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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 19b-4

File No. * SR 2026 - * 023

Amendment No. (req. for Amendments *)

Filing by Financial Industry Regulatory Authority

Pursuant to Rule 19b-4 under the Securities Exchange Act of 1934

Initial *	Amendment *	Withdrawal	Section 19(b)(2) *	Section 19(b)(3)(A) *	Section 19(b)(3)(B) *
☒	☐	☐	☐	☒	☐

Pilot

Extension of Time Period for
Commission Action *

Date Expires *

Rule

☐	19b-4(f)(1)	☐	19b-4(f)(4)
☐	19b-4(f)(2)	☐	19b-4(f)(5)
☐	19b-4(f)(3)	☒	19b-4(f)(6)

Notice of proposed change pursuant to the Payment, Clearing, and Settlement Act of 2010

Section 806(e)(1) *

Section 806(e)(2) *

Security-Based Swap Submission pursuant to the
Securities Exchange Act of 1934

Section 3C(b)(2) *

Exhibit 2 Sent As Paper Document

Exhibit 3 Sent As Paper Document

Description

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

Proposed Rule Change to Adopt FINRA Rule 1240.03 (Senior Leader Regulatory Element Interim Program) to Establish
an Interim Program of Regulatory Element Continuing Education**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 * John Last Name * Nachmann

Title * Associate General Counsel

E-mail * john.nachmann@finra.org

Telephone * (240) 386-4816

Fax

SignaturePursuant to the requirements of the Securities Exchange of 1934, Financial Industry Regulatory Authority
has duly caused this filing to be signed on its behalf by the undersigned thereunto duly authorized.

Date 10/29/2026

(Title *)

By Afshin Atabaki

(Name *)

Vice President & Associate General Counsel

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

Afshin Atabaki

Digitally signed by Afshin
Atabaki
Date: 2026.10.29 15:06:44
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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

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

Form 19b-4 Information *

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FINRA-2026-023 19b-4.docx

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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FINRA-2026-023 Exhibit 1.docx

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 Advanced 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 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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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.

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Exhibit Sent As Paper Document

Exhibit 3 - Form, Report, or Questionnaire

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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.

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Exhibit Sent As Paper Document

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

Add Remove View

FINRA-2026-023 Exhibit 5 .docx

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”),¹ the Financial Industry Regulatory Authority, Inc. (“FINRA”) is filing with the Securities and Exchange Commission (“SEC” or “Commission”) a proposed rule change to adopt FINRA Rule 1240.03 (Senior Leader Regulatory Element Interim Program) and make a conforming amendment to FINRA Rule 1240(a)(6) (Delivery of the Regulatory Element) to establish an interim program of Regulatory Element Continuing Education (“CE”) that would be voluntary and provide member firms with the option for their senior leaders to complete continuing education.

The text of the proposed rule change is attached as Exhibit 5.

(b) Not applicable.

(c) Not applicable.

2. Procedures of the Self-Regulatory Organization

The FINRA Board of Governors authorized the filing of the proposed rule change with the SEC. 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 operative for 30 days after the date of filing so FINRA can implement the proposed rule change immediately.

¹ 15 U.S.C. 78s(b)(1).

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

(a) Purpose

Pursuant to Rule 1240, registered persons of member firms are required to complete CE that consists of two mandatory programs, a Regulatory Element and a Firm Element. Regulatory Element CE, which is administered by FINRA, focuses on regulatory requirements and industry standards. Firm Element CE is provided by each member firm to its registered persons and focuses on the firm's securities products, services and strategies, its policies, and industry trends.

FINRA has received a variety of suggestions from member firms and industry groups regarding changes to the Regulatory Element CE requirement for senior leaders (e.g., chief executive officer, chief financial officer). FINRA received similar suggestions regarding this topic in response to Regulatory Notice 25-07.²

FINRA believes that Regulatory Element CE provides individuals with valuable training on recent developments in regulatory requirements and industry standards, and as such, CE is appropriate for all registered persons, including senior leaders. FINRA, however, recognizes that senior leaders at member firms may realize greater benefit from Regulatory Element CE training that draws from the annual Regulatory Element content but is tailored to their unique roles at a member firm. Senior leaders may engage with FINRA rules differently than frontline representatives and principals because they have

² See, e.g., letter from Bernard V. Canepa, Managing Director and Associate General Counsel & Alyssa Pompei, Vice President and Assistant General Counsel, Securities Industry and Financial Markets Association, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025.

broader visibility and responsibilities across their member firm, and often its broader organizational structure. FINRA believes that Regulatory Element CE content for such leaders therefore may be more effective if it covers the information addressed in the various Regulatory Element CE learning plans but presents the information from a broader, firm-wide perspective. Such content could focus on firm risks, control systems, approaches to pressure-test firm capabilities and vulnerabilities, and similar enterprise-level considerations.

