



July 14, 2025

Submitted electronically via email to pubcom@finra.org

Jennifer Piorko Mitchell
Office of the Corporate Secretary
FINRA
1700 K Street, NW
Washington, DC 20006

Re: CFP Board Comment Letter Regarding FINRA Regulatory Notices 25-04, 25-06, and 25-07

Dear Ms. Piorko Mitchell:

I write on behalf of CFP Board, the professional body that certifies more than 104,000 CERTIFIED FINANCIAL PLANNER® professionals in the United States. Since 1985, CFP Board has set the standard for competent and ethical financial planning in the United States. Today, approximately one-third of retail financial professionals are CFP® professionals who commit to CFP Board, as part of their certification, to act as a fiduciary, and therefore, to act in the best interests of the client at all times when providing financial advice. CFP® professionals operate under various business and compensation models (including commission-based compensation and fee compensation) and provide professional services on behalf of investment advisers, broker-dealers, and insurance companies, among other business types.

Thank you for the opportunity to provide comments that will help FINRA adapt to an evolving industry. CFP Board's interest is in protecting investors and advancing the financial planning profession. We urge FINRA to make investor protection a key focus of these modernization efforts.

Regulatory Notice 25-04: Modernizing FINRA Rules Regarding Member Firms and Associated Persons

1. What specific FINRA rules should be a focus for modernization based on their economic costs and benefits; changes in markets, products, services, or technology; or otherwise? What groups of FINRA requirements should be a focus? Please include FINRA rules that may be mandated or derived from a statutory or other non-FINRA regulatory requirement applicable to FINRA or its members.

FINRA should continue to focus on updates to [FINRA Rule 2210 \(Communications with the Public\)](#) to better align with the U.S. Securities and Exchange Commission's (SEC) marketing rule and to allow only limited disclosure of performance projections or targeted reforms (as proposed in 2023).

FINRA previously filed a proposed [rule change](#) with the SEC to update FINRA Rule 2210 that would allow broker-dealers, in communications with institutional investors and [qualified purchasers](#) under the Investment Company Act (15 USC § 80a-2(a)(51)), to include performance projections or target returns. FINRA later amended the proposal to also allow those communications with knowledgeable employees. The proposal would require that broker-dealers disclosing such information have a reasonable basis for

their projections, disclose contextual information to investors, and have “written policies and procedures reasonably designed to ensure that the communication is relevant to the likely financial situation and investment objectives of the investor.” Although SEC staff moved to approve the proposed updates, the approval was stayed.

We understand that FINRA’s Board of Governors approved new amendments to FINRA Rule 2210 at its June 2025 meeting to “better align the regulatory requirements for broker-dealers and investment advisers related to performance projections in written communications to investors.” While FINRA has not made specific information publicly available, FINRA states that the “amendments would create a narrowly tailored exception to the general prohibition on projections and permit the presentation of projected performance and targeted returns when members meet specified conditions, including adopting policies and procedures, having a reasonable basis for the criteria and assumptions made in calculating the projections or targeted returns, and providing specified information.”¹ The SEC’s rulemaking docket does not yet reflect a filing of the proposed amendments.

CFP Board appreciates that FINRA’s prior proposed updates to Rule 2210 would permit broker-dealers to disclose performance projections or targeted returns only to institutional investors and qualified purchasers. We are hopeful that the forthcoming amendments will do so as well. Performance projects and targeted return disclosures are inappropriate for retail investors, who may not fully understand the meaning of such projections in the context of the risk-reward profile of an investment product or strategy. This issue is especially acute for so-called “private market securities.” Rule 2210 provides meaningful investor protection for these investments and FINRA should maintain them.

Regulatory Notice 25-06: Modernizing FINRA Rules, Guidance and Processes to Facilitate Capital Formation

In response to FINRA’s request for comment in Regulatory Notice 25-06 on any of its rules, guidance or processes that affect the capital-raising process, CFP Board urges FINRA not to engage in regulatory modernization at the expense of investor protection. FINRA’s rules must place investor protection first.

