

From: [Nick Sech](#)
To: [Comments, Public](#)
Cc: rule-comments@sec.gov
Subject: Comment on Regulatory Notice 26-15: Best Execution and FINRA Rule 5310, File No. S7-2026-20
Date: Thursday, September 24, 2026 1:30:39 PM

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Dear Ms. Mitchell,

I am an individual investor, and I am writing in response to Regulatory Notice 26-15 and FINRA's request for comment on modernizing its best execution guidance under Rule 5310.

As an investor, the part of this proposal that concerns me most is the possibility of weakening order-by-order review of internalized orders. The notice asks whether order-by-order review should still be required, whether a firm's own order router can effectively serve as the review of that same router, and whether documented procedures should qualify for safe-harbor treatment.

From my perspective, order-by-order review is the point where this rule actually reaches the price an individual investor receives. If that requirement is relaxed, I worry that Rule 5310 becomes increasingly focused on processes and averages rather than whether my individual order received the execution it should have.

I would encourage FINRA to move in the opposite direction: strengthen the best execution standard, improve enforcement, and reduce reliance on firms that have financial conflicts in the routing and execution process.

Specifically, I would ask FINRA to consider:

1. Requiring order-by-order review for all non-institutional orders rather than relying on aggregate review for retail order flow.
2. Establishing an objective price-improvement standard for conflicted retail executions—for example, midpoint or better when the spread is one tick, and at least one full tick of improvement when the spread is wider.
3. Requiring execution-quality reporting by routing broker rather than allowing results to be reported only in aggregate.
4. Reviewing the inputs used by order-routing systems, not just their resulting executions. A firm that controls the routing methodology can influence the outcomes that it later reviews.
5. Prohibiting reliance under .09(c) on execution-quality reviews performed by a firm that pays for the order flow or executes those orders as principal.
6. Clarifying that blanket "not held" designations on retail customer orders are inconsistent with Rule 5310.
7. Providing examiners periodic access to routing audit trails and publishing annual statistics showing Rule 5310 examinations, enforcement findings, and customer restitution.
8. Creating a standardized examination module specifically for best execution and customer order routing.

9. Bringing an enforcement action based on the principles FINRA described in Regulatory Notice 21-23. That notice has now been public for several years, and investors should be able to see how those principles are being enforced in practice.
10. Conducting quarterly peer benchmarking of execution quality and referring persistent outliers for additional examination or Enforcement review.
11. Reconsidering whether firms with significant routing conflicts, or firms that are the subjects of active enforcement actions, should hold positions on FINRA's Board of Governors while those conflicts or proceedings remain unresolved.
12. Requiring a specifically identified individual at each firm to be accountable for oversight of best execution and customer order routing.

I believe this issue is especially important right now because the SEC has proposed rescinding Rule 611, the Order Protection Rule, in part on the premise that broker-dealers' best execution obligations will continue to protect investors.

If Rule 5310 is expected to carry more of that responsibility, then I believe investors deserve a clear explanation of how FINRA intends to strengthen its supervision and enforcement of the rule. I would particularly like to understand what FINRA expects to do differently going forward from what it has done over the past decade.

I am not an institution or a market-making firm. I am simply an investor who expects that when I submit an order, the system should be designed to obtain the best reasonably available execution for me—not merely an execution that looks acceptable when averaged together with thousands of others.

Thank you for taking the time to consider my comment and the perspective of individual investors.

Respectfully,

Nicholas Sech

Sent from my Galaxy