

FINRA Regulatory Notice; 11-43. Proposed Amendments to Rule 5210 Regarding Publications of Indications of Interest; "IOIs"

Executive Summary:

- In May 2009, FINRA issued Regulatory Notice 09-28 reminding firms that, "to the extent that they disseminate or use services to communicate indications of interest, "IOIs" must be truthful, accurate and not misleading". The proposed amendments to this Regulatory Notice are a result that "FINRA remains concerned that firms are disseminating misleading information regarding IOIs."

Details:

- Issued in September, 2011 and a final decision is pending
- [See FINRA Release:](#)

Highlights of the proposal:

- Firms must have a customer order recorded on their books and records prior to sending, "natural" IOIs
- The Notice also seeks comment on definitions for "natural IOIs" and other widely used industry terms.

STA Official Comments:

- No universal support for the proposal and the amendments to the existing guidance issued in May 2009
- FINRA's authority, the existing guidance and the ability of industry participants self police the use of IOIs is sufficient.
- [See STA's Comment Letter](#)

STA Trading Issues Committee observations and general comments:

- No universal support for the proposal and the amendments to the existing guidance issued in May 2009
- FINRA's authority, the existing guidance and the ability of industry participants self police the use of IOIs is sufficient.