

Required fields are shown with yellow backgrounds and asterisks.

Page 1 of * 26	SECURITIES AND EXCHANGE COMMISSION WASHINGTON, D.C. 20549 Form 19b-4	File No.* SR - 2020 - * 042	Amendment No. (req. for Amendments *)
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Filing by Financial Industry Regulatory Authority
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"/>
			Rule		
Pilot <input type="checkbox"/>	Extension of Time Period for Commission Action * <input type="checkbox"/>	Date Expires * <input type="text"/>	<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)	

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010	Security-Based Swap Submission pursuant to the Securities Exchange Act of 1934
Section 806(e)(1) * <input type="checkbox"/>	Section 806(e)(2) * <input type="checkbox"/>
Section 3C(b)(2) * <input type="checkbox"/>	

Exhibit 2 Sent As Paper Document <input type="checkbox"/>	Exhibit 3 Sent As Paper Document <input type="checkbox"/>
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Description

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

Proposed rule change to extend the expiration date of the temporary amendments in SR-FINRA-2020-15 and SR-FINRA-2020-027

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 * Emily	Last Name * Goebel
Title * Principal Counsel	
E-mail * emily.goebel@finra.org	
Telephone * (202) 728-8235	Fax (202) 728-8264

Signature

Pursuant to the requirements of the Securities Exchange Act of 1934,

has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

(Title *)

Date 12/01/2020	Vice President and Associate General Counsel
By Philip Shaikun	
(Name *)	

Philip Shaikun, Philip.Shaikun@Finra.Org

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

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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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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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 Advance 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, security-based swap submission, or advance notice 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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Exhibit Sent As Paper Document

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 3 - Form, Report, or Questionnaire

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Exhibit Sent As Paper Document

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 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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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 the Proposed Rule Change

(a) Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act” or “Exchange Act”),¹ the Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to extend the expiration date of the temporary amendments in SR-FINRA-2020-015 and SR-FINRA-2020-027 from December 31, 2020, to April 30, 2021.² The proposed rule change would not make any changes to the text of FINRA rules.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The Chief Legal Officer of FINRA authorized the filing of the proposed rule change with the SEC pursuant to delegated authority. No other action by FINRA is necessary for the filing of the proposed rule change.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become

¹ 15 U.S.C. 78s(b)(1).

² If FINRA requires temporary relief from the rule requirements identified in SR-FINRA-2020-015 and SR-FINRA-2020-027 beyond April 30, 2021, FINRA may submit a separate rule filing to extend the expiration date of the temporary amendments that are the subject of those filings. The amended FINRA rules will revert back to their original form at the conclusion of the temporary relief period and any extension thereof.

operative for 30 days after the date of the filing so that FINRA can implement the proposed rule change immediately.³

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

(a) Purpose

In response to the COVID-19 global health crisis and the corresponding need to restrict in-person activities, FINRA filed proposed rule changes, SR-FINRA-2020-015 and SR-FINRA-2020-027, which respectively provide temporary relief from some timing, method of service and other procedural requirements in FINRA rules and allow FINRA’s Office of Hearing Officers (“OHO”) and the National Adjudicatory Council (“NAC”) to conduct hearings, on a temporary basis, by video conference, if warranted by the current COVID-19-related public health risks posed by an in-person hearing. The COVID-19 conditions necessitating these temporary amendments persist, with cases rapidly escalating nationwide. Based on its assessment of current COVID-19 conditions, and the lack of certainty as to when COVID-19-related health concerns will subside, FINRA has determined that there is a continued need for this temporary relief for several months beyond December 31, 2020. Accordingly, FINRA proposes to extend the expiration date of the temporary rule amendments in SR-FINRA-2020-015 and SR-FINRA-2020-027 from December 31, 2020, to April 30, 2021.

i. SR-FINRA-2020-015

On May 8, 2020, FINRA filed with the Commission a proposed rule change for immediate effectiveness, SR-FINRA-2020-015, to temporarily amend some timing,

