Rule.

(d) Quotations and quotation sizes in ADF-eligible securities may be entered into the ADF only by a Registered Reporting ADF Market Maker or Registered Reporting ADF ECN or other entity approved by FINRA to function in such a capacity. The ADF's protected quotation will be identified by FINRA based upon price, size and time priority.

Amended by SR-FINRA-2014-016 eff. May 1, 2014.
Amended by SR-FINRA-2013-053 eff. Feb. 3, 2014.
Amended by SR-FINRA-2013-031 eff. Feb. 3, 2014.
Amended by SR-FINRA-2011-023 eff. Aug. 8, 2011.
Amended by SR-FINRA-2010-049 eff. Dec. 6, 2010.
Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2008-003 eff. Jan. 25, 2008.
Amended by SR-NASD-2007-001 eff. March 5, 2007.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2007-008 eff. Jan 26, 2007.
Amended by SR-NASD-2006-096 eff. Aug. 8, 2006.
Amended by SR-NASD-2005-087 eff. Aug. 1, 2006.
Amended by SR-NASD-2003-175 eff. Mar. 12, 2004.
Amended by SR-NASD-2003-181 eff. Dec. 4, 2003.
Amended by SR-NASD-2003-67 eff. April 7, 2003.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

Selected Notices: 08-57, 14-04.

◀ 6271. REGISTRATION AS AN ADF MARKET MAKER OR ADF ECN

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> 6270. QUOTING AND TRADING IN ADF-ELIGIBLE SECURITIES

6273. Normal Business Hours

An ADF Trading Center shall be open for business as of 9:30 a.m. Eastern Time and shall close no earlier than 4:00 p.m. Eastern Time. An ADF Trading Center may be open for business on a voluntary basis for any period of time between 8:00 a.m. Eastern Time and 9:30 a.m. Eastern Time or between 4:00 p.m. Eastern Time and 6:30 p.m. Eastern Time. An ADF Trading Center whose quotes are open before 9:30 a.m. Eastern Time or after 4:00 p.m. Eastern Time shall be obligated to comply, while its quotes are open, with all FINRA rules that are not by their express terms, or by an official interpretation of FINRA, inapplicable to any part of the 8:00 a.m. to 9:30 a.m. Eastern Time or the 4:00 p.m. to 6:30 p.m. Eastern Time periods.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2007-001 eff. March 5, 2007.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2005-087 eff. Aug 1, 2006.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

Selected Notice: 08-57.

< 6272. CHARACTER OF QUOTATIONS

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6274. CLEARANCE AND SETTLEMENT >

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> 6270. QUOTING AND TRADING IN ADF-ELIGIBLE SECURITIES

6274. Clearance and Settlement

(a) A member shall clear and settle transactions effected on the ADF in ADF-eligible securities that are eligible for net settlement through the facilities of a registered clearing agency that uses a continuous net settlement system. This requirement may be satisfied by direct participation, use of direct clearing services, or by entry into a correspondent clearing arrangement with another member that clears trades through such an agency.

(b) Notwithstanding paragraph (a), transactions in ADF-eligible securities may be settled "ex-clearing" provided that both parties to the transaction agree.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2005-087 eff. Aug. 1, 2006.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

Selected Notice: 08-57.

◀ 6273. NORMAL BUSINESS HOURS

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6275. WITHDRAWAL OF QUOTATIONS ▶



6275. Withdrawal of Quotations

The Rule

Notices

(a) An ADF Trading Center that wishes to withdraw quotations in a security, other than instances when an ADF Trading Center is unable to submit automated quotations to the ADF, shall contact ADF Operations to obtain excused withdrawal status prior to withdrawing its quotations. If an ADF Trading Center cannot submit automated quotations or is unable to immediately and automatically respond to orders, as required by Rule 6250(e), the ADF Trading Center must immediately withdraw its quotations and promptly contact ADF Operations. An excused withdrawal of quotations may be granted by ADF Operations upon satisfying one of the conditions specified in this Rule.

(b) Excused withdrawal status based on circumstances beyond the ADF Trading Center's control may be granted for up to five (5) business days, unless extended by ADF Operations. Excused withdrawal status based on demonstrated legal or regulatory requirements, supported by appropriate documentation and accompanied by a representation that the condition necessitating the withdrawal of quotations is not permanent in nature, may, upon notification, be granted for not more than sixty (60) days (unless such request is required to be made pursuant to paragraph (d) below). Excused withdrawal status based on religious holidays may be granted only if notice is received by FINRA one business day in advance and is approved by FINRA. Excused withdrawal status based on vacation may be granted only if:

(1) the request for withdrawal is received by FINRA one business day in advance, and is approved by FINRA; and

(2) the request includes a list of the securities for which withdrawal is requested.

