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.

C. Self-Regulatory Organization’s Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

The Exchange neither solicited nor received comments on the proposal.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing rule 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 if consistent with the protection of investors and the public interest, provided that the self-regulatory organization has given the Commission written notice of its intent to file the proposed rule change at least five business days prior to the date of filing of the proposed rule change or such shorter time as designated by the Commission, the proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and has become effective pursuant to Section 19(b)(2) of the Act 5 provides such 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.

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 (http://www.sec.gov/rules/sro.shtml); or
- Send an e-mail to rule-comments@sec.gov. Please include File Number SR–C2–2011–021 on the subject line.
I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

FINRA is filing revisions to the content outline and selection specifications for the Canada Securities Representative (Series 38) examination program. The proposed revisions update the material to reflect changes to the laws, rules and regulations covered by the examination and to better reflect the functions and associated tasks performed by a Canada Securities Representative and the relationships between the different components of the outline. FINRA is not proposing any textual changes to the By-Laws, Schedules to the By-Laws, or Rules of FINRA.

The revised content outline is attached. The Series 38 selection specifications have been submitted to the Commission under separate cover with a request for confidential treatment pursuant to SEA Rule 24b–2.

The text of the proposed rule change is available on FINRA’s Web site 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 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

Section 15A(g)(3) of the Act authorize FINRA to prescribe standards of training, experience, and competence for persons associated with FINRA members. In accordance with that provision, FINRA has developed examinations that are designed to establish that persons associated with FINRA members have attained specified levels of competence and knowledge, consistent with applicable registration requirements under FINRA Rules. FINRA periodically reviews the content of the examinations to determine whether revisions are necessary or appropriate in view of changes pertaining to the subject matter covered by the examinations.

Nasd Rules and the rules incorporated from Nyse require that a “representative,” as defined in the respective rules, register and qualify as a General Securities Representative, subject to certain exceptions. For those representatives who are not engaged in municipal securities activities, the NASD and NYSE Rules provide that registration and qualification as a Canada Securities Representative is equivalent to registration and qualification as a General Securities Representative.

The Series 38 examination is a FINRA examination that qualifies an individual to function as a Canada Securities Representative.

9 The current FINRA rulebook consists of (1) FINRA Rules; (2) NASD Rules; and (3) rules incorporated from NYSE (“incorporated NYSE Rules”) (together, the NASD Rules and Incorporated NYSE Rules are referred to as the “Transitional Rulebook”). While the NASD Rules generally apply to all FINRA members, the Incorporated NYSE Rules apply only to those members of FINRA that are also members of the NYSE (“Dual Members”). The FINRA Rules apply to all FINRA members, unless such rules have a more limited application by their terms. For more information about the rulebook consolidation process, see Information Notice, March 12, 2008 (Rulebook Consolidation Process). For convenience, the Incorporated NYSE Rules are referred to as the NYSE Rules.

10 See Nasd Rule 1031(b) and Nyse Rule 10.

11 See Nasd Rule 1031(a) and 1032(a); Nyse Rules 345.10 and 345.15(2); and Nyse Rule Interpretation 345.15/02.

12 See Nasd Rule 1032(a)(2)(C) and Nyse Information Memorandum 96–06 (March 1996). FINRA is filing proposed revisions to the Series 7 examination program in conjunction with this filing. See Sr–FINRA–2011–045.

13 Both the Series 37 examination and the Series 38 examination are FINRA examinations that qualify an individual to function as a Canada Securities Representative. In either case, candidates must also satisfy certain prerequisite training and competence requirements of the Canadian regulators and be registered and in good standing with the appropriate Canadian regulator. However, candidates for the Series 38 examination are subject to the following additional Canadian prerequisite. They must complete either: (1) The Options Licensing Course and the Derivatives Fundamentals Course; or (2) the Canadian Options Course. More information regarding the prerequisite requirements is available on FINRA’s Web site at: http://www.finra.org/