

**CHICAGO STOCK EXCHANGE, INC.  
REGULATORY OPERATIONS  
INFORMATION MEMORANDUM**

**RE: Transition of Certain Designated Examining Authority (“DEA”) Regulatory Services Performed on Behalf of the Exchange by FINRA**

On January 1, 2019, the Financial Industry Regulatory Authority (“FINRA”) will begin performing certain regulatory duties on behalf of the Chicago Stock Exchange, Inc. (the “Exchange”). This memorandum is issued to assist Participants with the transition of those duties to FINRA. It includes important information regarding firms’ submission of certain required financial filings and notifications, means of accessing FINRA systems, and examinations that FINRA will conduct of Participants, including those Participants for which the Exchange is the Designated Examining Authority (“DEA”).

**Submission of Certain Financial Filings and Notifications**

All Participants for which the Exchange is the DEA should submit certain regulatory filings to the Exchange through an electronic filing platform that is available via FINRA’s Firm Gateway.

Specifically, effective January 1, 2019, all Participants for which the Exchange is the DEA must submit FOCUS Reports and the other financial filings/notifications listed below to FINRA, via FINRA’s Firm Gateway. In addition, Participants may no longer submit those materials or any other materials via Winjammer or hardcopy methods as of that date.

<b>Financial Filing/Notification</b>	<b>Rule</b>
Withdrawals of Equity Capital	Securities Exchange Act of 1934 (“Exchange Act”) Rule 15c3-1(e)
Failure to make a deposit in the special reserve bank account or special account	Exchange Act Rule 15c3-3(i)
Subordination Agreements	Exchange Act Rule 15c3-1Appendix D

Electronic Storage Media	Exchange Act Rules 17a-4(f)(2)(i) and 17a4(f)(3)(vii)
FOCUS Report	Exchange Act Rule 17a-5(a)
Form Custody	Exchange Act Rule 17a-5(a)
Annual Audits	Exchange Act Rule 17a-5(d)
Compliance Report	Exchange Act Rule 17a-5(d)
Exemption Report	Exchange Act Rule 17a-5(d)
Stmt. Regarding Independent Public Accountant	Exchange Act Rule 17a-5(f)(2)
Replacement of Accountant	Exchange Act Rule 17a-5(f)(3)
Net Capital below minimum amount required	Exchange Act Rule 17a-11(b)
Aggregate Indebtedness Greater Than 1,200% of Net Capital	Exchange Act Rule 17a-11(c)(1)
Net Capital less than 5% of Aggregate Debit Items (Alternative Computing Firms)	Exchange Act Rule 17a-11(c)(2)
Net Capital Less Than 120% of Required Minimum	Exchange Act Rule 17a-11(c)(3)
Failure to make and keep Current Books and/or Records- Initial Notification	Exchange Act Rule 17a-11(d)
Failure to make and keep Current Books and/or Records- Follow Up Report	Exchange Act Rule 17a-11(d)
Notice of Material Inadequacy or Material Weakness - Initial Notification	Exchange Act Rule 17a-11(e)(1) and Exchange Act Rule 17a-5(h)
Notice of Material Inadequacy or Material Weakness - Follow up Report	Exchange Act Rule 17a-11(e)(2)

### Accessing FINRA systems

FINRA's Firm Gateway (<https://firms.finra.org>) is a portal that provides consolidated access to various FINRA regulatory systems. All firms have a FINRA Super Account Administrator ("SAA"), who should be familiar with the Firm Gateway and able to provide assistance with gaining access. Firm personnel should contact their SAA with any questions regarding how to access the Firm Gateway.

FINRA will help firms obtain the appropriate Firm Gateway entitlements needed to make the necessary electronic filings. Firms will use their current FINRA entitlement user IDs and passwords to access the Firm Gateway.

Additionally, FINRA will assign each firm a dedicated Regulatory Coordinator ("RC") to serve as the point of contact with FINRA. The RC will be in touch with firms to provide their specific contact information.

Firms are also encouraged to use the online tutorials that FINRA offers for the eFOCUS<sup>1</sup> platform, which are available at <http://www.finra.org/industry/focus>.

For technical questions, firms should contact FINRA's Technical Support Group at (301) 869-6699.

### **Examination Information**

Beginning on January 1, 2019, FINRA will conduct examinations of firms for which the Exchange is the DEA. To facilitate the transmission of information that FINRA needs to effectively perform examinations of firms for which the Exchange is the DEA, those firms are required to send examination-related responses and information via Request Manager, a tool available through the Firm Gateway. Request Manager facilitates the electronic exchange of information between firms and FINRA, streamlines the examination document and production process, and creates an audit trail of requests and productions that benefit both the firm and FINRA. SAAs can assist with requesting any entitlements needed to access Request Manager.

### **Additional Information:**

Further questions concerning this Regulatory Bulletin should be directed to Kim Shamsiddin at [kim.shamsiddin@theice.com](mailto:kim.shamsiddin@theice.com).

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<sup>1</sup> The eFOCUS system, available through the Firm Gateway, provides firms with the capability to electronically submit their FOCUS Reports to FINRA.