(c) Excused withdrawal status may be granted to a Registered Reporting ADF Market Maker that has withdrawn from an issue prior to the public announcement of a merger or acquisition and wishes to re-register in the issue pursuant to the same-day registration procedures contained in Rule 6271, above, provided the Registered Reporting ADF Market Maker has remained registered in one of the affected issues. The withdrawal of quotations because of pending news, a sudden influx of orders or price changes, or to effect transactions with competitors shall not constitute acceptable reasons for granting excused withdrawal status.

(d) Excused withdrawal status may be granted by ADF Operations to an ADF Trading Center that experiences a documented problem or failure impacting the operation or utilization of any automated system operated by or on behalf of the ADF Trading Center (chronic system failures within the control of the member will not constitute a problem or failure impacting a firm's automated system).

(e) Excused withdrawal status may be granted by ADF Operations to an ADF Trading Center that fails to maintain a clearing arrangement with a registered clearing agency or with a member of such an agency, thereby terminating its registration as an ADF Trading Center; provided however, that if FINRA finds that the ADF Trading Center's failure to maintain a clearing arrangement is voluntary, the withdrawal of quotations will be considered voluntary and unexcused pursuant to Rule 6276.

(f) Excused withdrawal status may be granted by ADF Operations to a Registered Reporting ADF Market Maker that is a distribution participant, affiliated purchaser, selling security holder or issuer of a distribution of a security that is a covered security subject to a restricted period under Rule 101 or 102 of SEC Regulation M on the following conditions:

(1) Such Registered Reporting ADF Market Maker shall, unless another member has assumed responsibility in writing for compliance with this Rule, provide a written request to FINRA, in such form as specified by FINRA, to withdraw the Registered Reporting ADF Market Maker's quotations, no later than the business day prior to the first complete trading session of the one-day or five-day restricted period under Rule 101 or 102 of SEC Regulation M, unless later notification is necessary under the specific circumstances.

(2) Such Registered Reporting ADF Market Maker shall submit a written request to FINRA, in such form as specified by FINRA, to rescind the Registered Reporting ADF Market Maker's excused withdrawal status, which request shall include the date and time of the pricing of the offering and the offering price, no later than the close of business the next business day following the pricing of the distribution.

(g) A three-member subcommittee comprised of current or former industry members of FINRA's Market Regulation Committee shall have jurisdiction over proceedings brought by market makers seeking review of a denial of an excused withdrawal pursuant to this Rule, or the conditions imposed on their reentry.

.01 If FINRA finds that an ADF Market Maker's failure to maintain a clearing arrangement pursuant to Rule 7120 is voluntary, the withdrawal of quotations will be considered voluntary and unexcused under this Rule.

Amended by SR-FINRA-2013-053 eff. Feb. 3, 2014.
Amended by SR-FINRA-2008-057 eff. Dec. 15, 2008.
Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2005-087 eff. Aug. 1, 2006.
Amended by SR-NASD-2003-145 eff. Jan. 6, 2004.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

Selected Notices: 08-57, 08-74.

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6276. Voluntary Termination of Registration

A Registered Reporting ADF Market Maker may voluntarily terminate its registration in a security by (1) withdrawing its quotations from the Alternative Display Facility and not re-entering its quotations for five (5) minutes, or (2) failing to re-enter quotations within thirty (30) minutes of the end of a trading halt. A Registered Reporting ADF Market Maker that voluntarily terminates its registration in a security may not re-register as a market maker in that security for twenty (20) business days, absent an excused withdrawal specified in Rule 6275. Withdrawal from participation as a Registered Reporting ADF Market Maker in the Alternative Display Facility shall constitute termination of registration as a market maker in that security for purposes of this Rule; provided, however, that a Registered Reporting ADF Market Maker that fails to maintain a clearing arrangement with a registered clearing agency or with a member of such an agency and thereby terminates its registration as a market maker in Nasdaq securities may register as a market maker at any time after a clearing arrangement has been reestablished.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

Selected Notice: 08-57.

◀ 6275. WITHDRAWAL OF QUOTATIONS

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6277. SUSPENSION AND TERMINATION OF QUOTATIONS BY FINRA ACTION ▶

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> 6270. QUOTING AND TRADING IN ADF-ELIGIBLE SECURITIES

6277. Suspension and Termination of Quotations by FINRA Action

FINRA may suspend, condition, limit, prohibit or terminate an ADF Trading Center's authority to enter quotations in one or more ADF-eligible securities for violations of applicable requirements or prohibitions.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2005-087 eff. Aug. 1, 2006.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

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< 6276. VOLUNTARY TERMINATION OF REGISTRATION

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6278. TERMINATION OF ALTERNATIVE DISPLAY FACILITY DATA SYSTEM SERVICE >

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> 6270. QUOTING AND TRADING IN ADF-ELIGIBLE SECURITIES

6278. Termination of Alternative Display Facility Data System Service

FINRA may, upon notice, terminate ADF Data System service in the event that an ADF Trading Center fails to qualify under specified standards of eligibility or fails to pay promptly for services rendered by FINRA.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2005-087 eff. Aug. 1, 2006.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

