



SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-105845; File No. SR-FINRA-2026-004]

Self-Regulatory Organizations; Financial Industry Regulatory Authority, Inc.; Notice of Partial Amendment No. 1 to Proposed Rule Change to Amend FINRA Rule 2210 (Communications with the Public)

July 2, 2026.

I. Introduction

On February 10, 2026, the Financial Industry Regulatory Authority, Inc. (“FINRA”) filed with the Securities and Exchange Commission (“SEC” or “Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Exchange Act”)¹ and Rule 19b-4 thereunder,² a proposed rule change to amend FINRA Rule 2210 (Communications with the Public) to allow a member to project the performance of, or provide a targeted return with respect to, a security, a securities portfolio, or an asset allocation or other investment strategy in its communications with the public, subject to certain conditions (hereinafter, the “Initial Rule Filing”).

The proposed rule change was published for comment in the Federal Register on February 25, 2026.³ The public comment period closed on March 18, 2026. The Commission received comment letters in response to the Notice.⁴ On April 7, 2026, FINRA consented to an extension of the time period in which the Commission must approve the proposed rule change, disapprove the proposed rule change, or institute proceedings to determine whether to approve or

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Exchange Act Release No. 104877 (Feb. 20, 2026), 91 FR 9308 (Feb. 25, 2026) (File No. SR-FINRA-2026-004) (“Notice”), <https://www.govinfo.gov/content/pkg/FR-2026-02-25/pdf/2026-03705.pdf>.

⁴ The comment letters received in response to the Notice are available at <https://www.sec.gov/rules-regulations/public-comments/sr-finra-2026-004>.

disapprove the proposed rule change to May 26, 2026.⁵ On May 18, 2026, the Commission received a letter from FINRA stating that it was considering comments on the proposed rule change and anticipated submitting a response to comments, as well as amendments to the proposed rule change, “in the near future.”⁶ On May 20, 2026, the Commission published an order instituting proceedings to determine whether to approve or disapprove the proposed rule change (“OIP”).⁷ The Commission received comment letters in response to the OIP.⁸ On June 30, 2026, FINRA responded to the comment letters received in response to the Notice⁹ and filed a partial amendment to the proposed rule change (“Partial Amendment No. 1”).¹⁰

The Commission is publishing this notice to solicit comments on Partial Amendment No. 1 from interested persons.

II. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Partial Amendment

A. Background

Among other things, FINRA Rule 2210 imposes restrictions on the content of members’ communications with the public. For example, FINRA Rule 2210(d)(1) (General Standards) requires, among other things, that: (1) a communication prepared by a member be based on principles of fair dealing and good faith, be fair and balanced, and provide a sound basis for

⁵ See letter from Joseph Savage, Vice President and Associate General Counsel, Office of General Counsel, FINRA (Apr. 7, 2026), <https://www.finra.org/sites/default/files/2026-04/SR-FINRA-2026-004-Extension-5-26-2026.pdf>.

⁶ Letter from David Driscoll, Associate General Counsel, Office of General Counsel, FINRA (May 18, 2026), <https://www.finra.org/sites/default/files/2026-05/SR-FINRA-2026-004-Response-to-Comments-20260518.pdf>.

⁷ See Exchange Act Release No. 105524 (May 20, 2026), 91 FR 30750 (May 26, 2026) (File No. SR-FINRA-2026-004), <https://www.govinfo.gov/content/pkg/FR-2026-05-26/pdf/2026-10365.pdf>.

⁸ The comment letters received in response to the OIP are available at <https://www.sec.gov/rules-regulations/public-comments/sr-finra-2026-004>.

⁹ See letter from Joseph Savage, Vice President and Associate General Counsel, Office of General Counsel, FINRA (Jun. 30, 2026) (“FINRA Response Letter”), <https://www.sec.gov/comments/SR-FINRA-2026-004/srfinra2026004-913220-2799313.pdf>.

