

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 25

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2023 - * 07

Amendment No. (req. for Amendments *)

Filing by Investors' Exchange LLC

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial * <input checked="" type="checkbox"/>	Amendment * <input type="checkbox"/>	Withdrawal <input type="checkbox"/>	Section 19(b)(2) * <input type="checkbox"/>	Section 19(b)(3)(A) * <input checked="" type="checkbox"/>	Section 19(b)(3)(B) * <input type="checkbox"/>
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Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>
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Rule

<input type="checkbox"/> 19b-4(f)(1)	<input type="checkbox"/> 19b-4(f)(4)
<input type="checkbox"/> 19b-4(f)(2)	<input type="checkbox"/> 19b-4(f)(5)
<input type="checkbox"/> 19b-4(f)(3)	<input checked="" type="checkbox"/> 19b-4(f)(6)

Submit with link to Prefiling or Request for Waiver option

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934

Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

Provide a brief description of the action (limit 250 characters, required when Initial is checked *).

Proposed Rule Change to Amend IEX Rule 2.160 to Provide Eligible Individuals Another Opportunity to Elect to Participate in the Maintaining Qualifications Program.

Contact Information

Provide the name, telephone number, and e-mail address of the person on the staff of the self-regulatory organization prepared to respond to questions and comments on the action.

First Name * Nathaniel Last Name * Kolodny

Title * Lead Regulation Counsel

E-mail * nathaniel.kolodny@iextrading.com

Telephone * (646) 343-2034 Fax

Signature

Pursuant to the requirements of the Securities Exchange of 1934, Investors' Exchange LLC has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 07/13/2023

(Title *)

By Nathaniel Kolodny

Lead Regulation Counsel

(Name *)

NOTE: Clicking the signature block at right will initiate digitally signing the form. A digital signature is as legally binding as a physical signature, and once signed, this form cannot be changed.

Nathaniel Kolodny
Digitally signed by Nathaniel Kolodny
Date: 2023.07.13 15:08:25 -04'00'

Required fields are shown with yellow backgrounds and astericks.

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

For complete Form 19b-4 instructions please refer to the EDFS website.

Form 19b-4 Information *

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FINRA MQP extension 19b-4 - filed ve

The self-regulatory organization must provide all required information, presented in a clear and comprehensible manner, to enable the public to provide meaningful comment on the proposal and for the Commission to determine whether the proposal is consistent with the Act and applicable rules and regulations under the Act.

Exhibit 1 - Notice of Proposed Rule Change *

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FINRA MQP extension Ex. 1.docx

The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 1A - Notice of Proposed Rule Change, Security-Based Swap Submission, or Advanced Notice by Clearing Agencies *

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The Notice section of this Form 19b-4 must comply with the guidelines for publication in the Federal Register as well as any requirements for electronic filing as published by the Commission (if applicable). The Office of the Federal Register (OFR) offers guidance on Federal Register publication requirements in the Federal Register Document Drafting Handbook, October 1998 Revision. For example, all references to the federal securities laws must include the corresponding cite to the United States Code in a footnote. All references to SEC rules must include the corresponding cite to the Code of Federal Regulations in a footnote. All references to Securities Exchange Act Releases must include the release number, release date, Federal Register cite, Federal Register date, and corresponding file number (e.g., SR-[SRO]-xx-xx). A material failure to comply with these guidelines will result in the proposed rule change being deemed not properly filed. See also Rule 0-3 under the Act (17 CFR 240.0-3)

Exhibit 2- Notices, Written Comments, Transcripts, Other Communications

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Copies of notices, written comments, transcripts, other communications. If such documents cannot be filed electronically in accordance with Instruction F, they shall be filed in accordance with Instruction G.

Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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Copies of any form, report, or questionnaire that the self-regulatory organization proposes to use to help implement or operate the proposed rule change, or that is referred to by the proposed rule change.

Exhibit Sent As Paper Document

Exhibit 4 - Marked Copies

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The full text shall be marked, in any convenient manner, to indicate additions to and deletions from the immediately preceding filing. The purpose of Exhibit 4 is to permit the staff to identify immediately the changes made from the text of the rule with which it has been working.