Therefore, FINRA is proposing to adopt Rule 1240.03 to establish a Senior Leader Regulatory Element Interim Program (“Interim Program”).³ The proposed Interim Program, which would operate for just over two full years, would provide member firms with the option for their senior leaders to complete continuing education covering Regulatory Element topics, such as new and amended rules and regulatory trends, framed from the perspective of their unique roles and responsibilities at a member firm. Under the proposed Interim Program, participating senior leaders would continue to be required to take this continuing education on an annual basis, but the content of the training and the method of delivery would be different.⁴

³ For purposes of the proposed Interim Program, a senior leader would include any “covered person” as defined under Rule 1240(a)(5) (Definition of Covered Person) who is listed on a member firm’s Schedule A of Form BD; any other covered person serving on a member firm’s executive, management or operations committees; or any covered person with similar status or functions who is employed at an affiliate of a member firm.

⁴ A member firm would determine which of its senior leaders, if any, it believes should participate in the proposed Interim Program based on the member firm’s annual evaluation of the training needs for such individuals.

For the proposed Interim Program, FINRA would, as it does today, develop the Regulatory Element CE training materials on an annual basis. In developing these training materials, FINRA would consider the annual learning plan topics assigned to each registration category. However, rather than limiting the content to the specific registration categories the senior leaders hold, the materials would cover content across all registration categories. FINRA would present significant rule changes, key regulatory developments and other Regulatory Element topics from the unique organizational vantage point of senior leaders. The materials would remain consistent with the core objectives of Regulatory Element CE but would be tailored to that senior leader audience. FINRA would make the Regulatory Element CE training materials available to those member firms that elect to participate in the proposed Interim Program. Unlike the manner in which Regulatory Element CE is currently delivered, the chief compliance officer (“CCO”) or other senior compliance officer at a member firm participating in the proposed Interim Program would provide the training to the participating senior leaders (including any participating senior leaders of affiliated entities).⁵ Further, the CCO or other senior compliance officer would have the discretion to supplement the training materials to provide the most relevant and effective training for the senior leaders at his

⁵ Currently, Regulatory Element CE is provided to all individuals via the online CE platform that is available through FINRA’s Financial Professional Gateway (“FinPro Gateway™”). The proposed rule change would make a conforming amendment to Rule 1240(a)(6) (Delivery of the Regulatory Element) to remove the requirement that Regulatory Element CE be administered in a technological manner to allow for the CCO or other senior compliance officer at a member firm participating in the proposed Interim Program to deliver the Regulatory Element CE training.

or her firm; there would be no requirement to create or deliver any additional material specific to the registration(s) that any of the senior leaders hold.

A senior leader who participates in the proposed Interim Program would be required to certify that he or she has completed the Regulatory Element CE training, and the member firm would need to retain such certification for at least three years. In addition, CCOs of member firms that choose to participate in the proposed Interim Program would be required to identify to FINRA those senior leaders who completed the training and demonstrated proficiency in the subject matter covered by the educational material.⁶ Senior leaders who participate in the proposed Interim Program and successfully complete the training would satisfy their annual Regulatory Element CE under Rule 1240. Those senior leaders who do not participate in the proposed Interim Program would be required to complete the Regulatory Element CE courses assigned by FINRA, as they do today.

As noted, FINRA is proposing to establish the Interim Program for a period of just over two full years. The proposed Interim Program would be voluntary and no member firm would be required to participate. While the proposed Interim Program is in place, FINRA would evaluate the demand for the proposed Interim Program and whether it is meeting the goals of Regulatory Element CE for senior leaders at member firms.⁷ If

⁶ FINRA would include in a Regulatory Notice additional information on how CCOs would demonstrate compliance with the requirements of the rule.

⁷ As part of evaluating whether the goals of Regulatory Element CE are being met by the proposed Interim Program, FINRA anticipates collecting feedback and data from a variety of stakeholders, including the CCOs and senior leaders at participating member firms, as well as the CE Council.

no further action is taken, the proposed Interim Program would automatically sunset at the end of the designated period.