¹⁰ Partial Amendment No. 1 is available on FINRA’s website at <https://www.finra.org/rules-guidance/rule-filings/sr-finra-2026-004>.

evaluating the facts in regard to any particular security or type of security, industry, or service;¹¹ and (2) the member preparing the communication: (a) not omit any material fact or qualification if the omission, in light of the context of the material presented, would cause the communication to be misleading;¹² (b) not make any false, exaggerated, unwarranted, promissory, or misleading statement or claim in the communication;¹³ and (c) consider the nature of the audience to which the communication will be directed and provide details and explanations appropriate to the audience.¹⁴ These standards also generally prohibit a communication prepared by a member from predicting or projecting performance, implying that past performance will recur, or making any exaggerated or unwarranted claim, opinion, or forecast.¹⁵ This general prohibition, however, does not preclude communications that contain: (1) certain hypothetical illustrations of mathematical principles;¹⁶ (2) certain investment analysis tools or written reports produced by such investment analysis tools;¹⁷ and (3) certain price targets contained in research reports on debt or equity securities.¹⁸

The proposed rule change would adopt a fourth exception to FINRA Rule 2210(d)(1)(F) to permit the communication of projected performance or targeted returns in certain narrowly defined circumstances. Specifically, under the Initial Rule Filing, proposed FINRA Rule 2210(d)(1)(F)(iv) would have excluded from FINRA Rule 2210(d)(1)(F)'s general prohibition a

¹¹ FINRA Rule 2210(d)(1)(A).

¹² Id.

¹³ FINRA Rule 2210(d)(1)(B).

¹⁴ FINRA Rule 2210(d)(1)(E).

¹⁵ FINRA Rule 2210(d)(1)(F).

¹⁶ FINRA Rule 2210(d)(1)(F)(i) (stating that a member may communicate a hypothetical illustration of mathematical principles, provided that it does not predict or project the performance of an investment or investment strategy).

¹⁷ FINRA Rule 2210(d)(1)(F)(ii) (stating that a member may publish an investment analysis tool, or a written report produced by an investment analysis tool, that includes projections of performance provided it meets the requirements of FINRA Rule 2214 (Requirements for the Use of Investment Analysis Tools)).

¹⁸ FINRA Rule 2210(d)(1)(F)(iii) (stating that a member may communicate a price target contained in a research report on debt or equity securities, provided that the price target has a reasonable basis, the report discloses the valuation methods used to determine the price target, and the price target is accompanied by disclosure concerning the risks that may impede achievement of the price target).

member's communication that projects the performance of, or provides a targeted return with respect to, a security, a securities portfolio, or an asset allocation or other investment strategy, provided that the member: (1) adopts and implements written policies and procedures reasonably designed to ensure that the communication is relevant to the likely financial situation and investment objectives of the intended audience of the communication;¹⁹ (2) has a reasonable basis for the criteria used and assumptions made in calculating the projected performance or targeted return, and retains written records supporting the basis for such criteria and assumptions;²⁰ and (3) provides sufficient information to enable the intended audience to understand: (i) the criteria used and assumptions made in calculating the projected performance or targeted return, including whether the projected performance or targeted return is net of anticipated fees and expenses; and (ii) the risks and limitations of using the projected performance or targeted return in making investment decisions, including reasons why the projected performance or targeted return might differ from actual performance.²¹

In response to commenters, FINRA is proposing the following amendments to the proposed rule change as described in the Initial Rule Filing:

B. Proposed Amendment to FINRA Rule 2210(b)(4) (Recordkeeping)

FINRA is proposing to amend FINRA Rule 2210's recordkeeping requirement to require members to maintain information concerning the source of any projection of performance or targeted return. Specifically, Partial Amendment No. 1 would modify FINRA Rule 2210(b)(4)(A)(iv) to require that a member's records include information concerning the source of any projection of performance or targeted return.²² FINRA stated that requiring firms to keep

¹⁹ Proposed FINRA Rule 2210(d)(1)(F)(iv)(a) as proposed in the Initial Rule Filing.

²⁰ Proposed FINRA Rule 2210(d)(1)(F)(iv)(b) as proposed in the Initial Rule Filing.