³ 17 CFR 240.19b-4(f)(6).

method of service and other procedural requirements in FINRA rules during the period in which FINRA's operations are impacted by the outbreak of COVID-19 (the "May 8 Filing"). The Commission published its notice of filing and immediate effectiveness for the May 8 Filing on May 20, 2020.⁴ The temporary amendments, as originally proposed in the May 8 Filing, would have expired on June 15, 2020, absent another proposed rule change filing by FINRA. FINRA subsequently filed two proposed rule changes to extend the expiration date of the temporary amendments set forth in the May 8 Filing.⁵ The most recent proposed rule change, SR-FINRA-2020-022, filed on July 27, 2020, extended the expiration date of the temporary amendments in the May 8 Filing from July 31, 2020, to a date to be specified in a public notice issued by FINRA, which date will be at least two weeks from the date of the notice, and no later than December 31, 2020 (the "July 27 Filing").⁶

As stated in its previous filings, FINRA proposed, and subsequently extended, the temporary amendments set forth in the May 8 Filing to address the substantial impacts of

⁴ See Securities Exchange Act Release No. 88917 (May 20, 2020), 85 FR 31832 (May 27, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-015).

⁵ On June 10, 2020, FINRA filed SR-FINRA-2020-017 to extend the expiration date of the temporary amendments set forth in the May 8 Filing from June 15, 2020, to July 31, 2020 (the "June 10 Filing"). The Commission published its notice of filing and immediate effectiveness for the June 10 Filing on June 12, 2020. See Securities Exchange Act Release No. 89055 (June 12, 2020), 85 FR 36928 (June 18, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-017).

⁶ The Commission published its notice of filing and immediate effectiveness for the July 27 Filing on July 29, 2020. See Securities Exchange Act Release No. 89423 (July 29, 2020), 85 FR 47278 (August 4, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-022).

the COVID-19 outbreak on FINRA's operations. Among other things, the need for FINRA staff, with limited exceptions, to work remotely and restrict in-person activities – consistent with the recommendations of public health officials – made it challenging to meet some procedural requirements and perform some functions required under FINRA rules. The temporary amendments in the May 8 Filing addressed these concerns by easing logistical and other issues and providing FINRA with needed flexibility for its operations during the COVID-19 outbreak, allowing FINRA to continue critical adjudicatory and review processes in a reasonable and fair manner and meet its critical investor protection goals, while also following best practices with respect to the health and safety of its staff.

As noted above, the COVID-19 conditions necessitating the temporary amendments in the May 8 Filing – and the extensions of that relief provided for in FINRA's subsequent filings – persist. FINRA continues to face the same logistical and other challenges stemming from the COVID-19-related public health risks for in-person activities and the continued need for FINRA staff, with few exceptions, to work remotely to protect their health and safety. Working remotely makes it difficult to, among other things, send and receive hard copy documents and conduct in-person oral arguments.

As indicated in its previous filings, FINRA has established a COVID-19 task force to develop a data-driven, staged plan for FINRA staff to safely return to working in FINRA office locations and resume other in-person activities. Based on its assessment of current COVID-19 conditions, including the recent nationwide surge of COVID-19 cases, FINRA does not believe the COVID-19-related health concerns necessitating this relief will subside by December 31, 2020, and has determined that there will be a continued

need for this temporary relief for several months beyond December 31, 2020.

