



Marcia E. Asquith
Corporate Secretary and EVP
Board and External Relations

September 21, 2026

Vanessa A. Countryman
Secretary
Securities and Exchange Commission
100 F Street, NE
Washington, DC 20549-1090

Via Email to rule-comments@sec.gov

**Re: Proposed Rule Governing Electronic Delivery of Information
Under the Federal Securities Laws (File No. S7-2026-25)**

Dear Ms. Countryman:

The Financial Industry Regulatory Authority, Inc. (“FINRA”)¹ appreciates this opportunity to comment on the Commission’s proposed Regulation E-Delivery (“Reg E-Delivery” or “Proposal”), which would establish conditions under which the Commission would consider delivery requirements under the federal securities laws to be satisfied by electronic delivery (“e-delivery”).² These conditions would permit covered entities to deliver information electronically without first obtaining recipients’ affirmative consent.

FINRA supports the Commission’s e-delivery proposal and commends the Commission for its efforts to modernize the current e-delivery framework by permitting the use of default e-delivery to provide information to investors.³ FINRA concurs in the Commission’s judgment that enabling covered entities to deliver information electronically by default better reflects modern preferences and expectations, while continuing to protect investors.

This important issue also directly affects FINRA in its role as a regulator for member firms that are responsible for ensuring the delivery of information to investors. Accordingly, our

¹ FINRA is a not-for-profit self-regulatory organization (“SRO”) authorized by federal law to help protect investors and ensure the fair and honest operation of securities markets. Under the oversight of the Securities and Exchange Commission (“Commission” or “SEC”), FINRA regulates the activities of U.S. broker-dealers and performs market regulation pursuant to its own statutory responsibility and under contract for certain exchanges. FINRA oversees its approximately 3,200 member firms and their almost 643,000 registered representatives in accordance with the Securities Exchange Act of 1934 and related rules adopted by the SEC. For ease of reference, this letter may use “we” and “FINRA” interchangeably.

² See Securities Exchange Act Release No. 105921 (July 16, 2026), 91 FR 45884 (July 21, 2026).

³ See Robert Cook, *Facilitating E-Delivery While Preserving Investor Choice* (February 3, 2026), available at <https://www.finra.org/media-center/blog/facilitating-e-delivery-while-preserving-investor-choice> (describing FINRA’s support for default electronic delivery to investors and the FINRA Board’s approval of a default e-delivery framework).

comment letter focuses on changes to SRO rules needed to align with the Proposal and the preservation of current SEC guidance. Specifically, as discussed below, FINRA respectfully requests that the Commission: (1) incorporate SRO delivery requirements into the scope of Reg E-Delivery, including the proposed Electronic Signatures in Global and National Commerce Act of 2000 (“E-SIGN Act”) exemption; and (2) retain the existing SEC guidance as an alternative to Reg E-Delivery. Inclusion of SRO delivery requirements would provide firms and investors with a clear and cohesive regulatory framework, while retaining the existing SEC guidance would give flexibility to firms and promote investor choice.

I. Ensure the e-delivery framework reflects modern practices.

As previously indicated, FINRA agrees that the e-delivery framework should be updated to reflect the ways investors now receive and access information. In light of that view, FINRA has undertaken substantial efforts to update its own e-delivery framework, which traces its origins to the SEC guidance described below.

A. The existing e-delivery frameworks were developed in the 1990s.

As the Proposal discusses, in 1996, the SEC issued an interpretive release on the use of electronic media to meet broker-dealers’ information delivery obligations under federal securities laws.⁴ The SEC 1996 Release stated that broker-dealers may satisfy these obligations by using electronic media if the delivery satisfies three principles: notice, access, and evidence to show delivery.⁵ The SEC 1996 Release provided informed consent as an example of the third principle.⁶ As a result, in practice, members typically deliver regulatory documents in paper format unless a recipient has given informed consent to e-delivery. The SEC reaffirmed this framework in 2000 with an interpretive release that provides further guidance in several areas, including that a customer may give global informed consent to e-delivery.⁷

The SEC excluded SRO rules from the scope of the SEC Guidance.⁸ Therefore, in 1998, FINRA (then the NASD) issued guidance permitting members to electronically deliver information that FINRA rules require or permit to be furnished to customers, provided members adhere to the framework established by the SEC 1996 Release.⁹

⁴ See Securities Exchange Act Release No. 37182 (May 9, 1996), 61 FR 24644 (May 15, 1996) (the “SEC 1996 Release”).