Exhibit 5 - Proposed Rule Text

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FINRA MQP extension Ex. 5 v2.2 - file

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The self-regulatory organization may choose to attach as Exhibit 5 proposed changes to rule text in place of providing it in Item I and which may otherwise be more easily readable if provided separately from Form 19b-4. Exhibit 5 shall be considered part of the proposed rule change

Partial Amendment

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If the self-regulatory organization is amending only part of the text of a lengthy proposed rule change, it may, with the Commission's permission, file only those portions of the text of the proposed rule change in which changes are being made if the filing (i.e. partial amendment) is clearly understandable on its face. Such partial amendment shall be clearly identified and marked to show deletions and additions.

1. Text of Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) under the Securities Exchange Act of 1934 (“Act”)¹, and Rule 19b-4 thereunder², Investors Exchange LLC (“IEX” or “Exchange”) is filing with the Securities and Exchange Commission (“Commission”) a proposed rule change to amend IEX Rule 2.160 to provide eligible individuals another opportunity to elect to participate in the Maintaining Qualifications Program. The Exchange has designated this proposal as non-controversial pursuant to Section 19(b)(3)(A)(iii) of the Act³ and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) thereunder.⁴

A notice of the proposed rule change for publication in the Federal Register is attached hereto as Exhibit 1. The text of the proposed rule change is attached as Exhibit 5.

(b) The Exchange does not believe that the proposed rule change will have any direct effect, or any significant indirect effect, on any other Exchange rule in effect at the time of this filing.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

Senior management has approved the proposed rule change pursuant to authority delegated to it by the Board of the Exchange. No further action is required under the Exchange’s governing documents. Therefore, the Exchange’s internal procedures with

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(f)(6)(iii).

respect to the proposed rule change are complete.

The persons on the Exchange staff prepared to respond to questions and comments on the proposed rule change are:

Claudia Crowley
Chief Regulatory Officer
Investors Exchange LLC
917-509-9001

Nathaniel Kolodny
Lead Regulation Counsel
Investors Exchange LLC
646-629-5622

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

a. Purpose

IEX is proposing to amend Supplementary Material .01 to IEX Rule 2.160(p)(c) to provide eligible individuals another opportunity to elect to participate in in the Maintaining Qualifications Program ("MQP"). This proposed rule change is based on a substantively identical filing made by the Financial Industry Regulatory Authority, Inc. ("FINRA"), which established a second enrollment period for the MQP that ends on December 31, 2023 ("Second Enrollment Period").⁵

On November 28, 2022, IEX amended IEX Rule 2.160 to, among other things, provide eligible individuals who terminate any of their representative or principal registration categories the option of maintaining their qualification for any terminated registration categories by completing annual continuing education through the new MQP.⁶ By that time, however, the First Enrollment Period, defined below, had expired leaving many eligible individuals unable to participate in the MQP. This proposed rule

⁵ See Securities Exchange Act Release No. 97184 (March 22, 2023) 88 FR 18359 (March 28, 2023) (SR-FINRA-2023-005) ("FINRA MQP Second Enrollment Period Filing").

⁶ See Securities Exchange Act Release No. 96473 (December 9, 2022) 87 FR 77152 (December 16, 2022) (SR-IEX-2022-11).

change will provide those eligible individuals a second opportunity to elect to participate in the MQP to maintain their qualifications.

Prior to the MQP, individuals whose registrations as representatives or principals had been terminated for two or more years could reregister as representatives or principals only if they requalified by retaking and passing the applicable representative or principal-level examination or if they obtained a waiver of such examination(s) (the “two-year qualification period”). The MQP provides these individuals an alternative means of staying current on their regulatory and securities knowledge following the termination of a registration.⁷ Specifically, the MQP provides eligible individuals a maximum of five years following the termination of a representative or principal registration category to reregister without having to requalify by examination or having to obtain an examination waiver, subject to satisfying the conditions and limitations of the MQP, including the annual completion of all prescribed continuing education.