As noted in Item 2 of this filing, FINRA has filed the proposed rule change for immediate effectiveness and has requested that the Commission waive the requirement that the proposed rule change not become operative for 30 days after the date of filing so FINRA can implement the proposed rule change immediately.⁸

(b) Statutory Basis

FINRA believes that the proposed rule change is consistent with the provisions of Section 15A(b)(6) of the Act,⁹ which requires, among other things, that FINRA rules 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 continues FINRA's commitment to its Regulatory Element CE program while providing appropriate flexibility for member firms and senior leaders. In particular, FINRA notes that the proposed rule change maintains the requirement that all registered persons complete appropriate Regulatory Element content on an annual basis.

As previously noted, participation in the proposed Interim Program would be voluntary so a member firm could require its senior leaders to continue to take the Regulatory Element CE that has been assigned for the specific registration categories that

⁸ FINRA notes that the proposed rule change would not impact members that are funding portals but would impact all other members including members that have elected to be treated as capital acquisition brokers ("CABs"), given that the CAB rule set incorporates the impacted FINRA rules by reference.

⁹ 15 U.S.C. 78o-3(b)(6).

they hold if the member firm concludes that such training would be more appropriate based on their roles and responsibilities at the member firm. However, FINRA believes that the proposed rule change would provide an alternative Regulatory Element CE for senior leaders that would be a valuable option for member firms and also protect investors and the public interest. In this regard, under the proposed rule change, senior leaders would not be exempt from the annual Regulatory Element requirement; only the framing and method of delivery of the training would differ. The proposed rule change would provide member firms with the option for their senior leaders to take Regulatory Element CE training that addresses significant rule changes, key regulatory developments and core knowledge areas specifically tailored for senior leaders. Further, the ability of a member firm's CCO or other senior compliance officer to supplement the training materials would help to further ensure that the CE training is particularly effective for the member firm's senior leaders.

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

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Economic Impact Assessment

As explained above, the proposed Interim Program would be voluntary and provide members with the option for their senior leaders to complete Regulatory Element CE training that is targeted to their unique roles and responsibilities at members.¹⁰

¹⁰ The proposed Interim Program would provide members with the discretion to determine participation based upon their evaluation of the training needs for such

FINRA has undertaken an economic impact assessment to analyze the potential economic impacts of the proposed rule change, relative to the current baseline. The economic baseline includes Rule 1240, as well as how senior leaders engage with FINRA rules due to their broader visibility into, and responsibilities across, their member firms. FINRA does not have a reliable estimate of the number of senior leaders who may be eligible to participate in the proposed Interim Program, or of the number who may choose to participate.

The costs and benefits of the proposed Interim Program will depend on the ongoing cost of administering the program and its effectiveness. Because the proposed Interim Program is voluntary, members are not expected to use this option unless they believe the change benefits the firm overall. FINRA will evaluate whether the proposed Interim Program is meeting the goals of Regulatory Element CE for member firms. Any potential unintended impacts would be limited due to the term of the Interim Program.

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.

individuals. Members also would have the ability to switch their senior leaders between the proposed Interim Program and the assigned Regulatory Element CE for the registration categories that they hold, providing additional flexibility.

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 Act¹¹ and paragraph (f)(6) of Rule 19b-4 thereunder,¹² 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 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).¹³ In accordance with Rule 19b-4(f)(6),¹⁴ 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.¹⁵

Immediate operability would enable FINRA to implement the proposed rule change so that member firms have a meaningful opportunity to elect participation in the proposed Interim Program for the current CE cycle, identify eligible senior leaders and complete any necessary planning and administration associated with participation in the

¹¹ 15 U.S.C. 78s(b)(3).

¹² 17 CFR 240.19b-4(f)(6).

¹³ 17 CFR 240.19b-4(f)(6)(iii).

¹⁴ 17 CFR 240.19b-4(f)(6).

¹⁵ 17 CFR 240.19b-4(f)(6)(iii).

proposed Interim Program prior to the December 31, 2026, Regulatory Element CE deadline. Immediate operability also would permit FINRA to provide firms with Interim Program materials, begin operating the Interim Program during the remaining two months in the first year of the proposed interim period, which runs for just over two full years, and collect data regarding demand for the program that would include the remaining months in 2026. Absent a waiver, the reduced period between operability and the year-end Regulatory Element CE deadline could significantly limit firms' ability to participate in the proposed Interim Program during the remaining months in the 2026 CE cycle and, as a result, diminish the value of the proposed Interim Program during that same year. Further, immediate operability would allow member firms to begin evaluating whether they wish to participate in the proposed Interim Program for the 2027 Regulatory Element CE cycle, and if so, start to identify which of their senior leaders should complete the training via the proposed Interim Program. Accordingly, FINRA believes that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest.