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< 6277. SUSPENSION AND TERMINATION OF QUOTATIONS BY FINRA ACTION

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6279. ALTERNATIVE TRADING SYSTEMS >

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6279. Alternative Trading Systems

(a) FINRA may provide a means to permit alternative trading systems ("ATSs"), as such term is defined in Regulation ATS, and electronic communications networks ("ECNs"), as such term is defined in Rule 600(b)(23) of SEC Regulation NMS, to comply with the display requirements of Rule 301(b)(3) of SEC Regulation ATS and the terms of the ECN display alternative provided for in Rule 602(b)(5)(ii)(A) and (B) of SEC Regulation NMS ("ECN display alternatives"). FINRA will not facilitate compliance with access requirements, which are the responsibility of ADF Trading Centers under Rule 6250.

(b) An ATS or ECN that seeks to use FINRA-provided means to comply with Rule 301(b)(3) of SEC Regulation ATS and/or the ECN display alternatives, or to provide orders to the ADF voluntarily shall:

(1) demonstrate to FINRA that it is in compliance with Regulation ATS or that it qualifies as an ECN meeting the definition in the SEC Regulation NMS;

(2) be registered as a FINRA member;

(3) agree to provide for FINRA's dissemination in the quotation data made available to quotation vendors the prices and sizes of FINRA Registered Market Maker orders (and orders from other subscribers of the ATS or ECN, if the ATS or ECN so chooses or is required by Rule 301(b)(3) of SEC Regulation ATS to display a subscriber's order in the ADF, at the highest buy price and the lowest sell price for each ADF-eligible security entered in and disseminated by the ATS or ECN; and prior to entering such prices and sizes, register with FINRA Market Operations as a Registered Reporting ADF ECN; and

(4) comply with Rule 6250.

(c) When a FINRA member attempts to access electronically an ATS or ECN-displayed order by sending an order that is larger than the ATS' or ECN's ADF-displayed size and the ATS or ECN is displaying the order on a reserved size basis, the FINRA member that operates the ATS or ECN shall execute such delivered order:

(1) up to the size of the delivered order, if the ATS or ECN order (including the reserved size and displayed portions) is the same size or larger than the delivered order; or

(2) up to the size of the ATS or ECN order (including the reserved size and displayed portions), if the delivered order is the same size or larger than the ATS or ECN order (including the reserved size and displayed portions).

No Registered Reporting ADF ECN operating through the ADF pursuant to this Rule is permitted to provide a reserved-size function unless the size of the order displayed through the ADF is 100 shares or greater. For purposes of this Rule, the term "reserved size" shall mean that a customer entering an order into an ATS or ECN has authorized the ATS or ECN to display publicly part of the full size of the customer's order with the remainder held in reserve on an undisplayed basis to be displayed in whole or in part as the displayed part is executed.

Amended by SR-FINRA-2013-053 eff. Feb. 3, 2014.
 Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
 Amended by SR-NASD-2006-091 eff. March 5, 2007.
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6281. Reporting Transactions in ADF-Eligible Securities

The Rule

Notices

This Rule 6280 Series governs the reporting by members of transactions in ADF-eligible securities through the ADF. Transactions executed otherwise than on an exchange must be reported to the ADF, in accordance with Rule 6282 and the Rule 7100 Series, as well as all other applicable FINRA rules, unless they are reported to another reporting facility designated by the SEC as being authorized to accept trade reports for trades executed otherwise than on an exchange.

Amended by SR-FINRA-2013-053 eff. Feb. 3, 2014.
Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2006-091 eff. March 5, 2007.
Amended by SR-NASD-2005-087 eff. Aug. 1, 2006.
Adopted by SR-NASD-2002-97 eff. July 29, 2002.

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6282. Transactions Reported by Members to the ADF

(a) When and How Transactions are Reported

(1) Transaction Reporting During Normal Market Hours

Members shall, as soon as practicable but no later than 10 seconds after execution, transmit to the ADF, or if the ADF is unavailable due to system or transmission failure, by telephone, facsimile or e-mail to FINRA Market 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 10 seconds after execution shall be designated as late.

(2) Transaction Reporting 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 as soon as practicable but no later than 10 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 as soon as practicable but no later than 10 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) Last sale reports of transactions in ADF-eligible securities executed between midnight and 8:00 a.m. Eastern Time shall be reported by 8:15 a.m. Eastern Time on trade date and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(D) Last sale reports of transactions in ADF-eligible securities executed (i) between 6:30 p.m. and midnight Eastern Time or (ii) on any non-business day (i.e., weekend or holiday) shall be reported the following business day by 8:15 a.m. Eastern Time, be designated "as/of" trades to denote their execution on a prior day and be designated with the unique trade report modifier, as specified by FINRA, to denote their execution outside normal market hours.