Supplementary Material .01 to IEX Rule 2.160(p)(c) (Eligibility of Other Persons to Participate in the Continuing Education Program Specified in Subparagraph (c) of Rule 2.160(p)), describes a look-back provision that extended the option of participating in the MQP to individuals who: (1) were registered in a representative or principal registration category with FINRA within two years immediately preceding March 15, 2022; or (2) were participating in the Financial Services Affiliate Waiver Program (“FSAWP”).⁸

⁷ The MQP does not eliminate the two-year qualification period. Thus, eligible individuals who elect not to participate in the MQP can continue to avail themselves of the two-year qualification period (i.e., they can reregister within two years of terminating a registration category without having to requalify by examination or having to obtain an examination waiver).

⁸ The FSAWP is a waiver program for eligible individuals who have left a member firm to work for a foreign or domestic financial services affiliate of a member firm. FINRA stopped accepting new participants for the FSAWP beginning on March 15, 2022; however, individuals who were already participating in the FSAWP prior to that date had the option of continuing in the FSAWP.

pursuant to Supplementary Material .01 to Rule 2.160(g) immediately preceding March 15, 2022 (collectively, “Look-Back Individuals”).

In the FINRA MQP Second Enrollment Period Filing, FINRA noted that in Regulatory Notice 21-41 (November 17, 2021), it announced that Look-Back Individuals who wanted to take part in the MQP were required to make their election between January 31, 2022, and March 15, 2022 (the “First Enrollment Period”). In addition to the announcement in Regulatory Notice 21-41, FINRA notified the Look-Back Individuals about the MQP and the First Enrollment Period via two separate mailings of postcards to their home addresses and communications through their FINRA Financial Professional Gateway (“FinPro”) accounts.⁹ In that same filing, FINRA noted that shortly after the First Enrollment Period ended, a number of Look-Back Individuals contacted FINRA and indicated that they had only recently become aware of the MQP.¹⁰ In addition, FINRA noted that the original six-week enrollment period may not have provided Look-Back Individuals with adequate time to evaluate whether they should participate in the MQP.¹¹ Thus, FINRA both established a Second Enrollment Period for the MQP, which lasts until December 31, 2023, and set forth a robust communication campaign involving more active outreach to enhance public awareness of Second Enrollment Period for the MQP.¹²

IEX, like FINRA, believes that greater public awareness of the MQP and FINRA’s additional outreach efforts, coupled with the longer duration of the Second Enrollment Period (the first enrollment period last six weeks), should help notify as many

⁹ Look-Back Individuals were able to notify FINRA of their election to participate in the MQP through their FinPro accounts.

¹⁰ See supra note 5.

¹¹ See Id.

¹² See Id.

Look-Back-Individuals as possible of their options with respect to the MQP, and should provide them ample time to decide whether to participate in the MQP.¹³

Thus, IEX proposes to amend Supplementary Material .01 to IEX Rule 2.160(p)(c) to conform with FINRA's recent amendments to FINRA Rule 1240.01. Specifically, IEX proposes to add language stating that persons eligible for the MQP look-back period either: (i) had to elect to participate with FINRA in the MQP by March 15, 2022, or (ii) shall make their election to participate with IEX in the MQP during a new enrollment period that begins on [date of the filing] and ends on December 31, 2023. IEX also proposes to add language stating that Look-Back Individuals who participate in the MQP shall have a participation period of five years following the termination of their registration categories, and that they must complete any prescribed 2022 and 2023 continuing education content by March 31, 2024.¹⁴ Lastly, IEX proposes to delete the last sentence of Supplementary Material .01 to IEX Rule 2.160(p)(c) that describes how FINRA adjusted participation periods for individuals who enrolled in the MQP during the first enrollment period.

Look-Back Individuals who elect to enroll during the Second Enrollment Period would need to notify FINRA of their election to participate in the MQP through their FinPro accounts.¹⁵ IEX also notes that Look-Back Individuals who elect to participate in the MQP during the Second Enrollment Period would continue to be subject to all of the other MQP eligibility and participation conditions. For example, as clarified in the

¹³ See *Id.*

¹⁴ Look-Back Individuals who elect to enroll in the MQP during the Second Enrollment Period would also need to pay the annual program fee of \$100 for both 2022 and 2023 at the time of their enrollment.

