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September 14, 2026

VIA ELECTRONIC SUBMISSION

Jennifer Piorko Mitchell
Office of the Corporate Secretary
FINRA
1700 K Street, NW
Washington, DC 20006-1506

Re: Regulatory Notice 26-14 – FINRA Requests Comment on Proposed Changes to Modernize Rule 2210 (Communications with the Public)

Dear Ms. Mitchell:

Robinhood Financial LLC and Robinhood Securities, LLC[1] (together, "Robinhood") are broker-dealers registered with the U.S. Securities and Exchange Commission ("SEC") and are members of the Financial Industry Regulatory Authority ("FINRA"). Robinhood respectfully submits this letter in response to FINRA Regulatory Notice 26-14 (the "Notice"), in which FINRA requests comment on proposed changes to modernize FINRA Rule 2210 (Communications with the Public).

Robinhood commends FINRA for undertaking this modernization effort with respect to Rule 2210 as part of its broader FINRA Forward initiative. FINRA's proposal to replace universal principal pre-use approval for retail communications with a risk-based supervisory standard is a particularly welcome and forward-thinking change, and we support it. However, the same evidence and logic that supports this and the other changes that FINRA has proposed in the Notice also support a more fundamental conclusion: Rule 2210 should be rewritten from the ground up.

Robinhood's mission is to democratize finance for all by expanding access to the financial markets through technology. Since its founding, Robinhood has sought to lower the traditional barriers to investing by offering intuitive digital tools, commission-free trading, fractional shares, and products designed to make investing more accessible to a broader range of Americans. We believe that broader participation in the capital markets benefits investors, issuers, and the financial system as a whole. Our recommendation that FINRA rewrite Rule 2210 rather than amend it piecemeal is guided by this mission. A rule built coherently around how investors actually receive information today will do more to protect and inform investors than a patchwork of exceptions grafted onto a paper-era framework.

In this letter we set forth: (i) the case for why Rule 2210 should be rewritten, (ii) the principles that should guide that rewrite, (iii) our vision for a reimagined Rule 2210, (iv) targeted amendments to Rule 2210 that FINRA could adopt in the near term if it determines not to undertake a comprehensive rewrite of the rule, and (v) changes that FINRA should make to other closely-related rules.

[1] Both of these firms are wholly-owned subsidiaries of Robinhood Markets, Inc.

I. THE CASE FOR A COMPREHENSIVE REWRITE

As Robinhood has emphasized in prior comments,[2] many of FINRA's rules are grounded in an earlier era. Rule 2210 is a clear example. The last comprehensive rewrite of Rule 2210 and its related and predecessor rules occurred in 2003 when the National Association of Securities Dealers ("NASD") undertook to "modernize and clarify the rules governing member communications with the public."[3] In 2003, online brokerage, social media and smartphones were in their relative infancy, and now those are the predominant ways that investors transact and receive information. Further, information today is delivered in real time, tailored to individual users, and presented through dynamic, interactive formats. Investors expect communications that are immediate, accessible, and integrated into the digital platforms through which they conduct their everyday financial lives.

We commend FINRA for having responded to this changing landscape by issuing guidance and attempting to adapt its rules. By our count, FINRA has issued over 35 releases that touch on Rule 2210 since 2003. Unfortunately, however, this has resulted in an overly complex rule, a complicated patchwork of guidance, and a cumbersome regulatory framework that have made it unnecessarily difficult for FINRA members to understand the requirements and actually communicate with the public.

Rule 2210 is currently built around a small number of core organizing concepts, including a 25-recipient headcount test, a distinction between "static" and "interactive" communications, requirements to file certain communications with FINRA's Advertising Regulation Department (the "Department"), and a set of content standards that have increasingly stifled many types of informative content. Each of these concepts may have made sense when they were adopted many years ago, but none were designed with mobile applications, social media, personalization, or generative AI in mind.[4] To address the strain that social media, AI and other technological changes have placed on the current approval framework, FINRA has found it necessary to abandon one of the rule's key distinctions—between static and interactive content—and to replace the core supervisory standard in Rule 2210(b)(1) with a different, risk-based approach. If the rule's central supervisory framework requires that kind of structural change, the rest of the rule, which is built on the same stale, decades-old assumptions, warrants the same scrutiny.

Robinhood believes that FINRA should treat this rule modernization initiative as the right occasion for a comprehensive overhaul of Rule 2210, rather than a series of targeted amendments layered onto the rule's existing—and now flawed—architecture. If FINRA instead determines to proceed with targeted amendments to the existing rule, each of the recommendations that we discuss below should be understood as a discrete amendment or item of guidance that FINRA should adopt independently of any broader rewrite.

II. GUIDING PRINCIPLES FOR A COMPREHENSIVE REWRITE

The following principles, many of which we have urged FINRA to apply throughout its rule modernization initiative, apply with particular force to Rule 2210:

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[2] *See* Letter from Matt Billings, Robinhood Financial LLC, to Jennifer Piorko Mitchell, FINRA, dated July 16, 2025, at 9, available at https://www.finra.org/sites/default/files/NoticeComment/Robinhood%20-%20RN%2025-07%20Letter.pdf ("Robinhood 25-07 Comment Letter"); Letter from Matt Billings, Robinhood Financial LLC, to Jennifer Piorko Mitchell, FINRA, dated June 10, 2025, available at https://www.finra.org/sites/default/files/NoticeComment/Robinhood_Comment_Letter_--_Regulatory_Notice_25-04.docx.pdf ("Robinhood 25-04 Comment Letter").

[3] NASD Notice to Members 03-38 (Jul. 7, 2003).

[4] FINRA's own proposal implicitly recognizes as much.

- ***FINRA's rules regarding communications with the public should facilitate communication with the public.*** FINRA's rules should not impose procedural and substantive barriers to communication that make it impossible for FINRA members to communicate with the public quickly, efficiently, and naturally. The rules must permit FINRA members to meet investors where they are.

- ***FINRA should carefully weigh the direct and indirect costs of each requirement against the benefit it provides.*** Members have finite resources. Any resources that firms allocate toward complying with provisions that have little or no investor-protection benefit are resources that they cannot allocate toward compliance with more impactful requirements. Rule 2210 has accumulated provisions and related guidance over the course of several decades. It should be assessed as a whole, not provision by provision, since almost any single provision looks defensible in isolation.

- ***FINRA's rules should establish clear and easily understandable standards of conduct.*** Any areas of uncertainty should be addressed with clarifying rule text or consolidated FAQs rather than informal feedback from the Department or enforcement actions.

- ***No rule or provision should be considered sacrosanct simply because it has been in place for a long time.*** This includes the organizational structure of Rule 2210 itself (the categories, distinctions, and filing triggers around which the rule is built), and not only the specific requirements FINRA has proposed to amend.

- ***FINRA's rules should be technology aware.*** Although it is appropriate for rules to be technology neutral, FINRA should approach the review of its rules with sensitivity to changes in technology and customer behavior. In many cases, these changes warrant rule changes, not just new guidance interpreting old rules.