Accordingly, FINRA proposes to extend the expiration date of the temporary rule amendments in the May 8 Filing from December 31, 2020, to April 30, 2021.

ii. SR-FINRA-2020-027

On August 31, 2020, FINRA filed with the Commission a proposed rule change for immediate effectiveness, SR-FINRA-2020-027, to temporarily amend FINRA Rules 1015, 9261, 9524 and 9830 to grant OHO and the NAC authority⁷ to conduct hearings in connection with appeals of Membership Application Program decisions, disciplinary actions, eligibility proceedings and temporary and permanent cease and desist orders by video conference, if warranted by the current COVID-19-related public health risks posed by an in-person hearing (the “August 31 Filing”).⁸ The Commission published its notice of filing and immediate effectiveness for the August 31 Filing on September 2, 2020.⁹ The temporary amendments, as originally proposed in the August 31 Filing, will expire on December 31, 2020, absent another proposed rule change filing by FINRA.

FINRA proposed the temporary amendments allowing for specified OHO and NAC hearings to be conducted by video conference in response to the COVID-19-related

⁷ For OHO hearings under FINRA Rules 9261 and 9830, the proposed rule change temporarily grants authority to the Chief or Deputy Chief Hearing Officer to order that a hearing be conducted by video conference. For NAC hearings under FINRA Rules 1015 and 9524, this temporary authority is granted to the NAC or the relevant Subcommittee.

⁸ The temporary amendments set forth in the August 31 Filing were subject to a 30-day operative delay and, accordingly, became operative on October 1, 2020.

⁹ See Securities Exchange Act Release No. 89739 (September 2, 2020), 85 FR 55712 (September 9, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-027).

public health risks posed in connection with conducting traditional, in-person hearings and the corresponding backlog of cases resulting from FINRA's postponement of in-person hearings starting on March 16, 2020. As set forth in the August 31 Filing, FINRA relies on the guidance of its health and safety consultant, in conjunction with COVID-19 data and guidance issued by public health authorities, to determine whether the current public health risks presented by an in-person hearing may warrant a hearing by video conference.¹⁰ As noted above, the COVID-19-related public health risks necessitating this temporary relief have not yet abated, with COVID-19 cases surging nationwide.

Based on its assessment of current COVID-19 conditions, including the recent escalation in COVID-19 cases nationwide, FINRA does not believe the COVID-19-related health concerns necessitating this relief will subside by December 31, 2020, and has determined that there will be a continued need for this temporary relief for several months beyond December 31, 2020. Accordingly, FINRA proposes to extend the expiration date of the temporary rule amendments in the August 31 Filing from December 31, 2020, to April 30, 2021. The extension of these temporary amendments allowing for specified OHO and NAC hearings to proceed by video conference will allow FINRA's critical adjudicatory functions to continue to operate effectively in these extraordinary circumstances – enabling FINRA to fulfill its statutory obligations to

¹⁰ As noted in the August 31 Filing, the temporary proposed rule change grants discretion to OHO and the NAC to order a video conference hearing. In deciding whether to schedule a hearing by video conference, OHO and the NAC may consider a variety of other factors in addition to COVID-19 trends. In the August 31 Filing, FINRA provided a non-exhaustive list of other factors OHO and the NAC may take into consideration, including a hearing participant's individual health concerns and access to the connectivity and technology necessary to participate in a video conference hearing.

protect investors and maintain fair and orderly markets – while also protecting the health and safety of hearing participants.

As noted in Item 2 of this filing, FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, so FINRA can implement the proposed rule change immediately.

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹¹ which requires, among other things, that FINRA 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. FINRA believes that the proposed rule change is also consistent with Section 15A(b)(8) of the Act,¹² which requires, among other things, that FINRA rules provide a fair procedure for the disciplining of members and persons associated with members.

The proposed rule change, which extends the expiration date of the temporary amendments to FINRA rules set forth in the May 8 Filing, will continue to provide FINRA, and in some cases another party to a proceeding, temporary modifications to its procedural requirements in order to allow FINRA to maintain fair processes and protect investors while operating in a remote work environment and with corresponding restrictions on its activities. It is in the public interest, and consistent with the Act's

¹¹ 15 U.S.C. 78o-3(b)(6).