⁵ The SEC first established these principles in a 1995 interpretive release. See Securities Act Release No. 7233 (October 6, 1995), 60 FR 53458 (October 13, 1995) (the “SEC 1995 Release”). The SEC 1995 Release applied these principles to the use of e-delivery by or on behalf of issuers, as well as by or on behalf of third parties with respect to issuers (such as persons making tender offers or soliciting proxies).

⁶ *Id.* at 53461 and SEC 1996 Release, *supra* note 4, 61 FR 24644, 24647.

⁷ See Securities Exchange Act Release No. 42728 (April 28, 2000), 65 FR 25843 (May 4, 2000) (the “SEC 2000 Release”). The SEC 1995 Release, SEC 1996 Release and SEC 2000 Release are collectively referred to as the “SEC Guidance.”

⁸ See SEC 1996 Release, *supra* note 4, 61 FR 24644, 24644-45; SEC 1995 Release, *supra* note 5, 60 FR 53458, 53459.

⁹ See *Notice to Members* 98-03 (January 1998) (the “FINRA 1998 Guidance”).

B. Technological developments and investor preferences support modernization.

The relevant technology landscape, however, has shifted considerably since these frameworks were established. Since the SEC issued the 1996 Release, investors' access to and use of electronic communications technologies have changed significantly.¹⁰ Internet and smartphone use have increased considerably, particularly following the COVID-19 pandemic.¹¹ Many investors' primary and preferred mode of interaction with their broker-dealer is now digital.¹² For example, data from the 2025 FINRA Foundation National Financial Capability Study indicates that email is now investors' most popular method for receiving disclosures.¹³

C. FINRA has taken steps to modernize its e-delivery framework.

These developments have informed FINRA's rule modernization efforts. Through its *FINRA Forward* initiative, FINRA sought comment on e-delivery, among other topics, in light of technological advances, evolving business practices and services, and shifting investor preferences.¹⁴ The majority of commenters supported a default e-delivery model.¹⁵ Subsequently, in December 2025, FINRA's Board approved a proposal allowing member firms to use default e-delivery to satisfy FINRA rules that permit or require information delivery to

¹⁰ See, e.g., Proposal, *supra* note 2, 91 FR 45884, 45887-89 (describing significant advances in electronic communications technologies and the way Americans use those technologies and citing, among other studies, FINRA Investor Education Foundation, *Investors in the United States – A Report of the National Financial Capability Study* (4th Ed. Dec. 2025), available at https://www.finrafoundation.org/sites/finrafoundation/files/2025-11/NFCS_Investor_Survey_Report_White_Paper.pdf ("FINRA Foundation Study")).

¹¹ See *id.* at 45888. According to a U.S. Census Bureau study, as of 2021, 95% of U.S. households had at least one type of computer, and 90% had a broadband internet subscription. U.S. Census Bureau, Computer and Internet Use in the United States: 2021 (June 18, 2024), available at <https://www.census.gov/newsroom/press-releases/2024/computer-internet-use-2021.html>.

¹² In a study to learn about investors who, during the year 2020, entered into the markets using taxable, non-retirement investment accounts, FINRA found that nearly half (48%) of "new investors," investors who opened a non-retirement investment account during 2020, indicated that they accessed their account primarily through a mobile application, and three-quarters (75%) of "holdover account owners," investors who maintained a taxable investment account opened before 2020, indicated they accessed their account primarily through a website. FINRA Investor Education Foundation & NORC, *Consumer Insights: Money & Investing, Investing 2020: New Accounts and the People Who Opened Them* at 11 (February 2021), available at https://www.finrafoundation.org/sites/finrafoundation/files/investing-2020-new-accounts-and-the-people-who-opened-them_1_0.pdf.

¹³ FINRA Foundation Study, *supra* note 10, at 23.

¹⁴ See *Regulatory Notice* 25-04 (March 2025) and *Regulatory Notice* 25-07 (April 2025).