- While FINRA should update rules to reflect the modern landscape, such as to address digital communications, social media, cybersecurity, and artificial intelligence, those updates must retain the investor protection benefits of existing rules.
- Additionally, although we support efforts to make FINRA’s rules consistent with those of other regulators to enhance compliance efforts and reduce unnecessary burdens, FINRA should do so only when investor protection is preserved or improved. FINRA should not align with other regulators if doing so would lower the standard of conduct owed to retail investors.
- FINRA should modify disclosure requirements so that they are consistent and standardized for the benefit of investors. Plain-English, uniform disclosures that address fees, conflicts, and risks are imperative.

FINRA should enhance, and not weaken, private market protections for investors. While CFP Board supports alternative approaches to the accredited investor definition that more accurately measure qualifying criteria, those approaches must balance the goals of investor protection and access to the

¹ Report From FINRA Board of Governors Meeting (June 2025) (<https://www.finra.org/media-center/newsreleases/2025/report-finra-board-governors-meeting-june-2025>)

capital offering market. Net worth and income should not be the sole measures for determining accredited investor status, as they do not necessarily reflect financial sophistication. If FINRA supports changes to the accredited investor definition that grant greater access to the private markets by individuals, it should only be if those changes adequately define financial sophistication and do not raise investor risk. The accredited investor definition should raise and index for inflation current income and net worth thresholds for natural persons. Furthermore, the definition should focus on protecting retirement assets and income. There should be an exclusion to the wealth and income thresholds for retirement assets and income, similar to the exclusion for a person's primary residence. CFP Board recently opposed several bills under consideration in Congress on this basis.²

Regulatory Notice 25-07: Modernizing FINRA Rules, Guidance, and Processes for the Organization and Operation of Member Workplaces

B.2. Should changes be made to the substance or presentation of the information provided to the public?

CFP Board strongly supports efforts to modernize and streamline registration for financial professionals. The uniform registration forms, in conjunction with the Central Registration Depository (CRD) system, have significantly improved regulatory coordination and data collection, while reducing the administrative burden for firms and individual registrants. However, the transparency offered to BrokerCheck remains incomplete. Specifically, we understand that certain types of information once accessible through legacy CRD reports are no longer available through BrokerCheck.

FINRA should make available to the public the following information:

- **Judgments and liens** that were previously disclosed but are no longer publicly visible following satisfaction or arrangements with the creditor;
- **Bankruptcies** that occurred more than 10 years ago;
- **Failed qualification exams**, which may provide insight into a candidate's preparedness or career trajectory; and
- **Internal firm review disclosures**, which can serve as early indicators of conduct concerns, even in the absence of a formal disciplinary action.

C.4. Should FINRA consider any changes to the CE program?

CFP Board appreciates FINRA's leadership in modernizing the Continuing Education (CE) program and adapting to the evolving needs of the financial services workforce. As FINRA evaluates the CE program, CFP Board encourages a focused effort to harmonize CE requirements across relevant regulatory and accrediting bodies, including FINRA, state securities regulators, and national professional organizations, such as CFP Board. Many financial professionals are subject to overlapping CE obligations from multiple authorities, resulting in duplication that increases the burden on the individual without necessarily advancing their professional competence.

A more coordinated approach to CE content and credit recognition would reduce inefficiencies and strengthen educational outcomes by encouraging more integrated and meaningful learning experiences. CFP Board welcomes the opportunity to work with FINRA and other stakeholders to explore opportunities

² CFP Board [Letter](#) to the House Financial Services Committee (April 7, 2025).

for alignment and content coordination, particularly in areas that address shared priorities such as ethics, fiduciary duties or best interest standards, and emerging product knowledge.

D.2. Should FINRA consider any changes to its rules relating to the delivery of disclosure documents to customers, including the disclosure requirements under the FINRA Rule 2200 Series?

CFP Board supports the responsible use of electronic delivery for required disclosures and customer communications. Digital channels can improve efficiency, reduce costs, and meet the expectations of many investors who prefer mobile or online engagement. However, modernization efforts must preserve investor protections and reflect the reality that not all investors engage with firms in the same way.