¹² 15 U.S.C. 78o-3(b)(8).

purpose, for FINRA to operate pursuant to this temporary relief. The temporary amendments allow FINRA to specify filing and service methods, extend certain time periods, and modify the format of oral argument for FINRA disciplinary and eligibility proceedings and other review processes in order to cope with the current pandemic conditions. In addition, extending this temporary relief will further support FINRA's disciplinary and eligibility proceedings and other review processes that serve a critical role in providing investor protection and maintaining fair and orderly markets.

The proposed rule change, which also extends the expiration date of the temporary amendments to FINRA rules set forth in the August 31 Filing, will continue to aid FINRA's efforts to timely conduct hearings in connection with its core adjudicatory functions. Given current COVID-19 conditions and the uncertainty around when those conditions will improve, without this relief allowing OHO and NAC hearings to proceed by video conference, FINRA would be required to postpone such hearings indefinitely. FINRA must be able to perform its critical adjudicatory functions in order to fulfill its statutory obligations to protect investors and maintain fair and orderly markets. As such, this relief is essential to FINRA's ability to fulfill its statutory obligations and allows hearing participants to avoid the serious COVID-19-related health and safety risks associated with in-person hearings.

Among other things, this relief will allow OHO to conduct temporary cease and desist proceedings by video conference so that FINRA can take immediate action to stop ongoing customer harm and will allow the NAC to timely provide members, disqualified individuals and other applicants an approval or denial of their applications. As set forth in detail in the August 31 Filing, this temporary relief allowing OHO and NAC hearings

to proceed by video conference accounts for fair process considerations and will continue to provide fair process while avoiding the COVID-19-related public health risks for hearing participants. Accordingly, the proposed rule change extending this temporary relief is in the public interest and consistent with the Act's purpose.

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

FINRA does not believe that the temporary proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. As set forth in the May 8 Filing and August 31 Filing, the proposed rule change is intended solely to extend temporary relief necessitated by the continued impacts of the COVID-19 outbreak and the related health and safety risks of conducting in-person activities. FINRA believes that the proposed rule change will prevent unnecessary impediments to FINRA's operations, including its critical adjudicatory processes, and its ability to fulfill its statutory obligations to protect investors and maintain fair and orderly markets that would otherwise result if the temporary amendments were to expire on December 31, 2020.

5. 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.

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) or Section 19(b)(7)(D)

The proposed rule change is effective upon filing pursuant to Section 19(b)(3) of the Act¹³ and paragraph (f)(6) of Rule 19b-4 thereunder,¹⁴ in that the proposed rule change does not significantly affect the protection of investors or the public interest; does not impose any significant burden on competition; and does not become operative for 30 days after filing or such shorter time as the Commission may designate.

FINRA requests that the Commission waive the requirement that the proposed rule change, by its terms, not become operative for 30 days after the date of the filing as set forth in Rule 19b-4(f)(6)(iii),¹⁵ so that the proposed rule change may become operative immediately. Waiver of the operative delay would allow the proposed changes, which are designed to minimize disruptions to FINRA's operations in order to maintain fair processes and fulfill its obligations to protect investors and maintain fair and orderly markets, to be operative on the date of filing. In accordance with Rule 19b-4(f)(6),¹⁶ FINRA submitted written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing, or such shorter time as the Commission may designate, as specified in Rule 19b-4(f)(6)(iii) under the Act.¹⁷

¹³ 15 U.S.C. 78s(b)(3).

¹⁴ 17 CFR 240.19b-4(f)(6).

¹⁵ 17 CFR 240.19b-4(f)(6)(iii).

¹⁶ 17 CFR 240.19b-4(f)(6).

¹⁷ 17 CFR 240.19b-4(f)(6)(iii).

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

Not applicable.

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

Not applicable.

11. Exhibits

Exhibit 1. Completed notice of proposed rule change for publication in the Federal Register.