¹⁵ See Second Enrollment Period, <https://www.finra.org/registration-exams-ce/continuing-education/CE-transformation/mqp#Second-Enrollment>

proposed rule change, Look-Back Individuals electing to participate during the Second Enrollment Period would have only a maximum of five years following the termination of a registration category in which to reregister without having to requalify by examination or having to obtain an examination waiver.¹⁶

IEX has filed the proposed rule change for immediate effectiveness and has requested that the Commission waive the 30-day operative delay. The operative date will be the date of the filing of the proposed rule change if the Commission grants the waiver.

b. Statutory Basis

The Exchange believes that its proposal is consistent with the requirements of Sections 6(b)¹⁷ and 6(b)(5) of the Act,¹⁸ in particular, in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. IEX believes that providing Look-Back Individuals a second opportunity to elect to participate in the MQP is warranted because participation in the MQP would reduce unnecessary impediments to requalification for these individuals without diminishing investor protection. In addition, the proposed rule change is consistent with other goals, such as the promotion of diversity and inclusion in the securities industry by attracting and retaining a broader and diverse group of professionals. The MQP also allows the industry to retain expertise from skilled

¹⁶ For example, if a Look-Back Individual terminated a registration category on May 1, 2020, and elects to participate in the MQP on December 1, 2023, the individual's maximum participation period would be five years starting on May 1, 2020, and ending no later than May 1, 2025. If the individual does not reregister with a member firm by May 1, 2025, the individual would need to requalify by examination or obtain an examination waiver in order to reregister after that date.

¹⁷ 15 U.S.C. 78f(b).

¹⁸ 15 U.S.C. 78f(b)(5).

individuals, protecting investors with the advantage of greater experience among individuals working in the industry. IEX believes that providing Look-Back Individuals a second opportunity to elect to participate in the MQP will further these goals and objectives.

The Exchange believes the proposed rule change is consistent with the provisions of Section 6(b)(5) of the Act,¹⁹ which requires, among other things, that Exchange 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, and Section 6(c)(3) of the Act,²⁰ which authorizes the Exchange to prescribe standards of training, experience and competence for persons associated with Exchange.

Finally, as described in the Purpose section, the proposed rule change seeks to align the Exchange Rules with changes to FINRA rules which have been allowed to take effect by the Commission.²¹ Thus, this rule change raises no novel issues that have not already been considered by and accepted by the Commission.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed rule change, which harmonizes its rules with rule changes adopted by FINRA, will reduce the regulatory burden placed on market participants engaged in trading activities across different markets.

5. Self-Regulatory Organization's Statement on Comments on the Proposed Rule

¹⁹ 15 U.S.C. 78f(b)(5).

²⁰ 15 U.S.C. 78f(c)(3).

²¹ See supra note 5.

Change Received from Members, Participants, or Others

Written comments were neither solicited nor received.

6. Extension of Time Period for Commission Action

Not applicable.

7. Basis for Summary Effectiveness Pursuant to Section 19(b)(3) or for Accelerated Effectiveness Pursuant to Section 19(b)(2)

The Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A) of the Act²² and paragraph (f)(6) of Rule 19b-4 thereunder.²³ The Exchange asserts that the proposed rule change: (1) will not significantly affect the protection of investors or the public interest, (2) will not impose any significant burden on competition, (3) and will not become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate.

The Exchange does not believe that the proposed rule change raises any novel or unique substantive issues. Indeed, FINRA has already adopted substantially similar rule changes.²⁴ In addition, Rule 19b-4(f)(6)(iii)²⁵ requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

Accordingly, the Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A) of the Act²⁶ and paragraph (f)(6) of Rule 19b-4 thereunder.²⁷

²² 15 U.S.C. 78s(b)(3)(A).

²³ 17 CFR 240.19b-4.

²⁴ See supra note 5.

²⁵ 17 CFR 240.19b-4(f)(6)(iii).

²⁶ 15 U.S.C. 78s(b)(3)(A).

The Exchange respectfully requests that the Commission waive the 30-day operative delay so that the proposed rule change may become effective and operative upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act²⁸ and paragraph (f)(6) of Rule 19b-4 thereunder.²⁹ Waiver of the 30-day operative delay would allow the Exchange to implement the Second Enrollment Period for the MQP without delay, thereby eliminating the existence of a regulatory gap between the FINRA and Exchange rules, providing more uniform standards across the securities industry, and helping to avoid ongoing confusion for Exchange Members³⁰ that are also FINRA members.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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.