¹⁵ See, e.g., Letter from Michael Decker, Senior Vice President, Research and Public Policy, Bond Dealers of America, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025 (Comments on *Regulatory Notice* 25-07); Letter from Jessica R. Giroux, Chief Legal Officer, American Securities Association, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025 (Comments on *Regulatory Notice* 25-07); Letter from Clifford Kirsh & Eric Arnold, Committee of Annuity Insurers, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025 (Comments on *Regulatory Notice* 25-07); Letter from David T. Bellaire, Executive Vice President & General Counsel, Financial Services Institute, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025 (Comments on *Regulatory Notice* 25-07); and Letter from Bernard V. Canepa, Managing Director and Associate General Counsel, Securities Industry and Financial Markets Association, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025 (Comments on *Regulatory Notice* 25-07).

investors, subject to certain conditions. The proposal was intended to support modern communication practices and preferences while preserving customers' ability to select their preferred delivery method. On February 3, 2026, FINRA CEO Robert Cook published a blog to announce the Board's approval of the proposal and to reiterate the benefits of FINRA's approach.¹⁶

While recognizing the need for modernization, FINRA also recognizes the importance of consistency across regulatory frameworks. For this reason, throughout the process of considering an updated e-delivery framework applicable to FINRA rules, we have sought to move in tandem with the SEC.¹⁷ This comment therefore focuses on structural and implementation considerations raised by the Proposal: specifically, the scope of covered information and the retention of existing guidance rather than specific conditions proposed under Reg E-Delivery.

II. Include SRO requirements in the scope of Reg E-Delivery to provide a consistent and cohesive e-delivery framework.

As noted above, the SEC Guidance does not affect the applicability of SRO rules, including FINRA rules.¹⁸ The Commission proposes to maintain this approach under Reg E-Delivery. Reg E-Delivery would govern the electronic delivery of "covered information" by "covered entities" to "covered recipients." "Covered information" means any information required to be delivered to a covered recipient under the federal securities laws, subject to certain exceptions.¹⁹ This definition does not include "disclosures made pursuant to any applicable state laws or SRO rules, including FINRA and the Municipal Securities Rulemaking Board."²⁰

The Commission asks whether the definition of "covered information" should be expanded to include information delivered pursuant to SRO delivery requirements, including requirements that may need an exemption from the E-SIGN Act.²¹ FINRA supports expanding the definition of "covered information" to include information delivered pursuant to SRO delivery requirements. This approach would provide a clear, uniform approach, which is particularly important with respect to the proposed E-SIGN Act exemption.²²

A. Include SRO delivery requirements in the scope of Reg E-Delivery to align SEC and SRO requirements.

Absent an extension of Reg E-Delivery to SRO rules, any SRO seeking to modernize its framework to incorporate default e-delivery would need to separately align its rules with Reg E-Delivery's framework.

¹⁶ See *supra* note 3.

¹⁷ See FINRA Quarterly Regulatory Policy Agenda, June 2026, available at <https://www.finra.org/rules-guidance/rulemaking-process/regulatory-policy-agenda>.

¹⁸ SEC 1996 Release, *supra* note 4, 61 FR 24644, 24644-45.

¹⁹ See Proposal, *supra* note 2, 91 FR 45884, 45897-98.

²⁰ *Id.* at 45898.

²¹ See Question 25 under the Proposal.

²² Should Reg E-Delivery be extended to SRO delivery requirements, FINRA notes that some SRO rules expressly permit delivery by multiple methods, including orally. See, e.g., FINRA Rule 2124(c). The Commission may therefore wish to clarify that such rules may be satisfied by Reg E-Delivery, as appropriate.

This approach risks framework misalignment, including with respect to implementation timelines. SRO frameworks could vary from the SEC framework and from one another and require a significant investment of time and resources by each SRO. Even if every SRO adopted Reg E-Delivery in its entirety with no substantive changes, the timing of each SRO's rulemaking process, including rule development and filing with the SEC pursuant to Section 19(b) of the Exchange Act, and implementation would also likely vary across SROs. In any case, implementation would likely occur subsequent to the effective date of Reg E-Delivery.

Such potential misalignment could create ongoing risk of confusion and compliance failures. Investors and covered entities would need to determine which framework governs the delivery of each specific type of information. Covered entities would make these determinations as part of developing the relevant compliance policies and procedures. Elevated compliance challenges increase the risk of compliance failures, which in turn increase the risk that investors do not receive information in a timely manner or through their preferred method. In the event the SEC updated Reg E-Delivery, these concerns would resurface and potentially be exacerbated.²³

B. Include SRO delivery requirements in the E-SIGN Act exemption under Reg E-Delivery.

Section 101(c) of the E-SIGN Act requires that consumers affirmatively consent to the use of an electronic record to satisfy a statute, regulation or other rule of law requiring that information be provided "in writing."²⁴ Federal regulatory agencies may exempt specified record categories or types from this provision, under certain circumstances.²⁵ The Commission proposes to create such an exemption for covered information delivered under Reg E-Delivery, to the extent this provision of the E-SIGN Act applies to that information.²⁶