EXHIBIT 1

SECURITIES AND EXCHANGE COMMISSION
(Release No. 34- ; File No. SR-FINRA-2020-042)

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change to Extend the Expiration Date of the Temporary Amendments Set Forth in SR-FINRA-2020-015 and SR-FINRA-2020-027

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”)¹ and Rule 19b-4 thereunder,² notice is hereby given that on , the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”) the proposed rule change as described in Items I, II, and III below, which Items have been prepared by FINRA. FINRA has designated the proposed rule change as constituting a “non-controversial” rule change under paragraph (f)(6) of Rule 19b-4 under the Act,³ which renders the proposal effective upon receipt of this filing by the Commission. 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

FINRA is proposing to extend the expiration date of the temporary amendments set forth in SR-FINRA-2020-015 and SR-FINRA-2020-027 from December 31, 2020, to April 30, 2021.⁴ Given that both SR-FINRA-2020-015 and SR-FINRA-2020-027

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 240.19b-4(f)(6).

⁴ As discussed below, SR-FINRA-2020-015 and SR-FINRA-2020-027 respectively provide temporary relief from some timing, method of service and other

provide temporary relief necessitated by the COVID-19 global health crisis and the related need to restrict in-person activities, and the COVID-19 conditions warranting this temporary relief persist, FINRA is filing this proposed rule change to extend and to continue to align the expiration dates of both filings.⁵

The text of the proposed rule change is available on FINRA's website at <http://www.finra.org>, at the principal office of FINRA and at the Commission's Public Reference Room.

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

In its filing with the Commission, FINRA 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

procedural requirements in FINRA rules and allow FINRA's Office of Hearing Officers ("OHO") and the National Adjudicatory Council ("NAC") to conduct hearings, on a temporary basis, by video conference, if warranted by the current COVID-19-related public health risks posed by an in-person hearing. For further information on SR-FINRA-2020-015 and SR-FINRA-2020-027, in addition to what is provided herein, visit FINRA's website at <https://www.finra.org/rules-guidance/rule-filings/sr-finra-2020-015> and <https://www.finra.org/rules-guidance/rule-filings/sr-finra-2020-027>, respectively.

⁵ If FINRA requires temporary relief from the rule requirements identified in SR-FINRA-2020-015 and SR-FINRA-2020-027 beyond April 30, 2021, FINRA may submit a separate rule filing to extend the expiration date of the temporary amendments that are the subject of those filings. The amended FINRA rules will revert back to their original form at the conclusion of the temporary relief period and any extension thereof.

the places specified in Item IV below. FINRA 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 Statutory Basis for, the Proposed Rule Change

1. Purpose

In response to the COVID-19 global health crisis and the corresponding need to restrict in-person activities, FINRA filed proposed rule changes, SR-FINRA-2020-015 and SR-FINRA-2020-027, which respectively provide temporary relief from some timing, method of service and other procedural requirements in FINRA rules and allow FINRA's OHO and the NAC to conduct hearings, on a temporary basis, by video conference, if warranted by the current COVID-19-related public health risks posed by an in-person hearing. The COVID-19 conditions necessitating these temporary amendments persist, with cases rapidly escalating nationwide. Based on its assessment of current COVID-19 conditions, and the lack of certainty as to when COVID-19-related health concerns will subside, FINRA has determined that there is a continued need for this temporary relief for several months beyond December 31, 2020. Accordingly, FINRA proposes to extend the expiration date of the temporary rule amendments set forth in SR-FINRA-2020-015 and SR-FINRA-2020-027 from December 31, 2020, to April 30, 2021.

i. SR-FINRA-2020-015

On May 8, 2020, FINRA filed with the Commission a proposed rule change for immediate effectiveness, SR-FINRA-2020-015, to temporarily amend some timing, method of service and other procedural requirements in FINRA rules during the period in which FINRA's operations are impacted by the outbreak of COVID-19 (the "May 8