To that end, CFP Board encourages FINRA to take a sensible approach to any updates to the Rule 2200 Series. FINRA should preserve investor choice, as individuals have varying levels of technical experience. Further, rules and guidance should allow for cost-effective and technology-forward delivery methods, while ensuring that firms remain accountable for verifying that investors are, in fact, receiving and engaging with important information. A flexible, investor-centered framework will ensure that electronic delivery enhances, not undermines, communication, comprehension, and confidence in a client's relationship with their financial professional.

With this in mind, CFP Board recommends that FINRA consider measures such as, but not limited to:

- **More frequent verification of account contact information**, whether through member firm portals, mobile apps, or in-person interactions;
- Supervisory systems that **flag delivery failures**, such as bounce backs or inactivity; and
- Optional tools like **read receipts or confirmation prompts**, particularly for documents related to account changes, conflicts of interest, or high-risk products.

E.5. Should FINRA consider any changes to its rules, guidance, or processes relating to its communications with the public requirements to address any challenges resulting from using new technologies? For example, should FINRA consider any changes to the disclosure requirements under its rules to facilitate the use of modern communication channels (e.g., through layered disclosures)?

CFP Board supports FINRA's recognition of the challenges and opportunities that new and emerging communication technologies present. Regulatory frameworks must evolve over time to ensure that all business-related communications are properly supervised and retained, regardless of the platform used. To this end, CFP Board recommends that FINRA require associated persons to disclose all communication platforms they use to engage with clients, analogous to existing obligations to disclose outside business activities. This disclosure is essential to enable firms and regulators to maintain effective supervision and compliance oversight. Moreover, member firms and regulators must strictly prohibit the use of any communication channels that are not disclosed and appropriately monitored. Allowing unmonitored or off-channel communications undermines investor protections and creates compliance gaps.

Further, FINRA must ensure that rules and guidance continue to account for recommendations that occur outside of traditional communication channels. The same rules and guidance that apply when a FINRA-registered broker-dealer sits down with an investor and provides investment recommendations in person should apply when recommendations are provided online or generated by artificial intelligence.

Finally, FINRA should encourage firms to continue to embrace technology to improve information available to investors. For example, information “layered” in electronic environments provides opportunities to present greater context and efficiency for key disclosures. By improving the ordering and presentation of information and adding additional tools and features and links for immediate access to information, firms will make required disclosures and other information easier for investors to access and understand.

G.1. How have technological advances helped or hindered members’ ability to fight fraud under FINRA rules, guidance and processes? What additional modifications or changes should FINRA consider to further address changes in fraud practices created by these advances?

Americans increasingly are making investment decisions based on advice they receive from social media. Many consumers regularly turn to the internet for financial advice, browsing news sites, finance sites, and social media for tips on saving, making major purchases, and managing debt. Increasingly, social media financial influencers (or “finfluencers”) have become prominent sources of finance tips and advice. But as reliance on online financial guidance grows, so does the risk of encountering inaccurate, unreliable, or fraudulent information and advice.

CFP Board has been keenly focused on this issue. To better understand how online information impacts individuals’ financial goals, CFP Board’s Research team conducted a survey on April 7-8, 2025. CFP Board sent a 13-question survey to randomly selected Americans aged 25 to 64 nationwide with annual household incomes over \$50,000, as sourced by online survey provider Alchemer.³

Through this survey, CFP Board learned that seven in eight Americans regularly visit online platforms to answer their finance-related questions. Although many Americans turn to the internet for financial information, only two in five (39%) believe that most or all online information is in their best interests. While 29% of survey respondents “somewhat” agree that the financial information they encounter online is in their best interests, 32% disagree with the statement.

The difference across generations is staggering. Nearly half of American aged 25-45 believe most or all of what they find online truly has their best interests in mind (48%), while only a quarter of those aged 46-64 agree. Conversely, 42% of older Americans disagree that online financial information serves their best interests, compared to only 26% of younger survey respondents.