- ***Rules should not be one-size-fits-all and should account for the wide range of business models among FINRA members.*** Requirements designed to address specific types of activities or business models (*e.g.*, advice-based brokerage) should be narrowly drafted so that they do not impose burdensome requirements on other activities or business models (*e.g.*, self-directed brokerage) that do not implicate the same risks.

III. REWRITING RULE 2210

Below we discuss the key issues with Rule 2210 in the order in which the relevant provisions appear in the rule.

A. RULE 2210(A): THE DEFINITIONAL FRAMEWORK

Rule 2210(a) defines the categories of communications (correspondence, retail communications, and institutional communications) that determine which supervisory and filing requirements apply, as well as related terms such as "institutional investor."

1. Correspondence vs. Communications and the 25-Recipient Test

The 25-recipient test no longer serves its purpose. A firm often cannot tell, when a communication is prepared or sent, whether it will be delivered to more than 25 retail investors within a 30-day period, and therefore whether it is "correspondence" or a "retail communication" under Rule 2210(a). While firms should be permitted to consider the anticipated number of recipients when evaluating the risk of a communication, the benefits of FINRA's proposed risk-based framework will be diminished if firms must still spend time distinguishing between retail communications and retail correspondence and applying different standards to each.

It is unclear whether or how, in practice, the new supervisory framework for retail communications under proposed Rule 2210(b)(1) is intended to differ from the existing framework for correspondence, which pursuant to FINRA Rule 2210(b)(2) is subject to the supervision and review requirements of Rules 3110(b) and 3110.06 through .09. FINRA should simply eliminate the headcount-based distinction from Rule 2210(a) for supervisory purposes. If FINRA retains the distinction, it should at minimum confirm that a member may apply a single, unified supervisory framework to retail communications and retail correspondence, as further discussed below.

2. The Scope of Communications under Rule 2210

Rule 2210(a) does not clearly define the outer boundary of what counts as a member's "communication." Modern financial platforms increasingly provide customers with a single digital experience through which they may access products and services offered by multiple affiliated entities, including broker-dealers, investment advisers, banks, and other financial services providers, that are subject to different regulatory regimes. Because Rule 2210(a) does not clearly address the scope of its application, firms have often concluded that they need to supervise and apply Rule 2210 to non-brokerage communications out of concern that FINRA will otherwise assert jurisdiction over them. A rewritten Rule 2210(a) should clearly define the outer bounds of what constitutes a "communication" and make clear that the fact that a broker-dealer and its affiliates share a digital surface, branding, technology, or customer interface does not, without more, cause the affiliate's communications to become subject to Rule 2210 or FINRA's supervision requirements.

In the Notice, FINRA has also asked what challenges members face in supervising and preserving communications that are primarily factual and automatically generated without human intervention, and has identified the relevant population: account balances and position summaries, margin and buying-power notifications, order status updates, customer-configured alerts such as price and threshold alerts, system availability notifications, account maintenance reminders, and transaction receipts and confirmations.[5] These communications share three features that distinguish them from the communications Rule 2210(b) was written to address: (i) they are factual rather than persuasive, (ii) their content is determined by the customer's own account data, or by parameters the customer selected, rather than by a person exercising judgment at the time of transmission, and (iii) they are generated in such volume, and vary so much between recipients, that reviewing them individually serves no regulatory purpose. What would be reviewed is a template populated from account data, rendered differently for every customer. Robinhood recommends that a rewritten Rule 2210 exclude this category of communication from the definition of "communication" and address it instead through the supervisory framework applicable to a member's systems and books and records. Nothing in this recommendation would relieve a member of responsibility for the accuracy of these messages. Accuracy is governed by a member's books-and-records and systems obligations, which this recommendation would leave untouched.

3. The Scope of Adoption

Although it is not a defined term under Rule 2210, "adoption" is a core concept in the application of the rule. FINRA's interpretation of when a firm has "adopted" third-party content for purposes of Rule 2210

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[5] Regulatory Notice 26-14, Request for Comment No. 8.

has not kept pace with how customers and employees currently interact with content online. We do not believe, for example, that a reasonable customer or prospective customer would view a third-party communication that is simply "liked" by a single employee of a broker-dealer on social media, without further discussion, as equivalent to an official communication from that broker-dealer, or would expect the broker-dealer to be fully responsible for the content of that communication.[6] Nor should a narrow reference to a single portion of, or concept within, a third-party communication automatically result in "adoption" of the entire communication. Adoption should not be treated as an all-or-nothing concept, and the scope of what a firm adopts should track the scope of what it actually shares or endorses.

The practical consequence of the current interpretation of adoption is that members often suppress ordinary engagement rather than risk adoption. That suppression is a rational response to an interpretation under which a single click may cause a third-party communication to be treated as the member's own communication. Investors are worse off for that silence. Rule 2210 and FINRA's guidance under the rule push supervised, knowledgeable voices out of the forums where investors now form their views, and leaves those forums to speakers who are not subject to FINRA's rules.

A rewritten Rule 2210(a) should codify a modernized adoption standard directly in the rule's definitions, grounded in the expectations of reasonable customers and calibrated to the scope of what a firm or associated person actually shares or endorses, rather than leaving firms to piece together FINRA's position from informal guidance. A modernized adoption standard would permit ordinary engagement by members while remaining fully responsible for content they actually take affirmative steps to endorse. Under this standard, members would not have strict liability for content that they only have a tangential connection to, including hyperlinked material that a firm does not discuss or content that has changed since it was hyperlinked by the firm.

B. RULE 2210(B): CALIBRATING SUPERVISION TO RISK

FINRA has proposed a significant amendment to Rule 2210(b), and for good reason. As communication technologies have evolved rapidly over the past two decades, the requirement for principal preapproval of every retail communication has become increasingly difficult to reconcile with the volume, speed, interactivity, and dynamic nature of modern communications. Specifically, the rise of social media has transformed communications from largely static, one-way publications into continuous, interactive exchanges, and the more recent generative AI boom has accelerated that transformation by enabling firms to generate content dynamically and at scale. As a result, Robinhood strongly supports the direction of FINRA's proposed amendment. That said, the specific interpretive questions the current framework has generated, several of which would remain unresolved under the proposed amendment, demonstrate that Rule 2210(b) needs to be rewritten further.

1. Elimination of Principal Pre-Approval Requirement

Robinhood supports FINRA's proposal to replace the universal principal pre-use approval requirement for retail communications with a risk-based supervisory standard. The proposal appropriately recognizes that principal preapproval is a means of achieving compliance, not an investor-protection end in itself. By eliminating the procedural burden of universal principal preapproval and giving firms flexibility to tailor supervisory processes to the risks presented by their business models and particular communications,

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[6] See FINRA Regulatory Notice 17-18, at Q9 (Apr. 25, 2017) (stating that a registered representative's "liking" of favorable comments on a social media website would constitute adoption of those comments).