(3) All Trade Tickets Must be Time-Stamped

Members shall time-stamp all trade tickets at the time of execution for transactions in ADF-eligible securities. Execution time shall be reported to FINRA on all last sale reports and shall be expressed in hours, minutes and seconds based on Eastern Time in military format, unless another provision of FINRA rules requires that a different time be included on the report.

(4) Other Modifiers Required to be Reported

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 10 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 6220) (Note: the transaction report shall include both the time of execution of the trade and the time at which the member and the other party agreed to the Stop Stock Price; if the Stop Stock Transaction is executed and reported within 10 seconds of the time the member and the other party agree to the Stop Stock Price, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(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 both the time of execution of the trade and the prior reference time; if the trade is executed and reported within 10 seconds from the prior reference point in time, the designated modifier shall not be appended and only the time of execution of the trade shall be reported);

(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 10 seconds after execution;

(I) if the trade would be a trade-through of a protected quotation, but for the trade being qualified for an exception or exemption from Rule 611 of SEC Regulation NMS (Note: to ensure consistency in the usage of Rule 611 of SEC Regulation NMS related modifiers by registered broker-dealers, this modifier will be used in conformity with the specifications approved by the Operating Committee of the relevant National Market System Plans to identify trades executed pursuant to an exception or exemption from Rule 611 of SEC Regulation NMS);

(J) if the trade would be a trade-through of a protected quotation, but for the trade being qualified for an exception or exemption from Rule 611 of SEC Regulation NMS, members must, in addition to the modifier required in subparagraph (I) above, append an appropriate unique modifier, specified by FINRA, that identifies the specific applicable exception or exemption from Rule 611 of SEC Regulation NMS that a member is relying upon (Note: to ensure consistency in the usage of Rule 611 of SEC Regulation NMS related modifiers by registered broker-dealers, these modifiers will be used in conformity with the specifications approved by the Operating Committee of the relevant National Market System Plans to identify trades executed pursuant to an exception or exemption from Rule 611 of SEC Regulation NMS); and

(K) any other modifier as specified by FINRA or the SEC.

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.

(5) The ADF will append the appropriate modifier to indicate that a trade was executed outside normal market hours or that a report was submitted late to the ADF, where such report contains the time of execution, but does not contain the appropriate modifier.

(6) To identify pre-opening and after-hours trades reported late, the ADF will convert to the late modifier, as applicable, on any pre-opening or after-hours report submitted to the ADF more than 10 seconds after execution.

(7) Form T Reporting Obligations

All members shall report as soon as practicable to the Market Regulation Department on Form T, last sale reports of transactions in ADF-eligible securities for which electronic submission to the ADF is not possible (e.g., the ticker symbol for the security is no longer available or a market participant identifier is no longer active). Transactions that can be reported to the ADF, whether on trade date or on a subsequent date on an "as/of" basis (T+N), shall not be reported on Form T.

(8) Transactions not reported within 10 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 reasonable justification or 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 Transaction

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

(2) In transactions between a member and a customer or non-member, 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 otherwise and the member representing the sell-side contemporaneously documents such agreement.

(c) Information To Be Reported

Each last sale report shall contain the following information:

(1) Stock symbol of the designated security;

(2) Number of shares or bonds;

(3) Price of the transaction as required by paragraph (d) below;

(4) A symbol indicating whether the transaction is a buy, sell or cross, and if applicable, sell short or sell short exempt;

(5) The time of execution expressed in hours, minutes and seconds based on Eastern Time in military format, unless another provision of FINRA rules requires that a different time be included in the report; and

(6) For any transaction in an order for which a member has recording and reporting obligations under Rules 7440 and 7450, the trade report must include an order identifier, meeting such parameters as may be prescribed by FINRA, assigned to the order that uniquely identifies the order for the date it was received (see Rule 7440(b)(1)).

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

Members that report transactions pursuant to paragraph (b) above shall transmit last sale reports in the following manner:

(1) Reporting Agency Transactions

For agency transactions, report the number of shares (or bonds) and the price excluding the commission charged.

Example:

SELL as agent 100 shares at 40 less a commission of \$12.50;

REPORT 100 shares at 40.

(2) Reporting Dual Agency Transactions

For dual agency transactions, report the number of shares (or bonds) only once, and report the price excluding the commission charged.

Example:

SELL as agent 100 shares at 40 less a commission of \$12.50;

BUY as agent 100 shares at 40 plus a commission of \$12.50;

REPORT 100 shares at 40.

(3) Reporting Principal and Riskless Principal Transactions

(A) For principal transactions, except as provided below, report each purchase and sale transaction separately and report the number of shares (or bonds) and the price. For principal transactions that are executed at a price that includes a mark-up, mark-down 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 consideration all relevant circumstances including, but not limited to, market conditions with respect to the security, the number of shares (or bonds) involved in the transaction, the published bids and offers with size 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.