8. Proposed Rule Change Based on the Rules of Another Self-Regulatory Organization or of the Commission

The proposed rule change is based on and substantively similar to FINRA Rule 1240.01.

9. Security-Based Swap Submissions Filed Pursuant to Section 3C of the Act

Not applicable.

10. Advance Notices Filed Pursuant to Section 806(e) of the Payment, Clearing and Settlement Supervision Act

²⁷ 17 CFR 240.19b-4.

²⁸ 15 U.S.C. 78s(b)(3)(A).

²⁹ 17 CFR 240.19b-4.

³⁰ See IEX Rule 1.160(s).

Not applicable.

11. Exhibits

Exhibit 1 – Form of Notice of the Proposed Rule Change for Publication in the Federal Register.

Exhibit 5 – Text of Proposed Rule Change/Amendment to the Exchange’s Fee Schedule.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34 -); File No. SR-IEX-2023-07

Self-Regulatory Organizations: Investors Exchange LLC; Notice of Filing and Immediate Effectiveness of Proposed Rule Change to Amend IEX Rule 2.160 to Provide Eligible Individuals Another Opportunity to Elect to Participate in the Maintaining Qualifications Program.

Pursuant to Section 19(b)(1)¹ of the Securities Exchange Act of 1934 (the “Act”)² and Rule 19b-4 thereunder,³ notice is hereby given that, on (date), the Investors Exchange LLC (“IEX” or the “Exchange”) filed with the Securities and Exchange Commission (the “Commission”) the proposed rule change as described in Items I, II and III below, which Items have been prepared by the self-regulatory organization. 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

Pursuant to the provisions of Section 19(b)(1) under the Act⁴, and Rule 19b-4 thereunder⁵, IEX is filing with the Commission a proposed rule change to amend IEX Rule 2.160 to provide eligible individuals another opportunity to elect to participate in the Maintaining Qualifications Program. The Exchange has designated this proposal as non-

¹ 15 U.S.C. 78s(b)(1).

² 15 U.S.C. 78a.

³ 17 CFR 240.19b-4.

⁴ 15 U.S.C. 78s(b)(1).

⁵ 17 CFR 240.19b-4.

controversial pursuant to Section 19(b)(3)(A)(iii) of the Act⁶ and provided the Commission with the notice required by Rule 19b-4(f)(6)(iii) thereunder.⁷

The text of the proposed rule change is available at the Exchange's website at www.iextrading.com, at the principal office of the Exchange, and at the Commission's Public Reference Room.

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

In its filing with the Commission, the self-regulatory organization 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. The self-regulatory organization 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

IEX is proposing to amend Supplementary Material .01 to IEX Rule 2.160(p)(c) to provide eligible individuals another opportunity to elect to participate in in the Maintaining Qualifications Program ("MQP"). This proposed rule change is based on a substantively identical filing made by the Financial Industry Regulatory Authority, Inc. ("FINRA"), which established a second enrollment period for the MQP that ends on December 31, 2023 ("Second Enrollment Period").⁸

⁶ 15 U.S.C. 78s(b)(3)(A).

⁷ 17 CFR 240.19b-4(f)(6)(iii).

⁸ See Securities Exchange Act Release No. 97184 (March 22, 2023) 88 FR 18359 (March 28, 2023)

On November 28, 2022, IEX amended IEX Rule 2.160 to, among other things, provide eligible individuals who terminate any of their representative or principal registration categories the option of maintaining their qualification for any terminated registration categories by completing annual continuing education through the new MQP.⁹ By that time, however, the First Enrollment Period, defined below, had expired leaving many eligible individuals unable to participate in the MQP. This proposed rule change will provide those eligible individuals a second opportunity to elect to participate in the MQP to maintain their qualifications.

Prior to the MQP, individuals whose registrations as representatives or principals had been terminated for two or more years could reregister as representatives or principals only if they requalified by retaking and passing the applicable representative or principal-level examination or if they obtained a waiver of such examination(s) (the “two-year qualification period”). The MQP provides these individuals an alternative means of staying current on their regulatory and securities knowledge following the termination of a registration.¹⁰ Specifically, the MQP provides eligible individuals a maximum of five years following the termination of a representative or principal registration category to reregister without having to requalify by examination or having to obtain an examination waiver, subject to satisfying the conditions and limitations of the MQP, including the annual completion of all prescribed continuing education.