FINRA's proposed approach would enable firms to communicate more efficiently and effectively with retail investors without compromising investor protection.

FINRA has asked what measures firms should implement to ensure that investor protection is maintained or enhanced under a risk-based review approach. In Robinhood's view, a reasonably designed risk-based program should, at a minimum, identify and document the categories of communications the firm treats as warranting pre-use review; train the associated persons who prepare communications on the firm's standards and maintain records of that training; surveil communications that are not pre-reviewed, using sampling, lexicon-based, or automated techniques calibrated to risk; escalate and remediate identified deficiencies, including by recalibrating the firm's risk determinations; and periodically test the program's effectiveness.

2. *Enhancements and Clarifications to the Risk-Based Standard*

For this new standard to function as intended, Rule 2210(b) should be rewritten in the following respects.

a. *The rule should include an explicit safe harbor for non-promotional communications*

Two of the factors in the proposed Supplementary Material touch on whether a communication promotes products or services, but FINRA should explicitly recognize that firms may take a lighter-touch approach to their supervision of non-promotional content (similar to the current exception from the principal approval requirements for such content, which has been removed),[7] as non-promotional communications are inherently lower risk. Uncertainty about the scope of communications considered to be non-promotional has previously had a chilling effect on the availability of this exception, and FINRA's existing guidance on the subject, which addresses examples such as general market commentary and discussion of economic news, should be expanded.[8] Further, if FINRA does not explicitly exclude ephemeral system-generated communications from the definition of communication, as we have proposed above, FINRA should confirm that such communications can be subject to a lighter supervisory touch, like other non-promotional communications.

b. *The risk factors should operate as considerations rather than requirements*

The proposed Supplementary Material describes the enumerated factors as non-exclusive, but introduces them as "including without limitation consideration of the following factors," which could be read to suggest that firms must always consider each one. The rewritten rule should make clear, in the rule text itself rather than in accompanying guidance, that firms only need to consider the factors that are relevant, and that firms may evaluate them at the level of communication categories, campaigns, systems, or channels rather than communication by communication.

c. *Preparer qualifications should be assessed at the team level, as applicable*

Many communications have multiple people involved in their preparation, and the rule should make clear that a firm may treat a department or team, rather than a single named individual, as the "preparer," and may take into account the team's overall experience. There should be no expectation, from either a

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[7] This would also align with the SEC's approach to the regulation of investment advisers under the Investment Advisers Act of 1940 (the "Advisers Act"). The specific regulation of investment advisers' communications is focused on "advertisements" under Advisers Act Rule 206(4)-1 (the "Investment Adviser Marketing Rule").

[8] See FINRA Rule 2210 Frequently Asked Questions, at C.4, https://www.finra.org/rules-guidance/guidance/faqs/advertising-regulation.

recordkeeping or a supervisory perspective, that a named preparer be identified for every communication. The rule should also make clear that the passing of FINRA examinations and length of a person's registration are relevant but not dispositive measures of qualification, and that firms may consider other factors such as educational achievements, related experience (including at a registered investment adviser or other financial services firm), and completion of training programs.

d. Affiliation alone should not elevate risk

The risks and conflicts raised by affiliated products vary significantly depending on the facts and circumstances, including whether a recommendation is being made and the firm's and its employees' compensation incentives. The rewritten rule should make clear that there is no presumption that communications regarding affiliated products are inherently high-risk. Where an affiliate's product is presented without any recommendation and without differential firm or employee compensation, such communications should not be treated as presenting elevated risk.

e. Tailoring alone should not elevate risk

FINRA has historically taken an overbroad view of the extent to which tailoring or targeting a communication can cause it to be deemed a recommendation. Delivering a communication to the customers most likely to be interested in the product or service it discusses should not, by itself, be treated as creating heightened risk. Read literally, a factor that treats tailoring as risk-elevating would capture every personalized feature on a modern platform, which is the opposite of what the factor is intended to identify. A communication keyed to a customer's actual holdings or stated preferences is usually more relevant, and less likely to mislead, than the same message sent to everyone. FINRA should narrow the factor to tailoring used to direct a communication to recipients for whom the subject product may be unsuitable, and should confirm, as discussed further below, that tailoring does not itself render a communication a recommendation. The governing question should be how a reasonable customer would understand a communication in the context in which it is delivered (which context would include the nature of the relationship with the customers, such as whether the customer is self-directed), not how the member decided whom to send it to. A customer who has been clearly informed that the member does not make recommendations does not reasonably interpret the delivery of relevant information as a recommendation or investment advice.

3. The supervisory distinction between correspondence and retail communications should be eliminated

Consistent with the discussion of Rule 2210(a) above, it is unclear how, in practice, the new supervisory framework proposed for retail communications under Rule 2210(b)(1) is meant to differ from the existing framework for correspondence under Rule 2210(b)(2), which is already subject to the supervision and review requirements of Rules 3110(b) and 3110.06 through .09. If FINRA does not eliminate the distinction between correspondence and retail communications, it should clarify that a unified supervisory framework may be applied to both types of communications. Much of the existing guidance under Rule 3110 governing the supervision of correspondence, including Regulatory Notice 07-59, would be appropriate to extend to retail communications.[9] Further, FINRA should confirm that firms may use random sampling, lexicon-based or AI-based surveillance, or a combination of techniques, and that there is no prescribed minimum

[9] FINRA Regulatory Notice 07-59, FINRA Provides Guidance Regarding the Review and Supervision of Electronic Communications (Dec. 7, 2007).

sampling percentage or expectation that every communication, or every surveillance alert, receive individualized review.

4. A supervisory program should be assessed on its design at the time it was applied

FINRA should confirm that the adequacy of a firm's supervisory program will be evaluated holistically, based on whether its policies, procedures, technology, surveillance, and follow-up were reasonably designed at the time the firm made its risk determinations. Specifically, FINRA should state that a firm's categorization of a class of communications for post-use rather than pre-use review will be evaluated on the reasonableness of that determination when it was made and documented, and not on whether a particular communication within that category later proved to be noncompliant. This is the standard FINRA already applies under Rule 3110, which asks whether a supervisory system was reasonably designed rather than whether it functioned perfectly. We are asking for its express application here, not for a new form of relief. Without that assurance, a risk-based standard could become a strict liability standard when assessed in hindsight. Members would have little incentive to use the flexibility the proposal offers and may continue to pre-approve all communications as a precaution, which would defeat the purpose of the amendment.

5. The previously-filed exception should accommodate mobile presentation

Proposed Rule 2210(b)(1)(C) would permit a member to forgo pre-use review of a retail communication that another member has filed with the Department and for which the filing member received a letter stating that the communication appears to be consistent with applicable standards, provided the relying member has not materially altered it. Robinhood supports the exception, but as drafted it will be of limited practical use. Two changes would address this.

First, the exception should permit reliance on the filing member's written representation that it filed the communication and received such a letter. As drafted, the exception could be read to require the relying member to obtain and hold the letter itself, which is impractical where a distributor carries content from many product sponsors.