FINRA believes that the proposed rule change is appropriately filed pursuant to Rule 19b-4(f)(6)(iii) under the Act¹⁶ because it makes adjustments to FINRA's Regulatory Element CE program to provide greater flexibility while maintaining the current goals and requirements of the program. Specifically, the proposed rule change would establish an interim program for just over two full years in which participation would be optional for member firms. Under the proposed Interim Program, senior

¹⁶ 17 CFR 240.19b-4(f)(6)(iii).

leaders would continue to take Regulatory Element CE on an annual basis and they would not receive any exemption from this requirement. In addition, the training would remain consistent with the objectives of Regulatory Element CE, but the topics would be presented from the unique organizational vantage point of senior leaders and delivered through a different method. The proposed Interim Program would provide member firms with the flexibility to have their senior leaders complete Regulatory Element CE training that is specifically tailored to their unique organizational vantage point and their roles at a member firm, which may better meet the training needs for such individuals.

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 5. Text of the proposed rule change.

³ 17 CFR 240.19b-4(f)(6).

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

FINRA is proposing to adopt FINRA Rule 1240.03 (Senior Leader Regulatory Element Interim Program) and make a conforming amendment to FINRA Rule 1240(a)(6) (Delivery of the Regulatory Element) to establish an interim program of Regulatory Element Continuing Education ("CE") that would be voluntary and provide member firms with the option for their senior leaders to complete continuing education.

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

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

Pursuant to Rule 1240, registered persons of member firms are required to complete CE that consists of two mandatory programs, a Regulatory Element and a Firm Element. Regulatory Element CE, which is administered by FINRA, focuses on regulatory requirements and industry standards. Firm Element CE is provided by each member firm to its registered persons and focuses on the firm's securities products, services and strategies, its policies, and industry trends.

FINRA has received a variety of suggestions from member firms and industry groups regarding changes to the Regulatory Element CE requirement for senior leaders (e.g., chief executive officer, chief financial officer). FINRA received similar suggestions regarding this topic in response to Regulatory Notice 25-07.⁴

FINRA believes that Regulatory Element CE provides individuals with valuable training on recent developments in regulatory requirements and industry standards, and as such, CE is appropriate for all registered persons, including senior leaders. FINRA, however, recognizes that senior leaders at member firms may realize greater benefit from Regulatory Element CE training that draws from the annual Regulatory Element content but is tailored to their unique roles at a member firm. Senior leaders may engage with FINRA rules differently than frontline representatives and principals because they have broader visibility and responsibilities across their member firm, and often its broader organizational structure. FINRA believes that Regulatory Element CE content for such leaders therefore may be more effective if it covers the information addressed in the various Regulatory Element CE learning plans but presents the information from a broader, firm-wide perspective. Such content could focus on firm risks, control systems, approaches to pressure-test firm capabilities and vulnerabilities, and similar enterprise-level considerations.

⁴ See, e.g., letter from Bernard V. Canepa, Managing Director and Associate General Counsel & Alyssa Pompei, Vice President and Assistant General Counsel, Securities Industry and Financial Markets Association, to Jennifer Piorko Mitchell, Office of the Corporate Secretary, FINRA, dated July 14, 2025.

Therefore, FINRA is proposing to adopt Rule 1240.03 to establish a Senior Leader Regulatory Element Interim Program (“Interim Program”).⁵ The proposed Interim Program, which would operate for just over two full years, would provide member firms with the option for their senior leaders to complete continuing education covering Regulatory Element topics, such as new and amended rules and regulatory trends, framed from the perspective of their unique roles and responsibilities at a member firm. Under the proposed Interim Program, participating senior leaders would continue to be required to take this continuing education on an annual basis, but the content of the training and the method of delivery would be different.⁶

For the proposed Interim Program, FINRA would, as it does today, develop the Regulatory Element CE training materials on an annual basis. In developing these training materials, FINRA would consider the annual learning plan topics assigned to each registration category. However, rather than limiting the content to the specific registration categories the senior leaders hold, the materials would cover content across all registration categories. FINRA would present significant rule changes, key regulatory developments and other Regulatory Element topics from the unique organizational vantage point of senior leaders. The materials would remain consistent with the core

⁵ For purposes of the proposed Interim Program, a senior leader would include any “covered person” as defined under Rule 1240(a)(5) (Definition of Covered Person) who is listed on a member firm’s Schedule A of Form BD; any other covered person serving on a member firm’s executive, management or operations committees; or any covered person with similar status or functions who is employed at an affiliate of a member firm.

