



Circular number:	ISE: 2016-001 ISE Gemini: 2016-001	Contact:	Russ Davidson Surveillance Officer
Date:	January 13, 2016	Telephone:	(646) 805-1857

Subject: Web CRD® Registration Categories and Qualification Exams for Securities Trading (Series 57)

The SEC has approved an ISE and ISE Gemini rule change (SR-ISE-2015-44 and SR-ISE Gemini-2015-28) regarding registration categories and qualification exams.

Individual associated persons engaged or to be engaged in the securities business of a Member shall be registered with the Exchanges in the appropriate category(ies) of registration described below.

Additionally, any person whose registration has been terminated for two or more years is required to pass a qualification examination appropriate to the category of registration.

The registration/qualification requirements for individual associated persons include the following:

Securities Trader Registration (Series 57)

An associated person that is engaged in proprietary trading, market-making and/or effecting transactions on behalf of a broker-dealer is required to register and qualify as a TD – Securities Trader. Associated persons must take and pass the Series 57 examination to qualify for registration as a Securities Trader within WebCRD.

Securities Trader Principal Registration (Series 57, Series 24)

Each Exchange Member is required to register and qualify, as a TP – Securities Trader Principal, each individual who: (i) supervises or monitors proprietary trading, market-making and/or brokerage activities for broker-dealers; (ii) supervises or trains those engaged in proprietary trading, market-making and/or effecting transactions on behalf of a broker-dealer, with respect to those activities; and/or (iii) is an officer, a partner or a director of a Member.¹ Individuals required to register as a Securities Trader Principal must pass the Series 24 qualification examination.² These individuals must also pass the Series 7 or other accepted exam as listed on the finra.org website (<http://www.finra.org/industry/series24>) as a prerequisite to taking the Series 24.

Securities Trader Compliance Officer Registration (Series 57, Series 14)

Each Exchange Member that is a registered broker-dealer is required to designate a Chief Compliance Officer (“CCO”) on its Form BD. In accordance with ISE Rule 313(c) and ISE Gemini Rule 306(c), a CCO of a Member that does not conduct public customer business is required to register as a CT – Securities

¹ In accordance with Interpretation .07 to ISE Rule 313 and ISE Gemini Rule 306, unless a waiver or exemption applies, each Member must register at least two individuals acting in one or more of the following capacities: (i) officer; (ii) partner; (iii) director; (iv) supervisor of proprietary trading, market-making or brokerage activities; and/or (v) supervisor of those engaged.

² The Series 9/10 and Series 23 are acceptable alternative qualifications for a S24.

Trader Compliance Officer and must pass the Series 14 qualification examination or substitute with the Series 24 instead. These individuals must also pass the Series 7 or other accepted exam as listed on the finra.org website as a prerequisite to taking the Series 24. Individuals who meet the requirements set forth in ISE Rule 313(c) and ISE Gemini Rule 306(c) will be exempt from having to pass the heightened qualification examination to register as a CCO on its Form BD.

All associated persons engaged in the securities business of a Member that do a proprietary trading business on the Exchange, and are not otherwise exempt from taking the examination under ISE Rule 313 and ISE Gemini Rule 306, are required to take the Series 57. The Exchange is not granting such associated persons waivers from this requirement. A waiver received from another SRO does not satisfy the Exchange's examination requirement.

With respect to other examinations, in exceptional cases and where good cause is shown, the Exchange may determine to waive the applicable qualification examination and accept other standards of evidence of an applicant's qualifications for registration. Such requests must be submitted to the Exchange, in writing, and contain a detailed description of why the Exchange should waive the qualification examination requirement.

If the Member making the request has been granted a waiver by another SRO, such request should include a reference thereto, however it should be noted that the granting of a waiver by another SRO will not necessarily amount to a waiver by the Exchange.

Member firms and associated persons are reminded to electronically file appropriate registrations via WebCRD.

In addition, the Series 57 continuing education requirement will be administered via Web-based delivery only.³ Series 57 registered persons will be permitted to enroll online in the S101 General Program for Series 7 for their continuing education requirement.

For reference, FINRA has distributed a FAQ regarding the Securities Trader registration, which can be found here:

<http://www.finra.org/industry/series57>

Please contact me with any questions.

³ Or such other technological manner and format as specified by the Exchange.