(SR-FINRA-2023-005) (“FINRA MQP Second Enrollment Period Filing”).

⁹ See Securities Exchange Act Release No. 96473 (December 9, 2022) 87 FR 77152 (December 16, 2022) (SR-IEX-2022-11).

¹⁰ The MQP does not eliminate the two-year qualification period. Thus, eligible individuals who elect not to participate in the MQP can continue to avail themselves of the two-year qualification period (i.e., they can reregister within two years of terminating a registration category without having to requalify by examination or having to obtain an examination waiver).

Supplementary Material .01 to IEX Rule 2.160(p)(c) (Eligibility of Other Persons to Participate in the Continuing Education Program Specified in Subparagraph (c) of Rule 2.160(p)), describes a look-back provision that extended the option of participating in the MQP to individuals who: (1) were registered in a representative or principal registration category with FINRA within two years immediately preceding March 15, 2022; or (2) were participating in the Financial Services Affiliate Waiver Program (“FSAWP”).¹¹ pursuant to Supplementary Material .01 to Rule 2.160(g) immediately preceding March 15, 2022 (collectively, “Look-Back Individuals”).

In the FINRA MQP Second Enrollment Period Filing, FINRA noted that in Regulatory Notice 21-41 (November 17, 2021), it announced that Look-Back Individuals who wanted to take part in the MQP were required to make their election between January 31, 2022, and March 15, 2022 (the “First Enrollment Period”). In addition to the announcement in Regulatory Notice 21-41, FINRA notified the Look-Back Individuals about the MQP and the First Enrollment Period via two separate mailings of postcards to their home addresses and communications through their FINRA Financial Professional Gateway (“FinPro”) accounts.¹² In that same filing, FINRA noted that shortly after the First Enrollment Period ended, a number of Look-Back Individuals contacted FINRA and indicated that they had only recently become aware of the MQP.¹³ In addition, FINRA noted that the original six-week enrollment period may not have provided Look-Back

¹¹ The FSAWP is a waiver program for eligible individuals who have left a member firm to work for a foreign or domestic financial services affiliate of a member firm. FINRA stopped accepting new participants for the FSAWP beginning on March 15, 2022; however, individuals who were already participating in the FSAWP prior to that date had the option of continuing in the FSAWP.

¹² Look-Back Individuals were able to notify FINRA of their election to participate in the MQP through their FinPro accounts.

¹³ See supra note 8.

Individuals with adequate time to evaluate whether they should participate in the MQP.¹⁴ Thus, FINRA both established a Second Enrollment Period for the MQP, which lasts until December 31, 2023, and set forth a robust communication campaign involving more active outreach to enhance public awareness of Second Enrollment Period for the MQP.¹⁵

IEX, like FINRA, believes that greater public awareness of the MQP and FINRA's additional outreach efforts, coupled with the longer duration of the Second Enrollment Period (the first enrollment period last six weeks), should help notify as many Look-Back-Individuals as possible of their options with respect to the MQP, and should provide them ample time to decide whether to participate in the MQP.¹⁶

Thus, IEX proposes to amend Supplementary Material .01 to IEX Rule 2.160(p)(c) to conform with FINRA's recent amendments to FINRA Rule 1240.01. Specifically, IEX proposes to add language stating that persons eligible for the MQP look-back period either: (i) had to elect to participate with FINRA in the MQP by March 15, 2022, or (ii) shall make their election to participate with IEX in the MQP during a new enrollment period that begins on [date of the filing] and ends on December 31, 2023. IEX also proposes to add language stating that Look-Back Individuals who participate in the MQP shall have a participation period of five years following the termination of their registration categories, and that they must complete any prescribed 2022 and 2023 continuing education content by March 31, 2024.¹⁷ Lastly, IEX proposes to delete the

¹⁴ See Id.

¹⁵ See Id.

¹⁶ See Id.

¹⁷ Look-Back Individuals who elect to enroll in the MQP during the Second Enrollment Period would also need to pay the annual program fee of \$100 for both 2022 and 2023 at the time of their enrollment.

last sentence of Supplementary Material .01 to IEX Rule 2.160(p)(c) that describes how FINRA adjusted participation periods for individuals who enrolled in the MQP during the first enrollment period.