Example:

BUY as principal 100 shares from another member at 40 (no mark-down included);

REPORT 100 shares at 40.

Example:

BUY as principal 100 shares from a customer at 39.85 which includes a .15 mark-down from prevailing market at 40;

REPORT 100 shares at 40.

Example:

SELL as principal 100 shares to a customer at 40.15, which includes a .15 mark-up from the prevailing market of 40;

REPORT 100 shares at 40.

Example:

BUY as principal 10,000 shares from a customer at 39.75, which includes a .25 mark-down or service charge from the prevailing market of 40;

REPORT 10,000 shares at 40.

(B) Exception: A "riskless" principal transaction in which a member after having received an order to buy a security, purchases the security as principal at the same price to satisfy the order to buy or, after having received an order to sell, sells the security as principal at the same price to satisfy the order to sell, shall be reported to the ADF as one transaction in the same manner as an agency transaction, excluding the mark-up or mark-down, commission-equivalent, or other fee. Alternatively, a member may report a riskless principal transaction by submitting the following report(s):

(i) The member with the obligation to report the transaction pursuant to paragraph (b) above must submit a last sale report for the initial leg of the transaction.

(ii) Where the initial leg of the transaction has been reported to FINRA, regardless of whether a member has a reporting obligation pursuant to paragraph (b) above, the firm must submit, for the offsetting, "riskless" portion of the transaction, either:

a. a clearing-only report with a capacity indicator of "riskless principal," if a clearing report is necessary to clear the transaction; or

b. a non-tape, non-clearing report with a capacity indicator of "riskless principal," if a clearing report is not necessary to clear the transaction.

Example:

SELL as a principal 100 shares to another member at 40 to fill an existing order;

BUY as principal 100 shares from a customer at 40 minus a mark-down of \$12.50;

REPORT 100 shares at 40 by submitting a single trade report marked with a "riskless principal" capacity indicator to the ADF or by submitting the following reports:

1. where required by this Rule, a tape report marked with a "principal" capacity indicator; and

2. either a non-tape, non-clearing report or a clearing-only report marked with a "riskless principal" capacity indicator.

In a riskless principal transaction in which a member purchases or sells the security on an exchange to satisfy a customer's order, the trade will be reported by the exchange. A member may, however, submit to the ADF a clearing only report or a non-tape, non-clearing report for the "riskless" leg of a riskless principal transaction where the initial leg has been reported on or through an exchange. Any such report submitted to the ADF shall comply with all applicable requirements for trade reports set forth in this Rule 6282.

Example:

BUY as principal 100 shares on an exchange at 40 to fill an existing order;

DO NOT REPORT this leg (will be reported by exchange).

SELL as principal 100 shares to a customer at 40 plus a mark-up of \$12.50.

A member MAY submit to the ADF either a non-tape, non-clearing report or a clearing-only report for this leg marked with a "riskless principal" capacity indicator.

(4) 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 or a report submitted to FINRA pursuant to Rule 6282(d)(3)(B) for the offsetting leg of a riskless principal transaction. Nothing in this Rule 6282(d)(4) shall negate or modify the riskless principal transaction reporting requirements set forth in Rule 6282(d)(3)(B).

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 6282(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 6282(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 6282(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) Prohibition on Aggregation of Transactions

Individual executions of orders in a security at the same price may not be aggregated, for transaction reporting purposes, into a single transaction report.

(f) Reporting Requirements For Certain Transactions and Transfers of Securities

(1) The following shall not be reported to the ADF:

(A) transactions that are part of a primary distribution by an issuer or of a registered secondary distribution (other than "shelf distributions") or of an unregistered secondary distribution; for purposes of this subparagraph, the term "distribution" has the meaning set forth under Rule 100 of SEC Regulation M;

(B) transactions made in reliance on Section 4(2) of the Securities Act;

(C) transactions reported on or through an exchange;

(D) the acquisition of securities by a member as principal in anticipation of making an immediate exchange distribution or exchange offering on an exchange;

(E) purchases of securities off the floor of an exchange pursuant to a tender offer;

(F) 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; and

(G) the transfer of equity securities for the sole purpose of creating or redeeming an instrument that evidences ownership of or otherwise tracks the underlying securities transferred (e.g., an American Depositary Receipt or exchange-traded fund).

(2) The following shall not be reported to the ADF for publication purposes, but shall be reported for regulatory transaction fee assessment purposes under Rule 7130(f):

(A) transactions where the buyer and seller have agreed to trade at a price substantially unrelated to the current market for the security, e.g., to enable the seller to make a gift;

(B) purchases or sales of securities effected upon the exercise of an option pursuant to the terms thereof or the exercise of any other right to acquire securities at a pre-established consideration unrelated to the current market; and

(C) transfers of proprietary securities positions where the transfer (1) is effected in connection with a merger or direct or indirect acquisition and (2) is not in furtherance of a trading or investment strategy. Members must provide FINRA at least three business days advance written notice of their intent to use this exception, including the basis for their determination that the transfer meets the terms of the exception.