Filing”).⁶ The Commission published its notice of filing and immediate effectiveness for the May 8 Filing on May 20, 2020.⁷ The temporary amendments, as originally proposed in the May 8 Filing, would have expired on June 15, 2020, absent another proposed rule change filing by FINRA. FINRA subsequently filed two proposed rule changes to extend the expiration date of the temporary amendments set forth in the May 8 Filing.⁸ The most recent proposed rule change, SR-FINRA-2020-022, filed on July 27, 2020, extended the expiration date of the temporary amendments in the May 8 Filing from July 31, 2020, to a date to be specified in a public notice issued by FINRA, which date will be at least two weeks from the date of the notice, and no later than December 31, 2020 (the “July 27 Filing”).⁹

As stated in its previous filings, FINRA proposed, and subsequently extended, the temporary amendments set forth in the May 8 Filing to address the substantial impacts of

⁶ The following FINRA rules are the subject of the May 8 Filing: 1012, 1015, 6490, 9132, 9133, 9146, 9321, 9341, 9349, 9351, 9522, 9524, 9525, 9559 and 9630.

⁷ See Securities Exchange Act Release No. 88917 (May 20, 2020), 85 FR 31832 (May 27, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-015).

⁸ On June 10, 2020, FINRA filed SR-FINRA-2020-017 to extend the expiration date of the temporary amendments set forth in the May 8 Filing from June 15, 2020, to July 31, 2020 (the “June 10 Filing”). The Commission published its notice of filing and immediate effectiveness for the June 10 Filing on June 12, 2020. See Securities Exchange Act Release No. 89055 (June 12, 2020), 85 FR 36928 (June 18, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-017).

⁹ The Commission published its notice of filing and immediate effectiveness for the July 27 Filing on July 29, 2020. See Securities Exchange Act Release No. 89423 (July 29, 2020), 85 FR 47278 (August 4, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-022).

the COVID-19 outbreak on FINRA's operations. Among other things, the need for FINRA staff, with limited exceptions, to work remotely and restrict in-person activities – consistent with the recommendations of public health officials – made it challenging to meet some procedural requirements and perform some functions required under FINRA rules. The temporary amendments in the May 8 Filing addressed these concerns by easing logistical and other issues and providing FINRA with needed flexibility for its operations during the COVID-19 outbreak, allowing FINRA to continue critical adjudicatory and review processes in a reasonable and fair manner and meet its critical investor protection goals, while also following best practices with respect to the health and safety of its staff.

As noted above, the COVID-19 conditions necessitating the temporary amendments in the May 8 Filing – and the extensions of that relief provided for in FINRA's subsequent filings – persist. FINRA continues to face the same logistical and other challenges stemming from the COVID-19-related public health risks for in-person activities and the continued need for FINRA staff, with few exceptions, to work remotely to protect their health and safety. Working remotely makes it difficult to, among other things, send and receive hard copy documents and conduct in-person oral arguments.

As indicated in its previous filings, FINRA has established a COVID-19 task force to develop a data-driven, staged plan for FINRA staff to safely return to working in FINRA office locations and resume other in-person activities. Based on its assessment of current COVID-19 conditions, including the recent nationwide surge of COVID-19 cases, FINRA does not believe the COVID-19-related health concerns necessitating this relief will subside by December 31, 2020, and has determined that there will be a continued

need for this temporary relief for several months beyond December 31, 2020.

Accordingly, FINRA proposes to extend the expiration date of the temporary rule amendments in the May 8 Filing from December 31, 2020, to April 30, 2021.

ii. SR-FINRA-2020-027

On August 31, 2020, FINRA filed with the Commission a proposed rule change for immediate effectiveness, SR-FINRA-2020-027, to temporarily amend FINRA Rules 1015, 9261, 9524 and 9830 to grant OHO and the NAC authority¹⁰ to conduct hearings in connection with appeals of Membership Application Program decisions, disciplinary actions, eligibility proceedings and temporary and permanent cease and desist orders by video conference, if warranted by the current COVID-19-related public health risks posed by an in-person hearing (the “August 31 Filing”).¹¹ The Commission published its notice of filing and immediate effectiveness for the August 31 Filing on September 2, 2020.¹² The temporary amendments, as originally proposed in the August 31 Filing, will expire on December 31, 2020, absent another proposed rule change filing by FINRA.