Second, "materially altered" should be defined, and the rewritten rule should confirm that adapting the format of an approved communication so that it renders legibly on a mobile screen is not a material alteration. Reflowing text, resizing images, paginating content across screens, and presenting approved content within a native application component change how a communication is displayed but not what it says. If that counts as material alteration, the exception is unavailable to any member whose primary customer interface is a mobile application. We do not believe that result is intended.

6. The amendment should have an optional eighteen-month implementation period

The changes that FINRA has proposed to Rule 2210(b), and any other changes that FINRA implements, will require significant revisions to firms' written supervisory procedures, technology systems, training programs, and surveillance methods. FINRA should provide a generous implementation period, such as 18 months following adoption, and should allow firms to elect to comply with either the rewritten rule or the prior framework during that period, provided that a firm applies one framework consistently rather than selectively complying with provisions of both. This approach would mirror the SEC's implementation of the Investment Adviser Marketing Rule[10] and would allow firms that are prepared to implement the new

[10] *See* Investment Adviser Marketing, Advisers Act Release No. IA-5653 (Dec. 22, 2020) (providing an 18-month transition period); SEC, Marketing Rule Frequently Asked Questions, Compliance Date ("An adviser may choose to comply with the amended marketing rule in its entirety any time starting on the effective date . . . .").

requirements promptly to do so, while giving other firms the time they need to comply. FINRA should also confirm that a firm electing early compliance will not be examined against the prior framework during the transition period.

7. Social media

FINRA has asked whether it should eliminate, modify, or retain the distinction between "interactive" and "static" social media content for supervisory purposes. Robinhood agrees with FINRA's own diagnosis in the Notice that this distinction has become unworkable as social media content has grown increasingly interactive, and that a communication's risk depends on factors, such as the qualifications of the preparer and the medium and manner of distribution, that have nothing to do with whether users can comment on a post in real time. The right response is to eliminate the distinction from Rule 2210 entirely and replace it with the risk-based factors discussed above.

Robinhood supports the risk factor identified in proposed Supplementary Material .01 addressing persons who are paid for or otherwise involved in the preparation of a communication, including persons who explicitly or implicitly endorse or approve its content. This factor appropriately recognizes the distinct risks presented by paid third-party content and compensated endorsements, including potential conflicts and incentives that may warrant heightened scrutiny. Content prepared or endorsed by paid third parties presents risks that differ in kind from a firm's own communications. By expressly identifying this consideration, FINRA provides useful guidance that firms may appropriately determine that such communications warrant pre-use review.

The proposed amendments to Rule 2210 also raise questions regarding the treatment of communications posted on online forums. FINRA has proposed deleting the exception at Rule 2210(b)(1)(D)(ii) for retail communications posted on an online interactive electronic forum, removing the express relief from pre-use approval for that content. At the same time, FINRA has proposed to broaden the corresponding filing exclusion at Rule 2210(c)(7)(M) by deleting the word "interactive," so that the exclusion reaches retail communications posted on any online electronic forum. The result is that filing relief for forum content expands while relief from pre-use approval contracts into a discretionary firm determination. That asymmetry appears unintended, and FINRA should confirm that forum content remains presumptively appropriate for post-use review. Furthermore, FINRA should clarify the intended significance of deleting "interactive" from the phrase "online interactive electronic forum" in Rule 2210(c)(7)(M), including what FINRA intends the broader term "online electronic forum" to encompass and whether the change is intended to extend the filing exclusion to categories of online content that would not qualify as interactive electronic forum communications under existing guidance.

FINRA should also consider the effect of the current framework on the willingness of associated persons to participate in public conversation. When the reach of Rule 2210 is unclear, and an employee's ordinary social media activity may be attributed to his or her employer, both the firm and the employee have reason to remain silent. A rule with clearer boundaries would produce more public participation, and better supervised participation, than the current one.

8. Artificial Intelligence: Supervising the System Rather Than Each Output

FINRA has asked how firms are using AI to generate, supervise, review, and approve communications with the public, and what challenges firms face in doing so. FINRA has also signaled its intention to engage constructively on these questions.[11] The recommendations below describe how a rewritten Rule 2210 should address AI.

a. AI should be treated as a supervisory tool rather than a distinct regulatory category

A member should be permitted to incorporate AI into its supervisory program under Rules 2210 and 3110 where the member's supervisory system is reasonably designed in light of its business, organizational structure, communication channels, and risk profile. Such a program should be permitted to use automated tools to screen communications against firm standards and content requirements, flag potentially misleading statements or omitted disclosures, detect recurring issues across large volumes of communications, compare communications against approved templates, rank communications for human review by risk, and escalate anomalies. FINRA should avoid prescribing specific governance structures, validation methodologies, or human-review ratios, and should instead permit members to calibrate their supervisory programs to their own risks and business models.

b. If the correspondence distinction is retained, individualized chatbot interactions should be classified as correspondence

FINRA has stated that, depending on the nature of a communication and the number and type of persons receiving it, AI-generated chatbot communications may constitute correspondence, retail communications, or institutional communications under Rule 2210.[12] In Robinhood's view, customer-initiated chatbot interactions more closely resemble correspondence: they are individualized, interactive exchanges initiated by and responsive to a particular customer, rather than communications designed for broad dissemination to a retail audience. The fact that an AI system may provide substantially similar information to multiple customers who independently ask similar questions should not, standing alone, transform those individualized interactions into retail communications.

This is an alternative request, not a freestanding one. Our primary recommendation, as discussed above, is that FINRA eliminate the headcount distinction for supervisory purposes altogether; in that case the classification of chatbot interactions would matter only for the filing requirements under Rule 2210(c). If FINRA retains the distinction, however, the classification question becomes consequential across the rule and FINRA should resolve it. In either case, the rule should state directly that individualized AI chatbot interactions constitute correspondence. Alternatively, FINRA should establish a safe harbor for interactive AI chatbot communications responsive to customer-initiated inquiries. The safe harbor should apply if the chatbot is not used principally to solicit or promote particular products, services, or transactions, operates pursuant to reasonably designed supervisory policies and controls, and meets applicable content standards.

c. "Human-in-the-loop" should be defined, and its required level calibrated to risk

FINRA staff have frequently referred to a "human-in-the-loop" or to other human-review controls when discussing the supervision of AI, but the term can encompass materially different forms and levels of human

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[11] *See, e.g.*, 2026 FINRA Annual Regulatory Oversight Report: GenAI – Continuing and Emerging Trends (Dec. 9, 2025); Robert W. Cook, Advancing FINRA's Mission With AI, FINRA (Oct. 28, 2025); FINRA, Artificial Intelligence (AI) in the Securities Industry (June 10, 2020), *available at* https://www.finra.org/sites/default/files/2020-06/ai-report-061020.pdf.