Look-Back Individuals who elect to enroll during the Second Enrollment Period would need to notify FINRA of their election to participate in the MQP through their FinPro accounts.¹⁸ IEX also notes that Look-Back Individuals who elect to participate in the MQP during the Second Enrollment Period would continue to be subject to all of the other MQP eligibility and participation conditions. For example, as clarified in the proposed rule change, Look-Back Individuals electing to participate during the Second Enrollment Period would have only a maximum of five years following the termination of a registration category in which to reregister without having to requalify by examination or having to obtain an examination waiver.¹⁹

IEX has filed the proposed rule change for immediate effectiveness and has requested that the Commission waive the 30-day operative delay. The operative date will be the date of the filing of the proposed rule change if the Commission grants the waiver.

2. Statutory Basis

The Exchange believes that its proposal is consistent with the requirements of Sections 6(b)²⁰ and 6(b)(5) of the Act,²¹ in particular, in that it is designed to promote

¹⁸ See Second Enrollment Period, <https://www.finra.org/registration-exams-ce/continuing-education/CE-transformation/mqp#Second-Enrollment>

¹⁹ For example, if a Look-Back Individual terminated a registration category on May 1, 2020, and elects to participate in the MQP on December 1, 2023, the individual's maximum participation period would be five years starting on May 1, 2020, and ending no later than May 1, 2025. If the individual does not reregister with a member firm by May 1, 2025, the individual would need to requalify by examination or obtain an examination waiver in order to reregister after that date.

²⁰ 15 U.S.C. 78f(b).

²¹ 15 U.S.C. 78f(b)(5).

just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and, in general to protect investors and the public interest. IEX believes that providing Look-Back Individuals a second opportunity to elect to participate in the MQP is warranted because participation in the MQP would reduce unnecessary impediments to requalification for these individuals without diminishing investor protection. In addition, the proposed rule change is consistent with other goals, such as the promotion of diversity and inclusion in the securities industry by attracting and retaining a broader and diverse group of professionals. The MQP also allows the industry to retain expertise from skilled individuals, protecting investors with the advantage of greater experience among individuals working in the industry. IEX believes that providing Look-Back Individuals a second opportunity to elect to participate in the MQP will further these goals and objectives.

The Exchange believes the proposed rule change is consistent with the provisions of Section 6(b)(5) of the Act,²² which requires, among other things, that Exchange 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, and Section 6(c)(3) of the Act,²³ which authorizes the Exchange to prescribe standards of training, experience and competence for persons associated with Exchange.

Finally, as described in the Purpose section, the proposed rule change seeks to align the Exchange Rules with changes to FINRA rules which have been allowed to take

²² 15 U.S.C. 78f(b)(5).

²³ 15 U.S.C. 78f(c)(3).

effect by the Commission.²⁴ Thus, this rule change raises no novel issues that have not already been considered by and accepted by the Commission.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. The Exchange believes that the proposed rule change, which harmonizes its rules with rule changes adopted by FINRA, will reduce the regulatory burden placed on market participants engaged in trading activities across different markets.

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 has designated this rule filing as non-controversial under Section 19(b)(3)(A)²⁵ of the Act and Rule 19b-4(f)(6)²⁶ thereunder. Because the proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative for 30 days from the date on which it was filed, or such shorter time as the Commission may designate, it has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(f)(6) thereunder.

The Exchange does not believe that the proposed rule change raises any novel or unique substantive issues. Indeed, FINRA has already adopted substantially similar rule

²⁴ See *supra* note 8.

²⁵ 15 U.S.C. 78s(b)(3)(A).

²⁶ 17 CFR 240.19b-4(f)(6).

changes.²⁷ In addition, Rule 19b-4(f)(6)(iii)²⁸ requires a self-regulatory organization to give the Commission written notice of its intent to file a proposed rule change under that subsection at least five business days prior to the date of filing, or such shorter time as designated by the Commission. The Exchange has provided such notice.