FINRA proposed the temporary amendments allowing for specified OHO and NAC hearings to be conducted by video conference in response to the COVID-19-related

¹⁰ For OHO hearings under FINRA Rules 9261 and 9830, the proposed rule change temporarily grants authority to the Chief or Deputy Chief Hearing Officer to order that a hearing be conducted by video conference. For NAC hearings under FINRA Rules 1015 and 9524, this temporary authority is granted to the NAC or the relevant Subcommittee.

¹¹ The temporary amendments set forth in the August 31 Filing were subject to a 30-day operative delay and, accordingly, became operative on October 1, 2020.

¹² See Securities Exchange Act Release No. 89739 (September 2, 2020), 85 FR 55712 (September 9, 2020) (Notice of Filing and Immediate Effectiveness of File No. SR-FINRA-2020-027).

public health risks posed in connection with conducting traditional, in-person hearings and the corresponding backlog of cases resulting from FINRA's postponement of in-person hearings starting on March 16, 2020. As set forth in the August 31 Filing, FINRA relies on the guidance of its health and safety consultant, in conjunction with COVID-19 data and guidance issued by public health authorities, to determine whether the current public health risks presented by an in-person hearing may warrant a hearing by video conference.¹³ As noted above, the COVID-19-related public health risks necessitating this temporary relief have not yet abated, with COVID-19 cases surging nationwide.

Based on its assessment of current COVID-19 conditions, including the recent escalation in COVID-19 cases nationwide, FINRA does not believe the COVID-19-related health concerns necessitating this relief will subside by December 31, 2020, and has determined that there will be a continued need for this temporary relief for several months beyond December 31, 2020. Accordingly, FINRA proposes to extend the expiration date of the temporary rule amendments in the August 31 Filing from December 31, 2020, to April 30, 2021. The extension of these temporary amendments allowing for specified OHO and NAC hearings to proceed by video conference will allow FINRA's critical adjudicatory functions to continue to operate effectively in these extraordinary circumstances – enabling FINRA to fulfill its statutory obligations to

¹³ As noted in the August 31 Filing, the temporary proposed rule change grants discretion to OHO and the NAC to order a video conference hearing. In deciding whether to schedule a hearing by video conference, OHO and the NAC may consider a variety of other factors in addition to COVID-19 trends. In the August 31 Filing, FINRA provided a non-exhaustive list of other factors OHO and the NAC may take into consideration, including a hearing participant's individual health concerns and access to the connectivity and technology necessary to participate in a video conference hearing.

protect investors and maintain fair and orderly markets – while also protecting the health and safety of hearing participants.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the SEC waive the requirement that the proposed rule change not become operative for 30 days after the date of the filing, so FINRA can implement the proposed rule change immediately.

2. Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,¹⁴ which requires, among other things, that FINRA 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. FINRA believes that the proposed rule change is also consistent with Section 15A(b)(8) of the Act,¹⁵ which requires, among other things, that FINRA rules provide a fair procedure for the disciplining of members and persons associated with members.

The proposed rule change, which extends the expiration date of the temporary amendments to FINRA rules set forth in the May 8 Filing, will continue to provide FINRA, and in some cases another party to a proceeding, temporary modifications to its procedural requirements in order to allow FINRA to maintain fair processes and protect investors while operating in a remote work environment and with corresponding restrictions on its activities. It is in the public interest, and consistent with the Act's

¹⁴ 15 U.S.C. 78o-3(b)(6).