[12] See FINRA Rule 2210 Frequently Asked Questions, at B.4 (Supervising Chatbot Communications), https://www.finra.org/rules-guidance/guidance/faqs/advertising-regulation.

involvement. Robinhood proposes the following framework, which addresses communications that the member itself authors or generates, with or without AI.[13]

As a baseline applicable to any AI-generated communication that a member authors or generates, an appropriately qualified principal should review and approve the design of the system before deployment, including its content sources, constraints, and guardrails; pre-deployment testing should be documented; the system should be monitored in production against defined escalation thresholds; and the system should be revalidated upon material change to the model, its instructions, or its content sources. Above that baseline, the level of human involvement should be calibrated to the risk that the particular communication presents rather than fixed by rule.

FINRA should also confirm that where a principal has reviewed and approved a system on that basis, the system's individual outputs do not separately require pre-use principal approval. Without that confirmation, the risk-based standard will collapse back into output-level review for any AI-assisted communication, because the preparer-qualifications factor has no application to a model.

9. Recordkeeping

Rule 2210(b)(4)'s recordkeeping requirements were written for discrete, fixed-content documents, and they do not translate cleanly to communications that are dynamic, personalized, or AI-generated.

a. Recordkeeping obligations with respect to inbound communications should be appropriately limited

Although FINRA's proposal appropriately eliminates the static and interactive distinction for supervisory purposes, there are lingering questions under the SEC's and FINRA's recordkeeping rules about recordkeeping for social media, mobile applications, dynamic web content, interactive interfaces, and AI-enabled tools. The difficulty is not that firms are unwilling to keep a record of what firms have posted on these channels, but that much of what appears on a digital surface is written and controlled by third-parties that firms do not control.

FINRA should coordinate with the SEC to establish clear limiting principles around inbound communications that are not clearly directed at the member. Communications on public digital channels should not be deemed communications to the member that must be retained by the member, as there is no reasonable expectation that the communication is specifically directed at the member. Such communications also consist in substantial part of bot activity, spam, and other inauthentic or non-substantive material, and both the volume and the authorship of that traffic are outside the member's control. Comments posted beneath a member's social media content, and messages sent during a live-streamed session, also cannot be captured completely or reliably.[14] FINRA should confirm that a member's recordkeeping obligations attach to the communications it sends, and that unsolicited inbound content on public, unauthenticated channels is not subject to those obligations. We are not asking to be relieved of

[13] This framework does not address, and should not be read to reach, the dynamic output of a third-party model that the customer selects and directs through a member's platform. That output is the third party's content rather than the member's communication, and it calls for different analysis.

[14] A third-party platform may alter how a member's post is displayed, or remove it entirely. Comment threads beneath a member's post are authored by persons the member does not control and may be edited or deleted by their authors or by the platform. Platform export and application programming interface capabilities frequently do not permit retrieval of content in the form in which it was displayed. And content that is personalized or dynamically assembled renders differently for every recipient and every device, so there is no single artifact that constitutes "the communication."

retaining what customers send us through channels we control (such as firm email addresses). Communications received through authenticated channels, including complaints, instructions and service requests, should continue to be retained.

FINRA should work with the SEC to build clear recordkeeping expectations for these types of public, non-directed content.

b. Meeting transcripts should not be treated as communications

FINRA should coordinate with the SEC to confirm that AI-generated transcripts, summaries, or recordings created on online meeting platforms are not "communications" under Rule 17a-4(b)(4) under the Securities Exchange Act of 1934. Rule 17a-4 does not treat telephone calls as "communications" or require broker-dealers to record them, and it is accepted that a member's voluntary decision to record calls does not create an obligation to retain those recordings.[15] The same result should follow here. These outputs are derivative records of content that is not itself a "communication" under that rule, and they frequently contain transcription errors, omissions, and AI-generated interpretations rather than verbatim or authoritative statements. Imposing a retention obligation based solely on the automatic creation of these derivative materials could discourage firms from using technologies that improve productivity and accessibility without providing corresponding regulatory value.

C. RULE 2210(C): MODERNIZING THE FILING REQUIREMENTS

The Rule 2210(c) filing requirements rest on a premise that no longer holds. They originated in an era when FINRA had limited and slow access to members' advertising materials. Today a member can deliver materials to FINRA electronically on request within hours. A large and growing share of advertising appears on public websites and social media platforms, which FINRA can observe directly, and which we understand FINRA already surveils using commercially available technology. A standing obligation to pre-file whole categories of material does much less work when the regulator can call for any communication on demand and watch public ones as they appear.

Filing obligations defined by broad product categories are imprecisely targeted. They consume real resources at both member firms and FINRA, and they allocate those resources without regard to risk. FINRA should substantially scale back the filing requirements so that the resources on both sides can be directed to the communications that actually warrant review.

Robinhood supports FINRA's proposed amendments to Rule 2210(c), but we encourage FINRA to use this opportunity to broadly reconsider the filing requirements. Rule 2210(c) as currently drafted is a complex web of filing triggers, exclusions, and deadlines; it is nine subparagraphs long, with a 17-item exclusions

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[15] The SEC generally does not require firms to retain recordings of telephone calls with customers, other than in the narrow context of security-based swap activities as expressly required under Exchange Act 15F(g)(1). See, e.g., Recordkeeping and Reporting Requirements for Security-Based Swap Dealers, Major Security-Based Swap Participants, and Broker-Dealers; Capital Rule for Certain Security-Based Swap Dealers, 79 Fed. Reg. 25,194, 25,214 (May 2, 2014) ("However, the Commission has not previously interpreted the term communications to include telephonic communications."); Exchange Act Section 15F(g)(1) ("Each registered security-based swap dealer and major security-based swap participant shall maintain daily trading records of the security-based swaps of the registered security-based swap dealer and major security-based swap participant and all related records (including related cash or forward transactions) and recorded communications, including electronic mail, instant messages, and recordings of telephone calls, for such period as may be required by the Commission by rule or regulation."); Exchange Act Rule 17a-4(b)(4) ("As used in this paragraph (b)(4), the term communications includes sales scripts and recordings of telephone calls required to be maintained pursuant to section 15F(g)(1) of the Act.").

list in paragraph (c)(7) alone, that has grown by accretion as new products and communication channels have emerged.

We acknowledge that the interaction between FINRA's filing requirements and the requirements of the Investment Company Act of 1940 (the "1940 Act") and the Securities Act of 1933 (the "Securities Act") raises issues specific to investment company advertising, and that complete elimination of the Rule 2210(c) filing requirements is unlikely for that reason. Section 24(b) of the 1940 Act makes it unlawful for an issuer or underwriter of a registered open-end investment company to distribute any advertisement, pamphlet, circular, form letter, or other sales literature addressed to or intended for distribution to prospective investors with respect to such a fund unless the material is filed with the SEC within ten days of first use.[16] Rule 24b-3 under the 1940 Act provides that such material will be deemed filed with the SEC if it has been filed with a national securities association that "has adopted rules providing standards for the investment company advertising practices of its members and has established and implemented procedures to review that advertising."[17] Rule 497 under the Securities Act operates in parallel for advertisements that are deemed prospectuses under Securities Act Rule 482.[18] Members effectively rely on their Rule 2210(c) filings to satisfy these SEC requirements. Even within that framework, FINRA has room to modernize.

