

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34-67867; File No. SR-NASD-2005-100)

September 14, 2012

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Withdrawal of Proposed Rule Change and Amendments Nos. 1, 2, 3 and 4 Thereto, To Require Members To Provide Customers in TRACE-Eligible Debt Securities with Additional, Transaction-Specific Disclosures and To Notify Customers of the Availability of a Disclosure Document.

On August 19, 2005, the National Association of Securities Dealers, Inc. (“NASD”), n/k/a Financial Industry Regulatory Authority, Inc. (“FINRA”), filed with the Securities and Exchange Commission (“SEC” or “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act” or “Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change that would have (1) adopted NASD Rule 2231, which would have required members, subject to specified exceptions, to provide customers in transactions in debt securities that are TRACE-eligible securities, as defined in former NASD Rule 6210(a),³ with additional, transaction-specific disclosures relating to applicable charges, credit ratings, the availability of last-sale transaction information, and certain interest, yield and call provisions; and (2) amended NASD Rule 2340 (customer account statements) to require members to notify certain customers of the availability of a disclosure document discussing debt securities authored by FINRA and deliver the document to customers upon request. NASD filed Amendment No. 1 to the proposed rule change on December 21, 2005, Amendment No. 2 to the proposed rule change on January 26, 2007, and Amendment No. 3 to the proposed rule change on July 16, 2007. FINRA filed Amendment No. 4 on August

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ NASD Rule 6210 was superceded by FINRA Rule 6710 as of Dec. 15, 2008. See FINRA Regulatory Notice 08-57, SEC Approves New Consolidated FINRA Rules (October 2008) available at http://finra.complinet.com/net_file_store/new_rulebooks/f/i/finra_08-57.pdf.

21, 2007. The proposed rule change, as modified by Amendments 1, 2, 3 and 4, was published for comment in the Federal Register on October 19, 2007.⁴ The Commission received four comments on the proposal.⁵

On September 14, 2012, FINRA withdrew the proposed change (SR-NASD-2005-100).

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.⁶

Kevin O'Neill
Deputy Secretary

⁴ See Securities Exchange Act Release No. 56661 (Oct. 15, 2007), 72 FR 59321 (Oct. 19, 2009).

⁵ All comments are posted on the Commission's website, <http://www.sec.gov/comments/sr-nasd-2005-100/nasd2005100.shtml> (last visited Sept. 14, 2012). FINRA filed a response to comments. See letter from Sharon Zackula, FINRA, to Florence E. Harmon, SEC, dated Sept. 5, 2008 available at <http://www.sec.gov/comments/sr-nasd-2005-100/nasd2005100-5.pdf>.

⁶ 17 CFR 200.30-3(a)(12).