¹⁵ 15 U.S.C. 78o-3(b)(8).

purpose, for FINRA to operate pursuant to this temporary relief. The temporary amendments allow FINRA to specify filing and service methods, extend certain time periods, and modify the format of oral argument for FINRA disciplinary and eligibility proceedings and other review processes in order to cope with the current pandemic conditions. In addition, extending this temporary relief will further support FINRA's disciplinary and eligibility proceedings and other review processes that serve a critical role in providing investor protection and maintaining fair and orderly markets.

The proposed rule change, which also extends the expiration date of the temporary amendments to FINRA rules set forth in the August 31 Filing, will continue to aid FINRA's efforts to timely conduct hearings in connection with its core adjudicatory functions. Given current COVID-19 conditions and the uncertainty around when those conditions will improve, without this relief allowing OHO and NAC hearings to proceed by video conference, FINRA would be required to postpone such hearings indefinitely. FINRA must be able to perform its critical adjudicatory functions in order to fulfill its statutory obligations to protect investors and maintain fair and orderly markets. As such, this relief is essential to FINRA's ability to fulfill its statutory obligations and allows hearing participants to avoid the serious COVID-19-related health and safety risks associated with in-person hearings.

Among other things, this relief will allow OHO to conduct temporary cease and desist proceedings by video conference so that FINRA can take immediate action to stop ongoing customer harm and will allow the NAC to timely provide members, disqualified individuals and other applicants an approval or denial of their applications. As set forth in detail in the August 31 Filing, this temporary relief allowing OHO and NAC hearings

to proceed by video conference accounts for fair process considerations and will continue to provide fair process while avoiding the COVID-19-related public health risks for hearing participants. Accordingly, the proposed rule change extending this temporary relief is in the public interest and consistent with the Act's purpose.

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

FINRA does not believe that the temporary proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act. As set forth in the May 8 Filing and August 31 Filing, the proposed rule change is intended solely to extend temporary relief necessitated by the continued impacts of the COVID-19 outbreak and the related health and safety risks of conducting in-person activities. FINRA believes that the proposed rule change will prevent unnecessary impediments to FINRA's operations, including its critical adjudicatory processes, and its ability to fulfill its statutory obligations to protect investors and maintain fair and orderly markets that would otherwise result if the temporary amendments were to expire on December 31, 2020.

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

Because the foregoing 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 Act¹⁶ and Rule 19b-4(f)(6) thereunder.¹⁷

A proposed rule change filed under Rule 19b-4(f)(6) normally does not become operative for 30 days after the date of filing. However, pursuant to Rule 19b-4(f)(6)(iii), the Commission may designate a shorter time if such action is consistent with the protection of investors and the public interest. FINRA has requested to waive the 30-day operative delay so that this proposed rule change can become operative immediately upon filing. FINRA stated that the waiver of the operative delay would allow the proposed changes, which are designed to minimize disruptions to FINRA's operations in order to maintain fair processes and fulfill its obligations to protect investors and maintain fair and orderly markets, to be operative on the date of filing.

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 to determine whether the proposed rule 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:

¹⁶ 15 U.S.C. 78s(b)(3)(A).

¹⁷ 17 CFR 240.19b-4(f)(6).

Electronic Comments:

- Use the Commission's Internet comment form (<http://www.sec.gov/rules/sro.shtml>); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR-FINRA-2020-042 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-FINRA-2020-042. This file number should be included on the subject line if e-mail is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission's Internet website (<http://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 a.m. and 3 p.m. Copies of such filing also will be available for inspection and copying at the principal office of FINRA. All comments received will be posted without change. Persons submitting comments are cautioned that we do not redact or edit personal identifying information from comment submissions. You should submit only

information that you wish to make available publicly. All submissions should refer to File Number SR-FINRA-2020-042 and should be submitted on or before [insert date 21 days from publication in the Federal Register].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹⁸

Jill M. Peterson
Assistant Secretary

¹⁸ 17 CFR 200.30-3(a)(12).