1. *FINRA's own review of investment company advertisements should be risk-based*

Section 24(b) requires that advertisements be filed with the SEC; it does not require that the SEC review them. Rule 24b-3 and Securities Act Rule 497 likewise condition their relief on FINRA having "established and implemented procedures to review that advertising," not on FINRA having reviewed each advertisement. Nothing in the SEC framework requires FINRA to review individually, or to charge a filing fee for, every investment company advertisement, and much of what is filed today is routine and raises no novel questions. FINRA should apply to its own review of filed fund advertisements the same risk-based approach it proposes for members' principal approval of retail communications. We recognize that FINRA will want certainty that a risk-based review program continues to satisfy the condition in Rule 24b-3 and Securities Act Rule 497. Robinhood would support FINRA seeking confirmation from SEC staff, and would participate in that process if useful.

2. *Filing should be required only where the SEC framework requires it*

Section 24(b) applies to material distributed by an issuer or underwriter of the fund. Many members that distribute investment company advertising material do so in an ordinary broker-dealer capacity and are not underwriters of the fund for these purposes. Those members should not be required to file with FINRA any material that is not a Rule 482 advertisement, since Rule 497 imposes a filing obligation on Rule 482 advertisements without regard to underwriter status. Requiring a non-underwriter distributor to file material that neither Section 24(b) nor Rule 497 requires imposes a cost that serves no purpose under the SEC's own rules.

We recognize that the filing requirements generate meaningful fee revenue for FINRA, and that scaling them back would reduce revenue. We raise the point only to encourage FINRA to assess the filing requirements based on investor-protection merits and consistency with what the securities laws actually require.

[16] Investment Company Act of 1940 § 24(b).

[17] 1940 Act Rule 24b-3.

[18] Securities Act Rule 497; Securities Act Rule 482.

D. RULE 2210(D): PRESERVING THE PRINCIPLES, REVISING THE MECHANICS

Rule 2210(d) contains the rule's substantive content standards, which FINRA has proposed to leave unchanged except for the amendment to paragraph (d)(7). Robinhood's experience administering these standards suggests that several other parts of Rule 2210(d) warrant the same treatment.

1. Rule 2210(d)(7): Defining the Scope of the New Standard

Robinhood strongly supports the proposed amendment to Rule 2210(d)(7), which would replace the current prescriptive requirements regarding past recommendations with a fair-and-balanced standard. Although Robinhood makes recommendations only in limited, narrow contexts, the amendment would help align the broker-dealer and investment adviser marketing rules and reduce unjustified differences between them.

Two drafting matters warrant attention.

First, the proposed provision applies to "communications" without qualification. The provision it replaces, Rule 2210(d)(7)(C), applies to "a retail communication or correspondence." Because "communications" is defined in Rule 2210(a) to include institutional communications, the amendment as drafted would appear to extend the past-recommendation standard to institutional communications for the first time. FINRA should confirm whether that expansion is intended and, if it is, should address it in the economic impact analysis.

Second, the proposed standard turns on a reference to a "past specific recommendation," a term the rule does not define. The absence of a defined scope is consequential for self-directed members, which routinely present neutral, non-recommendation content that references securities: lists of most-active or most-held securities, screener output responsive to criteria the customer selected, and third-party analyst ratings that the member displays without adopting. FINRA should confirm that content of this kind is not a reference to a past specific recommendation. We do not suggest that FINRA define the term, since doing so would reintroduce the rigidity the amendment is meant to remove. Illustrative guidance would be sufficient, and Robinhood would welcome the opportunity to propose examples.

The logic of the amendment also supports going further. Decades-old guidance from the former NASD suggests that merely sending a communication to a group of customers could, in some circumstances, constitute a "recommendation" for purposes of FINRA's suitability rule (Rule 2111)[19] and SEC Regulation Best Interest.[20] That guidance is outdated, particularly as applied to self-directed broker-dealers who disclose to investors they do not provide recommendations, and no reasonable customer of such a firm would read a broadly disseminated communication as a recommendation. The recommendation-related rules exist to manage the conflicts that arise when a broker-dealer earns a commission or benefits from a customer's purchase of one security over another, which a self-directed brokerage does not implicate in the same way. Because these meanings are closely related, FINRA should coordinate a rewrite of Rule

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[19] See NASD Notice to Members 01-23 (Mar. 2001) (stating that the following would constitute a recommendation: "A member uses data-mining technology (the electronic collection of information on Web Site users) to analyze a customer's financial or online activity—whether or not known by the customer—and then, based on those observations, sends (or 'pushes') specific investment suggestions that the customer purchase or sell a security.").

[20] The application of Regulation Best Interest also depends on whether or not a broker-dealer has made a recommendation, and when adopting Regulation Best Interest the SEC declined to adopt a specific definition of recommendation. In making this decision, the SEC stated that the "existing framework has worked well", and pointed to the NASD's and FINRA's guidance on recommendations, among other sources, as part of the existing framework. See Regulation Best Interest: The Broker-Dealer Standard of Conduct, 84 Fed. Reg. 33,318, 33,335 (Jul. 12, 2019).

2210(d)(7) with a broader effort, with the SEC, to modernize the definition of "recommendation" itself, so that self-directed broker-dealers can provide investors with information without risk of that information being treated as a recommendation.

Since FINRA can interpret "recommendation" for purposes of its own rules without SEC coordination, it should confirm within Rule 2210 itself that delivering a communication to a targeted audience does not, without more, constitute a recommendation. This is the necessary counterpart to the tailoring factor discussed above. A member cannot reasonably be asked to treat tailoring as a risk factor in its supervisory procedures while also bearing the risk that the same tailoring converts the communication into a recommendation subject to Rule 2111 and Regulation Best Interest.

2. Unjustified differences from the investment adviser standard

FINRA should use this rewrite to more fully harmonize Rule 2210(d) with the SEC's Investment Adviser Marketing Rule. Specifically, a rewritten Rule 2210(d) should expressly permit broker-dealers to use the same categories of hypothetical performance that the Investment Adviser Marketing Rule permits, namely model portfolio performance, back-tested performance, and projected performance and targeted returns, subject to comparable safeguards.[21] FINRA's pending, separate proposal to align Rule 2210 with the investment adviser standard for projected performance and targeted returns is welcome progress, and we appreciate that FINRA has already addressed key industry comments in its amended proposal,[22] but important differences would remain. Those differences can result in investors receiving different information about the same or similar investment opportunities based solely on whether the communication is subject to the broker-dealer or the investment adviser regulatory framework. FINRA should eliminate the remaining differences between the two frameworks that are not supported by meaningful differences in investor-protection concerns.