CFP Board’s survey and others clearly indicate that Americans increasingly receive financial information through technology. While technological advancements have the potential to support the financial advice ecosystem, they similarly have the potential to cause irreparable harm. Bad actors around the globe are using these advancements to their advantage by orchestrating financial fraud and scams. Further, well-intentioned (or non-nefarious) finfluencer activities must be regulated and supervised consistent with existing regulatory frameworks.

CFP Board has created a new toolkit, [Combating Online Financial Misinformation](#), to help CFP® professionals identify, address and counter misleading financial content online. This resource is designed

³ CFP Board, Steering Clear of Financial Misinformation of Financial Misinformation: A Survey of Americans (2005) (<https://www.cfp.net/-/media/files/cfp-board/knowledge/reports-and-research/consumer-surveys/cfp-board-financial-misinformation-report-2025.pdf>)

to support ethical, accurate communication and protect the public from misinformation. The toolkit includes:

- Top 10 Forms of Financial Misinformation, with examples commonly found on social media and ideas for how to respond;
- Actionable guidance on proper and improper use of social media, including a “to DOs and DON’Ts” guide aligned with the *Code of Ethics and Standards of Conduct*; and
- Examples to help CFP® professionals engage online with confidence and professionalism

CFP Board is taking practical steps to promote accurate, trustworthy information. These efforts help raise the visibility of reliable financial guidance and reduce the spread of misleading or harmful content

FINRA should consider issuing further guidance explaining how its existing rules apply to the activities of influencers. In light of the proliferation of online financial information, FINRA also should review its existing requirements to ensure that they address potential fraud and manipulation, as well as the actual and potential conflicts of interest associated with the activities of influencers. Further, FINRA should continue to bring and expand its enforcement actions against disseminators of online financial misinformation where appropriate.

G.2. Members have raised concerns that the time limits Rule 2165 specifies restrict their ability to protect customer assets when the financial exploitation is ongoing (e.g., when a member has been unable to convince the customer of the financial exploitation and adult protective services has not concluded its investigation before time expires). Should FINRA further extend the temporary hold period in Rule 2165? If so, for how long?

CFP Board supports FINRA’s continued efforts to protect vulnerable investors from financial exploitation. We recognize that Rule 2165 has served as a valuable tool for firms seeking to safeguard the assets of older clients and those with diminished capacity. However, as financial exploitation schemes grow more sophisticated and investigations by relevant authorities often extend beyond current regulatory timeframes, we encourage FINRA to consider enhancing this protective framework.

Specifically, CFP Board recommends that FINRA extend the maximum temporary hold period under Rule 2165 to 15 business days, up from the current 10-business-day limit. This modest but meaningful extension would better reflect the practical realities firms face when investigating suspected financial exploitation, particularly in cases involving delays in coordination with adult protective services or law enforcement. Notably, the state of Idaho recently enacted HB 323, effective July 1, 2025, authorizing financial institutions to place a temporary hold of up to 15 days when exploitation of a vulnerable adult is suspected. A 15-business-day window would strike an appropriate balance, providing sufficient time for institutions and partner agencies to intervene effectively while still respecting clients’ rights and access to their funds.

G.3. Should FINRA expand the application of Rule 2165: such as (1) beyond “specified adults” to any customer where there is a reasonable belief of financial exploitation; or (2) where there is a reasonable belief that the customer has an impairment that renders the individual unable to protect his or her own interests (e.g., a cognitive impairment or diminished capacity), irrespective of whether there is evidence that the customer may be the victim of financial exploitation by a third party?

CFP Board supports expanding the applicability of Rule 2165 to better reflect the evolving nature of financial exploitation and cognitive vulnerability. We recommend that FINRA broaden the rule's scope beyond "Specified Adults" by permitting temporary holds when there is a reasonable belief of financial exploitation, regardless of the customer's age or disability status. While older adults and those with impairments are particularly at risk, exploitation can affect clients of any age. According to the Federal Bureau of Investigation's 2024 report, consumers lost more than \$16 billion to scammers and cybercriminals. Losses from consumers aged 60 and older totaled \$4.8 billion, while the remaining losses impacted those younger than 60.⁴

Any expansion of the rule should be paired with robust internal controls to prevent misuse, including clear supervisory review, written documentation, and timely notification to trusted contacts. These protections will help ensure the rule continues to prioritize client autonomy while allowing firms to fulfill their duty to protect clients from preventable harm.