(g) Reporting Cancelled and Reversed Trades

(1) Obligation and Party Responsible for Reporting Cancelled and Reversed Trades

With the exception of trades cancelled in accordance with the Rule 11890 Series, members shall report the cancellation or reversal of any trade through the ADF that was previously submitted to FINRA through the ADF. The member responsible under Rule 6282 for submitting the original trade report shall submit the cancellation or reversal report in accordance with the procedures set forth in paragraphs (g)(2) and (3).

(2) Deadlines for Reporting Cancelled and Reversed Trades

(A) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or before 4:00 p.m. on the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation as soon as practicable but no later than 10 seconds after the time the trade is cancelled.

(B) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled after 4:00 p.m., but before 6:30 p.m. on the date of execution, the member responsible under paragraph (g)(1) shall use its best efforts to report the cancellation not later than 6:30 p.m. on the date of execution, and otherwise it shall report the cancellation on the following business day by 6:30 p.m.

(C) For trades executed between 9:30 a.m. and 4:00 p.m. Eastern Time and cancelled at or after 6:30 p.m. on the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation on the following business day by 6:30 p.m.

(D) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled prior to 6:30 p.m. on the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation by 6:30 p.m.

(E) For trades executed outside the hours of 9:30 a.m. to 4:00 p.m. Eastern Time and cancelled at or after 6:30 p.m. on the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation on the following business day by 6:30 p.m.

(F) For any trade cancelled or reversed on any date after the date of execution, the member responsible under paragraph (g)(1) shall report the cancellation (or reversal) (i) by 6:30 p.m. on the date of cancellation (or reversal) if the trade is cancelled (or reversed) before 6:30 p.m., or (ii) by 6:30 p.m. on the following business day if the trade is cancelled (or reversed) at or after 6:30 p.m.

(G) For purposes of determining the deadline by which a trade cancellation (or reversal) must be reported to FINRA pursuant to paragraph (g) of this Rule the term "cancelled" (or "reversed," as applicable) shall mean the time at which (i) the member with the reporting responsibility informs its contra party, or is informed by its contra party, that a trade is being cancelled (or reversed), (ii) the member with the reporting responsibility and its contra party agree to cancel (or reverse) a trade if neither party can unilaterally cancel (or reverse) the trade, or (iii) the member with the reporting responsibility takes an action to cancel (or reverse) the trade on its books and records, whichever event occurs first.

(3) When submitting a report of a reversal to the ADF, members must identify the original report of the previously submitted trade by including the original report date and the control number assigned by the ADF to the original trade report.

(h) A member may agree to allow a Participant to report and lock-in trades on its behalf, if both parties have completed an agreement to that effect as specified by FINRA and submitted it to FINRA Market Operations. However, the member with the reporting obligation remains responsible for the transaction submitted on its behalf. Further, both the member with the reporting obligation and the member submitting the trade to the ADF are responsible for ensuring that the information submitted is in compliance with all applicable rules and regulations.

••• Supplementary Material: -----

.01 Members that would otherwise have the trade reporting obligation under paragraph (b) of this Rule must provide to FINRA notice that they are relying on the exception from trade reporting under paragraph (f)(1)(A) of this Rule for transactions that are part of an unregistered secondary distribution. For each transaction that is part of the unregistered secondary distribution and not trade reported, the member must provide the following information to FINRA: security name and symbol, execution date, execution time, number of shares, trade price and parties to the trade. Such notice and information must be provided no later than three (3) business days following trade date and in such form as specified by FINRA. If the trade executions will occur over multiple days, then initial notice and available information must be provided no later than three (3) business days following the first trade date and final notice and information must be provided no later than three (3) business days following the last trade date. The member must retain records sufficient to document the basis for relying on this trade reporting exception, including but not limited to, the basis for determining that the definition of "distribution" under Rule 100 of SEC Regulation M has been satisfied, as well as evidence of compliance with applicable notification requirements under Rule 5190.

.02 Trade Reporting Time Frame

(a) With respect to the requirement under paragraphs (a) and (g) of this Rule that members report trades and trade cancellations "as soon as practicable," a member with the trade reporting obligation under paragraph (b) of this Rule must adopt policies and procedures reasonably designed to comply with this requirement and must implement systems that commence the trade reporting process without delay upon execution (or cancellation, as applicable). Where a member has such reasonably designed policies, procedures and systems in place, the member generally will not be viewed as violating the "as soon as practicable" requirement because of delays in trade reporting that are due to extrinsic factors that are not reasonably predictable and where the member does not purposely intend to delay the reporting of the trade. In no event may a member purposely withhold trade reports, e.g., by programming its systems to delay reporting until the last permissible second.