FINRA should also revisit its treatment of investment analysis tools as part of this harmonization. Rule 2210(d)(1)(F) prohibits communications that predict or project performance, and subparagraph (d)(1)(F)(ii) excepts an investment analysis tool that satisfies Rule 2214.[23] The two frameworks diverge sharply at that point. The Investment Adviser Marketing Rule excludes interactive analysis tools meeting specified conditions from the definition of hypothetical performance altogether.[24] Rule 2214 instead imposes a prescriptive regime, including specified methodology, assumption and limitation disclosures, a mandatory capitalized legend, and Department access to the tool on request together with authority to require modifications or prohibit its use. Robinhood has encountered practical difficulty applying those conditions to interactive features that generate illustrations in response to inputs a customer selects. FINRA should conform its treatment of interactive analysis tools to the standard applicable to investment advisers or, at a minimum, clarify how Rule 2214 applies to contemporary digital tools.

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[21] See Investment Adviser Marketing Rule, Advisers Act Rule 206(4)-1(e)(8).

[22] Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Filing of a Proposed Rule Change To Amend FINRA Rule 2210 (Communications with the Public) To Permit Projected Performance and Targeted Returns, Exchange Act Release No. 34-104877, File No. SR-FINRA-2026-004 (Feb. 20, 2026); FINRA, Response to Comments and Partial Amendment No. 1, SR-FINRA-2026-004 (June 30, 2026).

[23] *See* FINRA Rule 2210(d)(1)(F)(ii); FINRA Rule 2214 (Requirements for the Use of Investment Analysis Tools).

[24] *See* Investment Adviser Marketing Rule, Advisers Act Rule 206(4)-1(e)(8) (excluding interactive analysis tools meeting specified conditions from the definition of "hypothetical performance").

3. Rule 2210(d)(1): Disclosure in Mobile Formats

Regulatory Notice 19-31 and its related FAQs welcomed innovative design techniques and provided some relief from restrictive disclosure requirements,[25] but that guidance has proven inadequate to address modern customers' demands for timely, rapidly updated communications delivered to their mobile devices. In communications presented on mobile devices, it is cumbersome and often impractical to provide investors with the lengthy written disclosures that have traditionally accompanied written marketing materials, and it is questionable whether those disclosures still serve their intended function in that format. Notwithstanding existing guidance, uncertainty persists about whether hyperlinked or layered disclosures satisfy the prominence and proximity standards in paragraph (d)(1). This is a case where guidance has already been tried and has not solved a problem that stems from how paragraph (d)(1) is written.

FINRA should rewrite paragraph (d)(1) to expressly recognize that disclosures presented within a sufficiently prominent hyperlink or similar feature, such as a pop-up, can satisfy prominence and proximity requirements, and should provide, or model, simplified disclosures that accessibly deliver the essential points the lengthier legacy disclosures were designed to convey.[26] This relief is also the answer for two formats discussed elsewhere in this letter: the output of AI chatbots and other conversational interfaces, and short-form video, neither of which can accommodate legacy disclosure blocks. Similar issues arise under SEC rules that impose their own prominence and proximity requirements, and FINRA should coordinate with the SEC to modernize its approach as well.

E. RULE 2210(e)-(g): CONFORMING THE REMAINDER

We have not identified specific concerns with Rule 2210(e) (limitations on use of FINRA's name), (f) (public appearances), or (g) (violation of other rules) at this time. As FINRA undertakes a comprehensive rewrite of Rule 2210(a) through (d), however, it should confirm that these remaining provisions remain internally consistent with the rewritten rule. For example, the disclosure obligations for associated persons who make recommendations during public appearances under paragraph (f)(2) should track any revised treatment of "recommendation" adopted in paragraph (d)(7), and the treatment of scripts, slides, and similar materials under paragraph (f)(4) should reflect the same risk-based supervisory approach adopted in paragraph (b)(1).

IV. GUIDANCE, PROCESS, AND RELATED RULES

FINRA has requested comment on other ways to modernize Rule 2210, including its guidance, its administrative processes, and related rules.

A. THE ACCUMULATED BODY OF INTERPRETIVE GUIDANCE

Over the years, FINRA (and its predecessor organization, NASD) has issued numerous Regulatory Notices, Notices to Members, FAQs, interpretive letters, and other guidance addressing various aspects of Rule 2210. Each publication may have been useful when issued, but the accumulated body of guidance is now hard to find and harder to apply. Firms must often piece together applicable standards from decades of

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[25] *See* FINRA, Frequently Asked Questions About Advertising Regulation, https://www.finra.org/rules-guidance/guidance/faqs/advertising-regulation.

[26] The SEC has already recognized the appropriateness of layered disclosure in a number of contexts. *See*, e.g., Tailored Shareholder Reports for Mutual Funds and Exchange-Traded Funds; Fee Information in Investment Company Advertisements, 87 Fed. Reg. 72758, at n.40; Staff Statement Regarding Form CRS Disclosures (Dec. 17, 2021), https://www.sec.gov/newsroom/speeches-statements/staff-statement-form-crs-disclosures-121721.

guidance, some of which address technologies and business practices that have since evolved significantly. The result is higher compliance costs and real uncertainty about which interpretations still govern, applied inconsistently by firms and FINRA staff alike.

As part of this modernization initiative, FINRA should consolidate its Rule 2210 guidance into a single, regularly updated interpretive resource that organizes existing guidance by topic, identifies superseded or obsolete interpretations, and clearly explains how a rewritten Rule 2210 applies to modern communications, including digital communications, social media, recommendations, testimonials, rankings, performance information, electronic disclosures, and AI-enabled communications. FINRA's centralized Rule 4530 guidance page, which is updated periodically as new issues arise, is a useful precedent.[27] Consolidation by itself would not solve the problem, because an index that labels guidance obsolete does not withdraw it. Guidance that has never been formally withdrawn remains in force, and examiners and Department staff can still cite it, so firms cannot safely disregard it however it is catalogued. FINRA should therefore formally withdraw the Regulatory Notices, Notices to Members and interpretive letters that a rewritten Rule 2210 supersedes, and should say so expressly when it adopts the rewritten rule.[28]

B. THE DEPARTMENT'S ROLE

If FINRA scales back the filing requirements as we recommend above, FINRA should consider the Department's role under a narrower filing regime. The Department's function would shift away from reviewing individual filings and toward supporting members' risk-based supervisory programs.

Many of the content standards in Rule 2210(d), including the fair-and-balanced standard, are subjective and require nuanced judgment in application. In practice, members receive divergent feedback from Department staff on materially similar communications, including on communications that are not required to be filed. The consequence is that one member may be discouraged from using content that other members use openly, which is hard to square with a rule meant to apply the same way to every member.

FINRA has asked whether the Department's filings review program benefits members and whether its review letters are useful, accurate, and material. Our recommendations are directed at the consistency of the Department's feedback. FINRA should (i) implement organizational and procedural safeguards that promote consistent feedback across reviewers, (ii) provide members with a defined escalation and recourse path where a member believes the rule has been misapplied, and (iii) publish anonymized filing-review precedent so that members can see how the standards are being applied in practice rather than inferring them from individual filing comments.