Accordingly, the Exchange has designated this rule filing as non-controversial under Section 19(b)(3)(A) of the Act²⁹ and paragraph (f)(6) of Rule 19b-4 thereunder.³⁰

A proposed rule change filed under Rule 19b-4(f)(6)³¹ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),³² the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay, so that the proposed rule change may become effective and operative upon filing with the Commission pursuant to Section 19(b)(3)(A) of the Act³³ and paragraph (f)(6) of Rule 19b-4 thereunder.³⁴ Waiver of the 30-day operative delay would allow the Exchange to implement the Second Enrollment Period for the MQP without delay, thereby eliminating the existence of a regulatory gap between the FINRA and Exchange rules, providing more uniform standards across the securities industry, and helping to avoid ongoing confusion for Exchange Members³⁵ that

²⁷ See supra note 8.

²⁸ 17 CFR 240.19b-4(f)(6)(iii).

²⁹ 15 U.S.C. 78s(b)(3)(A).

³⁰ 17 CFR 240.19b-4.

³¹ 17 CFR 240.19b-4(f)(6).

³² 17 CFR 240.19b-4(f)(6)(iii).

³³ 15 U.S.C. 78s(b)(3)(A).

³⁴ 17 CFR 240.19b-4.

³⁵ See IEX Rule 1.160(s).

are also FINRA members.

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend 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. If the Commission takes such action, the Commission shall institute proceedings under Section 19(b)(2)(B)³⁶ of the Act to determine whether the proposed rule change should be approved or 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 (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-IEX-2023-07 on the subject line.

Paper Comments:

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

All submissions should refer to file number SR-IEX-2023-07. This file number should be included on the subject line if email is used. To help the Commission process

³⁶ 15 U.S.C. 78s(b)(2)(B).

and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's internet website (<https://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 the filing also will be available for inspection and copying at the principal office of the Exchange. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-IEX-2023-07 and should be submitted on or before [INSERT DATE 21 DAYS AFTER DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁷

Sherry R. Haywood,

Assistant Secretary.

³⁷ 17 CFR 200.30-3(a)(12).

Exhibit 5 – Text of Proposed Rule Change

Proposed new language is underlined; proposed deletions are in brackets.

Investors Exchange Rule Book

Rule 2.160. Registration Requirements and Restrictions on Membership

- (a)-(o) No change.
(p) Continuing Education Requirements.

This Rule prescribes requirements regarding the continuing education of specified persons subsequent to their initial registration with the Exchange. The requirements shall consist of a Regulatory Element and a Firm Element as set forth below. This Rule also sets forth continuing education programs through which specified persons may maintain their qualification in a representative or principal registration category following the termination of that registration category.

- (a)-(c) No change.

••• *Supplementary Material* •••

.01 Eligibility of Other Persons to Participate in the Continuing Education Program Specified in Subparagraph (c) of Rule 2.160(p).

A person registered in a representative or principal registration category with FINRA within two years immediately preceding March 15, 2022 was eligible to participate in the continuing education program under subparagraph (c) of this Rule 2.160(p), provided that he or she satisfied the conditions set forth in subparagraphs (c)(1) and (c)(3) through (c)(6) of Rule 2.160(p). In addition, any person who was designated as eligible for a waiver pursuant to Supplementary Material .01 to Rule 2.160(g) immediately preceding March 15, 2022 was eligible to participate in the continuing education program under subparagraph (c) of this Rule 2.160(p), provided that he or she satisfied the conditions set forth in subparagraphs (c)(1) and (c)(3) through (c)(6) of Rule 2.160(p). Persons [who were] eligible under this Supplementary Material .01 either: (1) had to make their election to participate with FINRA in the continuing education program under subparagraph (c) of this Rule 2.160(p) by March 15, 2022; or (2) shall make their

election to participate with IEX between [date of the filing], and December 31, 2023. If such persons elect[ed] to participate in the continuing education program, their participation period shall also be for a period of five years following the termination of their registration categories, as with other participants under subparagraph (c) of this Rule 2.160(p). In addition, eligible persons who elect to participate in the continuing education program between [date of the filing], and December 31, 2023, must complete any prescribed 2022 and 2023 continuing education content by March 31, 2024.[FINRA will have adjusted their participation period by deducting from that period the amount of time that had lapsed between the date that such persons terminated their registration categories and March 15, 2022.]

(q)-(r) No change