(b) FINRA recognizes that a very small universe of trades are reported manually, and as a result, even where a member does not purposely withhold trade reports, the trade reporting process may not be completed within 10 seconds following execution. In these cases, for purposes of determining whether "reasonable justification" exists to excuse what otherwise may be deemed to be a pattern or practice of late trade reporting under this Rule and Rule 6181, FINRA will take into consideration such factors as the complexity and manual nature of the execution and reporting of the trade, where the trade details must be manually entered into the trade reporting system following execution.

.03 Trade reports of block transactions using the Intermarket Sweep Order (ISO) exception (outbound) under Rule 611 of SEC Regulation NMS must include the time that all material terms of the transaction are known (including, but not limited to, the final number of shares executed after reflecting any fills of routed ISOs) and, if different from the time of execution, members must also include the time that ISOs are sent to trading centers with protected quotations that are priced superior to the block transaction price.

.04 All time fields required by this Rule must be reported in hours, minutes, seconds and milliseconds, if the member's system captures time in milliseconds.

Amended by SR-FINRA-2015-027 eff. Aug. 24, 2015.
 Amended by SR-FINRA-2013-050 and SR-FINRA-2015-008 eff. July 13, 2015.
 Amended by SR-FINRA-2014-045 eff. Dec. 1, 2014.
 Amended by SR-FINRA-2013-050 and SR-FINRA-2014-039 eff. Nov. 10, 2014.
 Amended by SR-FINRA-2013-053 eff. Feb. 3, 2014.
 Amended by SR-FINRA-2013-013 eff. Nov. 4, 2013.
 Amended by SR-FINRA-2011-027 eff. Nov. 1, 2011.
 Amended by SR-FINRA-2011-061 eff. Oct. 14, 2011.
 Amended by SR-FINRA-2010-058 eff. Feb. 28, 2011.
 Amended by SR-FINRA-2010-043 eff. Feb. 28, 2011.
 Amended by SR-FINRA-2009-061 eff. Nov. 1, 2010.
 Amended by SR-FINRA-2009-082 eff. April 12, 2010.
 Amended by SR-FINRA-2009-031 eff. Jan. 11, 2010.
 Amended by SR-FINRA-2009-027 eff. Aug. 3, 2009.
 Amended by SR-FINRA-2008-011 eff. Aug. 3, 2009.
 Amended by SR-FINRA-2009-024 eff. May 4, 2009.
 Amended by SR-FINRA-2008-060 eff. Jan. 12, 2009.
 Amended by SR-FINRA-2008-057 eff. Dec. 15, 2008.
 Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
 Amended by SR-FINRA-2007-017 eff. March 3, 2008.
 Amended by SR-NASD-2007-040 eff. Nov. 5, 2007.
 Amended by SR-NASD-2007-047 eff. July 6, 2007.
 Amended by SR-NASD-2007-001 eff. March 5, 2007.
 Amended by SR-NASD-2006-091 eff. March 5, 2007.
 Amended by SR-NASD-2006-098 eff. Dec. 1, 2006.
 Amended by SR-NASD-2006-055 eff. Dec. 1, 2006.
 Amended by SR-NASD-2005-87 eff. Aug. 1, 2006.
 Adopted by SR-NASD-2002-97 eff. July 29, 2002.

Selected Notices: 07-31, 07-33, 07-38, 07-63, 08-57, 09-08, 09-21, 09-52, 10-07, 10-24, 10-48, 11-40, 13-19, 14-21.

VERSIONS

Aug 24, 2015 onwards

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6300A. FINRA/NASDAQ TRADE REPORTING FACILITIES

There are two FINRA/Nasdaq Trade Reporting Facilities: FINRA/Nasdaq Trade Reporting Facility Carteret and FINRA/Nasdaq Trade Reporting Facility Chicago. As used in the Rule 6300A Series, the term "FINRA/Nasdaq Trade Reporting Facility" means either the FINRA/Nasdaq Trade Reporting Facility Carteret or FINRA/Nasdaq Trade Reporting Facility Chicago, as applicable, depending on the facility to which the Participant elects to report. The two FINRA/Nasdaq Trade Reporting Facilities are separate and distinct facilities, and as such, for example, the correction, cancellation or reversal of a trade can only be reported to the FINRA/Nasdaq Trade Reporting Facility to which the trade was originally reported.

The forms of agreements required under the Rule 6300A Series, including the agreement to allow a Participant to report and lock-in trades on a member's behalf required under Rule 6380A(h), shall be identical for both FINRA/Nasdaq Trade Reporting Facilities and a single agreement can be used for purposes of both FINRA/Nasdaq Trade Reporting Facilities. Members that elect to participate in both FINRA/Nasdaq Trade Reporting Facilities must amend any existing agreements under the Rule 6300A Series to reflect their application to both Facilities.

Any determinations made by FINRA to suspend, condition, limit or terminate a Participant's ability to use one of the FINRA/Nasdaq Trade Reporting Facilities shall also apply to the other FINRA/Nasdaq Trade Reporting Facility with respect to that Participant.