C. RULE 4530(D): THE SCOPE OF REPORTABLE COMPLAINTS

Complaint reporting is a closely related area where FINRA's rules have significantly overreached relative to their regulatory benefit, and it should be addressed alongside Rule 2210 as part of this initiative. Rule 4530(d) requires FINRA members to provide quarterly reports on written complaints, a structure that made sense when the primary form of a written complaint was a letter mailed by a customer, but that has become

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[27] *See* Rule 4530 Frequently Asked Questions, https://www.finra.org/filing-reporting/regulatory-filing-systems/rule-4530-reporting-requirements/faq.

[28] The SEC has similarly sought to replace legacy interpretive guidance with consolidated, updated regulatory frameworks in recent rulemaking efforts. *See, e.g.,* Securities and Exchange Commission, Fact Sheet: Electronic Delivery of Information Under the Federal Securities Laws (July 16, 2026), *available at* https://www.sec.gov/files/33-11430-fact-sheet.pdf (stating that the proposed Regulation E-Delivery would "[g]enerally supersede the Commission's decades-old, guidance-based e-delivery approach.").

problematic now that modern technology, including social media, has made it far easier for investors to communicate with their brokers. Robinhood welcomes easier communication with investors and wants to hear how to improve the customer experience. But because "complaint" has been defined and interpreted so broadly, Rule 4530(d) can require firms to gather and report voluminous, immaterial information to FINRA whenever a customer, or a person purporting to be a customer, provides any form of feedback.[29]

The operational consequence is substantial. Identifying, authenticating, adjudicating, and preserving purported complaints received through public channels requires dedicated staffing, contractor support, and vendor tooling, none of which is directed at conduct that presents a risk of customer harm. The rule as interpreted also proceeds from an assumption that does not hold: that a person who expresses dissatisfaction with a member on a public platform is a customer with a grievance warranting regulatory attention. Many are not customers, and some cannot be identified. Public social media channels often do not provide sufficient information to determine reliably whether a comment, video, or other post originates from an actual customer, and monitoring such channels to identify complaints is burdensome and impractical.

Narrowing the rule would also better protect customers. A customer who raises an account problem in a public social media post exposes information about that account, and often their own identity, to anyone who reads it. A rule that in practice treats public posts as the functional equivalent of a formal complaint channel encourages precisely that behavior. Directing customers to authenticated intake channels is the safer outcome for the customer as well as the more workable one for the member, because it keeps personal and account information out of a publicly viewable forum and routes the issue to people who are able to resolve it. It also helps ensure that members receive complaints that, as we have discussed in this letter, can be difficult to accurately track across social media.

FINRA could support that outcome directly. Members should be permitted to state clearly, in a public-facing disclosure, that social media posts will not be treated as formal complaints, and to direct customers to a specific intake channel. FINRA should confirm that a member that maintains a reasonably prominent disclosure to that effect, together with an accessible authenticated intake channel, is not required to surveil public social media channels for purported complaints.

Furthermore, FINRA should narrow Rule 4530(d) reporting to complaints received through a channel by which a member can reasonably authenticate the identity of the person submitting them, such as a designated intake location. Channel is an objective criterion. A member either can or cannot verify who sent a communication, and that determination does not turn on the member's view of the merits. FINRA should also revise the definition of "customer complaint" under Rule 4513, or otherwise limit Rule 4530(d) reporting, to cover only complaints that warrant a response. Australian regulators take a comparable approach, defining a complaint as an "expression of dissatisfaction made to or about an organization, related to its products, services, staff or the handling of a complaint, where a response or resolution is explicitly or implicitly expected or legally required."[30] Ultimately, the purpose of Rule 4530(d) should be to inform FINRA of potential customer harm; in practice, the rule has generated a substantial process that does not advance that purpose. As FINRA considers amendments to its complaint-related rules, it should also consider whether conforming amendments are needed to the provisions of Rule 3110(b) addressing supervisory procedures for customer complaints.

[29] Another detrimental effect of Rule 4530(d) is that it discourages firms from conducting surveys or similar forms of outreach because of concerns that the outreach will generate feedback that must be analyzed and processed as a complaint under Rule 4530(d).

[30] Guidelines for Complaint Management in Organizations, AS/NZS 10002:2022.

D. ECONOMIC IMPACT AND THE RECOMMENDED ALTERNATIVE

FINRA has requested comment on the economic impacts of its proposal and on alternative regulatory approaches it should consider. A comprehensive rewrite of Rule 2210, as opposed to the incremental amendments FINRA has proposed, is the alternative approach Robinhood recommends. We recognize that a comprehensive rewrite would require more upfront drafting from FINRA than a targeted amendment. But the incremental approach carries its own economic cost: each new exception, safe harbor, or item of interpretive guidance that FINRA layers onto the existing rule adds another provision that firms must independently track, interpret, and reconcile with the rest of Rule 2210's decades-deep body of text and guidance. A rule rewritten around a coherent set of risk-based principles, rather than a patchwork of category-specific carve-outs, would reduce the long-run compliance costs the current structure imposes on member firms of all sizes, while preserving, and in some respects enhancing, the investor protections the rule is designed to provide.

The costs the current framework imposes on a member that communicates with retail investors at digital scale fall into identifiable categories: supervisory staffing devoted to principal pre-approval; surveillance and archiving technology and the vendors supporting it; the staffing and tooling devoted to purported complaints; filing fees and the effort of preparing and tracking filings; training and documentation; and, where communications must still be delivered on paper, printing and mailing. The proposal reduces the first of these directly; scaling back the filing requirements would reduce the fourth, and the recordkeeping and complaint changes above would reduce the second and third.

V. CONCLUSION: A FIRST STEP TOWARD A BROADER REVIEW

Robinhood appreciates FINRA's efforts to modernize Rule 2210 and supports the direction of the amendments FINRA has proposed to Rule 2210(b) and Rule 2210(d)(7). We urge FINRA to treat this proposal as the first step in a comprehensive rewrite of Rule 2210, addressing the definitional, supervisory, filing, and content-standard issues discussed above in a single, coherent framework rather than through a continuing series of targeted amendments and interpretive guidance. Should FINRA instead proceed with targeted amendments, we urge it to adopt the discrete recommendations set out above, each of which stands independently of a broader rewrite. Robinhood looks forward to engaging with FINRA in more detail in connection with this project and future rule modernization efforts.

We would welcome the opportunity to meet with FINRA staff to discuss these comments and to answer questions about how the current framework operates in practice, and would make the relevant business, compliance, and technology personnel available.

Robinhood appreciates the opportunity to submit this comment letter. Please contact Lucas Moskowitz, Senior Vice President, General Counsel and Corporate Secretary, Robinhood Markets, at lucas.moskowitz@robinhood.com, Jeremy Jones at jeremy.jones@robinhood.com, or Melody Jackson at melody.jackson@robinhood.com, if you have any questions or comments.

Respectfully submitted,

Signed by:

Matt Billings

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