⁶ A member firm would determine which of its senior leaders, if any, it believes should participate in the proposed Interim Program based on the member firm’s annual evaluation of the training needs for such individuals.

objectives of Regulatory Element CE but would be tailored to that senior leader audience. FINRA would make the Regulatory Element CE training materials available to those member firms that elect to participate in the proposed Interim Program. Unlike the manner in which Regulatory Element CE is currently delivered, the chief compliance officer (“CCO”) or other senior compliance officer at a member firm participating in the proposed Interim Program would provide the training to the participating senior leaders (including any participating senior leaders of affiliated entities).⁷ Further, the CCO or other senior compliance officer would have the discretion to supplement the training materials to provide the most relevant and effective training for the senior leaders at his or her firm; there would be no requirement to create or deliver any additional material specific to the registration(s) that any of the senior leaders hold.

A senior leader who participates in the proposed Interim Program would be required to certify that he or she has completed the Regulatory Element CE training, and the member firm would need to retain such certification for at least three years. In addition, CCOs of member firms that choose to participate in the proposed Interim Program would be required to identify to FINRA those senior leaders who completed the training and demonstrated proficiency in the subject matter covered by the educational

⁷ Currently, Regulatory Element CE is provided to all individuals via the online CE platform that is available through FINRA’s Financial Professional Gateway (“FinPro GatewayTM”). The proposed rule change would make a conforming amendment to Rule 1240(a)(6) (Delivery of the Regulatory Element) to remove the requirement that Regulatory Element CE be administered in a technological manner to allow for the CCO or other senior compliance officer at a member firm participating in the proposed Interim Program to deliver the Regulatory Element CE training.

material.⁸ Senior leaders who participate in the proposed Interim Program and successfully complete the training would satisfy their annual Regulatory Element CE under Rule 1240. Those senior leaders who do not participate in the proposed Interim Program would be required to complete the Regulatory Element CE courses assigned by FINRA, as they do today.

As noted, FINRA is proposing to establish the Interim Program for a period of just over two full years. The proposed Interim Program would be voluntary and no member firm would be required to participate. While the proposed Interim Program is in place, FINRA would evaluate the demand for the proposed Interim Program and whether it is meeting the goals of Regulatory Element CE for senior leaders at member firms.⁹ If no further action is taken, the proposed Interim Program would automatically sunset at the end of the designated period.

FINRA has filed the proposed rule change for immediate effectiveness and has requested that the Commission waive the requirement that the proposed rule change not become operative for 30 days after the date of filing so FINRA can implement the proposed rule change immediately.¹⁰

⁸ FINRA would include in a Regulatory Notice additional information on how CCOs would demonstrate compliance with the requirements of the rule.

⁹ As part of evaluating whether the goals of Regulatory Element CE are being met by the proposed Interim Program, FINRA anticipates collecting feedback and data from a variety of stakeholders, including the CCOs and senior leaders at participating member firms, as well as the CE Council.

¹⁰ FINRA notes that the proposed rule change would not impact members that are funding portals but would impact all other members including members that have elected to be treated as capital acquisition brokers (“CABs”), given that the CAB rule set incorporates the impacted FINRA rules by reference.

2. 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 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 continues FINRA's commitment to its Regulatory Element CE program while providing appropriate flexibility for member firms and senior leaders. In particular, FINRA notes that the proposed rule change maintains the requirement that all registered persons complete appropriate Regulatory Element content on an annual basis.

As previously noted, participation in the proposed Interim Program would be voluntary so a member firm could require its senior leaders to continue to take the Regulatory Element CE that has been assigned for the specific registration categories that they hold if the member firm concludes that such training would be more appropriate based on their roles and responsibilities at the member firm. However, FINRA believes that the proposed rule change would provide an alternative Regulatory Element CE for senior leaders that would be a valuable option for member firms and also protect investors and the public interest. In this regard, under the proposed rule change, senior leaders would not be exempt from the annual Regulatory Element requirement; only the framing and method of delivery of the training would differ. The proposed rule change would provide member firms with the option for their senior leaders to take Regulatory Element CE training that addresses significant rule changes, key regulatory developments

¹¹ 15 U.S.C. 78o-3(b)(6).

and core knowledge areas specifically tailored for senior leaders. Further, the ability of a member firm's CCO or other senior compliance officer to supplement the training materials would help to further ensure that the CE training is particularly effective for the member firm's senior leaders.