Amended by SR-FINRA-2018-013 eff. Sept. 10, 2018.

VERSIONS

Sep 10, 2018 onwards



6310A. General

Members may use the FINRA/Nasdaq Trade Reporting Facility to report transactions executed otherwise than on an exchange in all NMS stocks as defined in Rule 600(b)(47) of SEC Regulation NMS ("designated securities"). Members that use the FINRA/Nasdaq Trade Reporting Facility must comply with the Rule 6300A and 7200A Series, as well as all other applicable rules. The Rule 6300A and 7200A Series shall apply only to members using the FINRA/Nasdaq Trade Reporting Facility.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Amended by SR-NASD-2006-104 eff. March 5, 2007.
Amended by SR-NASD-2006-087 eff. Aug. 1, 2006.
Adopted by SR-NASD-2005-087 eff. Aug. 1, 2006.

Selected Notice: 08-57.



> FINRA RULES > 6000. QUOTATION, ORDER, AND TRANSACTION REPORTING FACILITIES > 6300. TRADE REPORTING FACILITIES
> 6300B. FINRA/NYSE TRADE REPORTING FACILITY

6310B. General

Members may use the FINRA/NYSE Trade Reporting Facility to report transactions executed otherwise than on an exchange in all NMS stocks as defined in Rule 600(b)(47) of SEC Regulation NMS ("designated securities"). Members that use the FINRA/NYSE Trade Reporting Facility must comply with the Rule 6300B and 7200B Series, as well as all other applicable rules. The Rule 6300B and 7200B Series shall apply only to members using the FINRA/NYSE Trade Reporting Facility.

Renumbered from Rule 6310C and amended by SR-FINRA-2008-066 eff. Jan. 1, 2009.
Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.
Adopted by SR-NASD-2007-011 eff. April 18, 2007.

Selected Notice: 08-57.

< 6300B. FINRA/NYSE TRADE REPORTING FACILITY

UP

6320B. DEFINITIONS >

VERSIONS

Jan 01, 2009 onwards



6320A. Definitions

(a) For purposes of the Rule 6300A Series, unless the context requires otherwise:

(1) "Exchange Act" or "SEA" means the Securities Exchange Act of 1934.

(2) "Designated securities" means all NMS stocks as defined in Rule 600(b)(47) of SEC Regulation NMS.

(3) "Member" means a broker or dealer admitted to FINRA membership.

(4) "Market Maker" means an "exchange market maker" or "OTC market maker," as those terms are defined in Rule 600(b) of SEC Regulation NMS, that is registered in a particular designated security as such with an exchange or a registered securities association or a facility thereof. A member is considered a Market Maker only in those designated securities for which it is registered as such.

(5) "Nasdaq" means the NASDAQ Stock Market, LLC and its facilities.

(6) "Normal market hours" means 9:30 a.m. Eastern Time to 4:00 p.m. Eastern Time.

(7) "Normal unit of trading" means 100 shares of a security unless, with respect to a particular security, FINRA determines that a normal unit of trading shall constitute other than 100 shares.

(8) "Otherwise than on an exchange" means a trade effected by a FINRA member otherwise than on or through the facilities of a national securities exchange. The determination of what constitutes a trade "on or through" a particular national securities exchange shall be determined by that exchange in accordance with all applicable statutes, rules and regulations, and with any necessary SEC approval.

(9) "Round lot holder" means a holder of a normal unit of trading.

(10) "Stop Stock Price" means the specified price at which a member and another party agree a Stop Stock Transaction shall be executed, and which price is based upon the prices at which the security is trading at the time the order is received by the member, taking into consideration that the specified price may deviate from the current market prices to factor in the size of the order and the number of shares available at those prices.

(11) "Stop Stock Transaction" means any transaction that meets both of the following conditions:

(A) the transaction is the result of an order in which a member and another party agree that the order will be executed at a Stop Stock Price or better; and

(B) the order is executed at the Stop Stock Price or better.

(12) "Trade Reporting Facility Participant" or "Participant" means any member in good standing that uses the FINRA/Nasdaq Trade Reporting Facility.

(13) Terms used in this Rule 6300A Series shall have the meaning as defined in FINRA By-Laws and rules, and Rule 600 of SEC Regulation NMS and the Joint Self-Regulatory Organization Plan Governing the Collection, Consolidation, and Dissemination of Quotation and Transaction Information for Nasdaq-Listed Securities Traded on Exchanges on an Unlisted Trading Privilege Basis, unless otherwise defined herein.

Amended by SR-FINRA-2008-021 eff. Dec. 15, 2008.

Amended by SR-NASD-2006-104 eff. March 5, 2007.

Amended by SR-NASD-2006-087 eff. Aug. 1, 2006.

Adopted by SR-NASD-2005-087 eff. Aug. 1, 2006.

Selected Notice: 08-57.

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