²¹ Proposed FINRA Rule 2210(d)(1)(F)(iv)(c) as proposed in the Initial Rule Filing.

²² See proposed FINRA Rule 2210(b)(4)(A)(iv) as proposed in Partial Amendment No. 1.

records of information relating to projections and targeted returns would help members substantiate the basis for such performance presentations.²³

C. Proposed Amendments to Proposed FINRA Rule 2210(d) (Content Standards)

1. Proposed Amendment to Proposed FINRA Rule 2210(d)(1)(F)(iv)(b) (Reasonable Basis Standard)

FINRA is proposing to eliminate the Initial Rule Filing’s proposed requirement that members: (1) have a reasonable basis for the criteria used and assumptions made in calculating a projected performance or targeted return in a communication with the public, and (2) retain written records supporting the basis for such criteria and assumptions.²⁴ Specifically, Partial Amendment No. 1 would eliminate proposed FINRA Rule 2210(d)(1)(F)(iv)(b) and renumber proposed FINRA Rule 2210(d)(1)(F)(iv)(c) as FINRA Rule 2210(d)(1)(F)(iv)(b).²⁵ FINRA stated that an express reasonable basis standard is unnecessary because FINRA Rule 2210’s general content standards would preclude any unreasonable projections or targeted returns.²⁶

2. Proposed Amendments to Proposed FINRA Rule 2210(d)(1)(F)(iv)(c) (Disclosure)

FINRA is proposing to eliminate the Initial Rule Filing’s proposed requirement that members expressly disclose: (1) whether any projected performance or targeted return appearing in a communication with the public is net of anticipated fees and expenses, and (2) the reasons why a projected performance or targeted return appearing in a communication with the public might differ from actual performance.²⁷ Specifically, Partial Amendment No. 1 would modify proposed FINRA Rule 2210(d)(1)(F)(iv)(c) to delete the following clauses: (1) “including whether the projected performance or targeted return is net of anticipated fees and expenses”, and (2) “including reasons why the projected performance or targeted return might differ from

²³ FINRA Response Letter at 13.

²⁴ See proposed FINRA Rule 2210(d)(1)(F)(iv)(b) as proposed in the Initial Rule Filing.

²⁵ See proposed FINRA Rule 2210(d)(1)(F)(iv) as proposed in Partial Amendment No. 1.

²⁶ FINRA Response Letter at 12.

²⁷ See proposed FINRA Rule 2210(d)(1)(F)(iv)(c) as proposed in the Initial Rule Filing.

actual performance.”²⁸ FINRA stated that FINRA Rule 2210’s general content standards, together with the remaining proposed disclosure requirements that are specific to projections of performance and targeted returns, would help ensure that investors receive information to consider the risks and limitations of relying on such performance in determining how to invest.²⁹

III. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change, as amended by Partial Amendment No. 1, is consistent with the Act. Comments may be submitted by any of the following methods:

Electronic Comments:

- Use the Commission’s internet comment form (<https://www.sec.gov/rules/sro.shtml>); or
- Send an email to rule-comments@sec.gov. Please include file number SR-FINRA-2026-004 on the subject line.

Paper Comments:

- Send paper comments in triplicate to Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549-1090.

All submissions should refer to file number SR-FINRA-2026-004. This file number should be included on the subject line if email is used. To help the Commission process and review your comments more efficiently, please use only one method. The Commission will post all comments on the Commission’s internet website (<https://www.sec.gov/rules/sro.shtml>). Copies of the filing will be available for inspection and copying at the principal office of FINRA. Do not include personal identifiable information in submissions; you should submit only information that you wish to make available publicly. We may redact in part or withhold entirely from

²⁸ See proposed FINRA Rule 2210(d)(1)(F)(iv) as proposed in Partial Amendment No. 1.

²⁹ FINRA Response Letter at 15.

publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-FINRA-2026-004 and should be submitted on or before [INSERT DATE 21 DAYS FROM PUBLICATION IN THE FEDERAL REGISTER].

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.³⁰

Sherry R. Haywood,

Assistant Secretary.

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³⁰ 17 CFR 200.30-3(a)(12).