G.4. Are there aspects of the trusted contact provisions in Rule 4512 that FINRA should consider modifying or enhancing?

We support FINRA's efforts to strengthen investor protections through the trusted contact framework in Rule 4512. Below, find several recommendations that could improve the effectiveness and consistency of implementation:

- **Strengthen the information-sharing framework.** Currently, Rule 4512 permits information-sharing with a trusted contact person (TCP) under limited circumstances, such as concerns about a client's health, diminished capacity, or potential financial exploitation. While firms are required to request TCP information when opening an account, clients may decline to provide it or fail to do so. In situations involving suspected exploitation, the ability to contact a TCP can be the critical factor in preventing irreversible financial harm. To strengthen investor protection, CFP Board recommends that FINRA expand the information-sharing framework to allow firms — in situations where no TCP is on file — to reach out to another third party reasonably associated with the client, such as a family member, caregiver, or legal representative. This mirrors the approach Idaho recently adopted in HB 323. CFP Board supports FINRA aligning Rule 4512 with this emerging state standard to provide firms greater flexibility to act swiftly and responsibly in high-risk situations.
- **Clarify situations warranting contact.** While Rule 4512 permits firms to contact the TCP under certain circumstances, the rule fails to provide clear guidance on when such contact should occur. FINRA could provide examples or safe harbor criteria to help firms determine appropriate triggers for outreach (*e.g.*, repeated missed required minimum distributions, suspicious transfers, or observed cognitive decline).
- **Encourage (but don't mandate) customer updates.** Many investors either decline to name a TCP or forget to update it over time. FINRA should consider requiring or encouraging firms to routinely prompt customers to review and update their TCP, perhaps as part of annual account reviews or when major life events are disclosed.

⁴ FBI Internet Crime Report (2024) at 27 (https://www.ic3.gov/AnnualReport/Reports/2024_IC3Report.pdf)

G.5. Are there other tools (including rules, guidance or technology solutions) that FINRA can provide to members to further facilitate protection of senior and vulnerable investors from fraud and other types of financial exploitation?

In addition to strengthening existing rules such as Rule 2165, FINRA could make a significant impact through the development of a FINRA-led or co-sponsored investor education initiative focused on:

- Recognizing common scams targeting older adults (e.g., romance scams, tech support fraud, and investment fraud);
- Understanding the role of trusted contacts and temporary holds; and
- Encouraging families to have proactive conversations about financial decision-making and diminished capacity.

A campaign modeled after public health or cybersecurity awareness efforts—delivered through traditional media, social media, community partners, and senior advocacy organizations—could help reduce stigma and normalize help-seeking behavior among at-risk investors.

Significantly, FINRA should do much more to promote the importance of working with financial professionals who have meaningful credentials and help investors identify those credentials that are meaningful. The [Investor Bulletin](#) FINRA recently issued with the SEC and the North American Securities Administrators Association (NASAA) does not go far enough to help combat the “alphabet soup” of credentials. FINRA states that “It might be difficult to confirm whether a designation is real or meaningful.” FINRA’s current solution is to offer investors a list of seven questions and then direct consumers to a website containing an alphabetized laundry list of 250 financial designations (including 140 that begin with the word “Certified”). FINRA can – and must – do much more to help consumer identify the designations that reflect rigorous requirements, like CFP® certification.

Thank you for the opportunity to provide these comments. If you have any questions or would like to discuss these issues, please contact me at 202-379-2240 or by email at ekoepfel@cfpboard.org.

Sincerely,

A handwritten signature in blue ink that reads "Erin K. Koepfel". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Erin Koepfel
Managing Director, Government Relations & Public Policy Counsel
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