FINRA is also aware that some entities have interpreted Section 101(c) as requiring that they obtain customers' affirmative consent to e-delivery for any FINRA rules that require the delivery of information to customers "in writing." However, unlike the Commission, FINRA and other SROs are not expressly authorized by Section 104(d)(1) of the E-SIGN Act to create exemptions from Section 101(c).²⁷ Accordingly, if the SEC excludes SRO delivery requirements from Reg E-Delivery, any SRO seeking to address the potential application of the E-SIGN Act to its rules may need to do so independently via rulemaking.

Separate SRO rule development would face the challenges outlined above regarding separate SRO e-delivery framework development. The process would require time and resources and could result in misaligned or divergent SRO approaches. Alternatively, an SRO could choose

²³ Conversely, if an SRO updated its framework in response to technological developments before the Commission revised Reg E-Delivery, the resulting disparity could similarly increase compliance risks and impose additional implementation costs.

²⁴ 15 U.S.C. 7001(c)(1).

²⁵ 15 U.S.C. 7004(d)(1).

²⁶ See Reg E-Delivery § 303.100.

²⁷ That provision applies to federal regulatory agencies. See 15 U.S.C. 7006(6) (*referencing* 5 U.S.C. 552(f)).

not to make any changes. These differing approaches could increase the confusion and compliance risks noted above.²⁸

Including SRO requirements within the scope of Reg E-Delivery would mitigate these issues and result in a more cohesive framework. Accordingly, FINRA recommends the Commission extend the definition of “covered information” to information delivered pursuant to SRO delivery requirements.

III. Retain the SEC Guidance as an alternative to Reg E-Delivery.

FINRA’s e-delivery framework is based on the SEC’s current framework. The 1998 Guidance establishes that members may use e-delivery to satisfy FINRA rules that require or permit members to furnish customers with documents, “provided they adhere to the standards contained in the [SEC 1995 and 1996] Releases.”²⁹ Under the Proposal, the SEC 1995 and 1996 Releases would be superseded, though the majority of the SEC 2000 Release would be retained. As a result, Reg E-Delivery would become the sole SEC framework on which covered entities could rely for assurance that they have satisfied applicable delivery requirements under the federal securities laws.

The Commission asks whether the SEC Guidance should be retained as an alternative to Reg E-Delivery.³⁰ FINRA believes that it should. This approach would provide additional flexibility and investor choice, while posing manageable risk levels.

A. Retaining the SEC Guidance would provide firms greater flexibility.

Providing two options offers flexibility that may appeal to covered entities, particularly small or exclusively online firms. The Proposal is partly premised on the idea that the costs of paper delivery are not justified given that most recipients prefer e-delivery.³¹ However, the Proposal notes that the full scope of Reg E-Delivery adoption and implementation costs cannot be easily quantified.³² Although for most firms Reg E-Delivery will likely reduce costs substantially, for some firms, implementation could impose costs. For example, the Commission notes that small entities may face greater costs with respect to systems or website updates and providing paper delivery free of charge.³³

²⁸ The Proposal indicates that eliminating the E-SIGN Act consumer consent requirement from firms’ systems would involve minimal costs if implemented uniformly. Proposal, *supra* note 2, 91 FR 45884, 45955. Those costs may be higher without an express uniform exemption.

²⁹ FINRA 1998 Guidance, *supra* note 9, at 13.

³⁰ See Question 170 under the Proposal.

³¹ See Proposal, *supra* note 2, 91 FR 45884, 45892.

³² See *id.* at 45955 (“We do not have access to data on whether the requirements of the proposed rule regarding methods of e-delivery and system requirements would require covered entities to make substantial changes to their existing systems or to what extent any such burden may vary across covered entities according to whether they already have such systems in place, and therefore we do not quantify these costs.”).