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

FINRA does not believe that the proposed rule change will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

Economic Impact Assessment

As explained above, the proposed Interim Program would be voluntary and provide members with the option for their senior leaders to complete Regulatory Element CE training that is targeted to their unique roles and responsibilities at members.¹² FINRA has undertaken an economic impact assessment to analyze the potential economic impacts of the proposed rule change, relative to the current baseline. The economic baseline includes Rule 1240, as well as how senior leaders engage with FINRA rules due to their broader visibility into, and responsibilities across, their member firms. FINRA does not have a reliable estimate of the number of senior leaders who may be eligible to participate in the proposed Interim Program, or of the number who may choose to participate.

¹² The proposed Interim Program would provide members with the discretion to determine participation based upon their evaluation of the training needs for such individuals. Members also would have the ability to switch their senior leaders between the proposed Interim Program and the assigned Regulatory Element CE for the registration categories that they hold, providing additional flexibility.

The costs and benefits of the proposed Interim Program will depend on the ongoing cost of administering the program and its effectiveness. Because the proposed Interim Program is voluntary, members are not expected to use this option unless they believe the change benefits the firm overall. FINRA will evaluate whether the proposed Interim Program is meeting the goals of Regulatory Element CE for member firms. Any potential unintended impacts would be limited due to the term of the Interim Program.

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 Act¹³ and Rule 19b-4(f)(6) thereunder.¹⁴

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.

¹³ 15 U.S.C. 78s(b)(3)(A).

¹⁴ 17 CFR 240.19b-4(f)(6).

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-FINRA-2026-023 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-2026-023. 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 filing will be available for inspection and copying at the principal office of FINRA. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection. All submissions should refer to File Number SR-FINRA-2026-023 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.¹⁵

Sherry R. Haywood
Assistant Secretary

¹⁵ 17 CFR 200.30-3(a)(12).

EXHIBIT 5

Below is the text of the proposed rule change. Proposed new language is underlined; proposed deletions are in brackets.

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1200. REGISTRATION AND QUALIFICATION

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1240. Continuing Education

This Rule prescribes requirements regarding the continuing education of registered persons. The requirements shall consist of a Regulatory Element and a Firm Element as set forth below. This Rule also sets forth continuing education programs through which specified persons may maintain their qualification in a representative or principal registration category following the termination of that registration category.

(a) Regulatory Element

(1) through (5) No Change.

(6) Delivery of the Regulatory Element

The Regulatory Element shall be administered through Web-based delivery or such other [technological] manner and format as specified by FINRA.

(7) No Change.

(b) through (c) No Change.

• • • Supplementary Material: -----

.01 through .02 No Change.

.03 Senior Leader Regulatory Element Interim Program. This Supplementary Material establishes a Senior Leader Regulatory Element Interim Program (“Interim Program”) with respect to the requirement to complete the Regulatory Element set forth

in this Rule. A member may elect to have a covered person who is a senior leader satisfy the requirement to complete the Regulatory Element set forth in this Rule by participating in the Interim Program. The Interim Program shall be administered in a manner prescribed by FINRA and as set forth in SR-FINRA-2026-023 for a period starting on November 2, 2026, and ending on December 31, 2028. The Regulatory Element material for covered persons who participate in the program shall be developed by FINRA and shall be based on the roles and responsibilities of senior leaders. The chief compliance officer of a member designated under Rule 3130 shall provide FINRA with the list of participating senior leaders and represent to FINRA that the senior leaders completed the Regulatory Element material in a manner prescribed by FINRA. Further, a senior leader who participates in the Interim Program shall certify that he or she has completed the Regulatory Element material and the member shall retain such certification. For purposes of this Interim Program, the term “senior leader” means any covered person listed on a member’s Schedule A of Form BD; any other covered person serving on a member’s executive, management or operations committees; or any covered person with similar status or functions who is employed at an affiliate of a member. If the Interim Program is not extended or Rule 1240.03, as may be amended, is not approved as permanent by the Commission, this Supplementary Material will automatically sunset on December 31, 2028. Covered persons who are senior leaders will not be able to participate in the Interim Program after such date.

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