³³ See *id.* at 45971-72 (“For those covered entities that would choose to deliver covered information using e-delivery subject to the requirements of proposed Reg E-Delivery, there may be some aspects of these requirements that would present particular challenges to covered entities that are small entities.”). Although Reg E-Delivery would permit a covered entity to restrict or terminate an account when a customer requests paper delivery, the Proposal appears to require the entity to provide any requested paper copies before restricting or terminating the relationship. See *id.* at 45911 (“If a covered recipient were to request paper copies of covered information that had previously been delivered electronically, the covered entity would be

Covered entities that operate exclusively online may also view implementing Reg E-Delivery as more burdensome than the current framework. Under the SEC Guidance, such firms may condition account opening on customers' global consent to e-delivery.³⁴ These firms can thus satisfy federal securities laws without offering paper delivery and obtain consent through the account opening agreement. For such firms, transitioning to Reg E-Delivery might not be preferable. These firms would be required to update their policies and procedures to reflect a number of Reg E-Delivery requirements, including those governing websites, delivery methods and information retention.

If the SEC retains the SEC Guidance as an alternative, firms could transition to Reg E-Delivery at their discretion, at a pace commensurate with their resources. The SEC Guidance is an established framework that may represent a less costly and preferable alternative to Reg E-Delivery for some firms.

B. Retaining the SEC Guidance would promote investor choice.

One of the Proposal's goals is to ensure that recipients receive information in their preferred format.³⁵ FINRA concurs with the Commission that while the majority of recipients prefer e-delivery, some prefer paper delivery.³⁶ In addition to the reasons set forth in the Proposal, some demographic groups may have a stronger preference for paper delivery.³⁷ At firms serving client bases with a high proportion of these demographics, many customers may prefer the SEC Guidance framework. Firms that continued to obtain customers' affirmative consent to e-delivery while relying on Reg E-Delivery would be subject to nearly all of Reg E-Delivery's conditions.³⁸ Those conditions would include notifying customers that they may opt into electronic delivery even where the firm already uses an affirmative-consent model, which may be confusing for customers.³⁹

C. The risks of this approach would be manageable.

The concerns identified by the Commission regarding the existing SEC Guidance could be addressed with targeted revisions rather than wholesale supersession. Moreover, given that the SEC Guidance has served as the operative framework for decades, covered entities are unlikely to raise concerns with continued reliance on it.

required to provide these copies, and then could exercise, as permissible by law, any disclosed right to restrict or terminate the covered recipient's relationship if the covered recipient requests paper.”).

³⁴ SEC 2000 Release, *supra* note 7, 65 FR 25843, 25846.

³⁵ See, e.g., Proposal, *supra* note 2, 91 FR 45884, 45960 (“We believe that the proposed rule strikes the appropriate balance by ensuring that all covered recipients can access covered information in their preferred format, while maintaining administrative simplicity and supporting investor protection.”).

³⁶ See *id.* at 45893 (describing reasons why recipients may prefer delivery in paper format).

³⁷ See, e.g., FINRA Foundation Study, *supra* note 10 (reporting that preferences for electronically delivered disclosure documents declined among older investors: 48% of investors ages 55 to 64 and 43% of investors ages 65 or older preferred electronic delivery, compared with 57% of investors ages 25 to 54).

³⁸ The transition requirements applicable to customers currently receiving information in paper form would not apply. See Reg E-Delivery § 303.104.

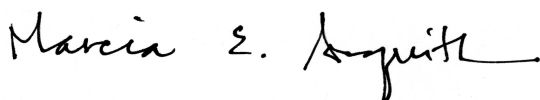
³⁹ *Id.* at § 303.102(b)(3).

The Commission queried whether retaining the SEC Guidance would create confusion.⁴⁰ FINRA does not believe retaining the guidance would create undue confusion. Although the SEC Guidance is principles-based and differs from the more prescriptive structure of Reg E-Delivery, it is not new. The SEC Guidance is a longstanding framework for which covered entities have already developed policies, procedures and systems. Further, we believe that FINRA can effectively examine for and supervise compliance with both frameworks operating concurrently.

IV. Conclusion

FINRA appreciates the opportunity to comment on the Proposal and strongly supports the Commission's objective of modernizing the e-delivery framework to better reflect the current preferences and practices of investors. FINRA believes that the above recommendations would further the goals of the Proposal, including investor protection. Should you have any questions or wish to discuss any of the issues raised in this letter further, please contact Robert Colby, Executive Vice President & Chief Legal Officer, FINRA, at 202-728-8484 or robert.colby@finra.org.

Sincerely,

A handwritten signature in black ink that reads "Marcia E. Asquith". The signature is fluid and cursive, with the first name "Marcia" being the most prominent.

Marcia E. Asquith
Corporate Secretary, EVP
Board and External Relations

⁴⁰ See Question 170 under the Proposal.