



September 7, 2021

Via e-mail to [rule-comments@sec.gov](mailto:rule-comments@sec.gov)

U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington DC 20549-1090  
Attn: Ms. Vanessa A. Countryman

**Re: Request to extend the comment period to November 1, 2021; File No. S7-10-21**

Dear Ms. Countryman:

On August 27<sup>th</sup>, the Securities and Exchange Commission (“Commission”) issued a 78-page request for information, “Request for Information and Comments on Broker-Dealer and Investment Adviser Digital Engagement Practices, Related Tools and Methods, and Regulatory Considerations and Potential Approaches; Information and Comments on Investment Adviser Use of Technology to Develop and Provide Investment Advice” (the “Request”). The Request was published in the *Federal Register* on September 1<sup>st</sup>. See 86 Fed. Reg. 49067 (Sept. 1, 2021).

The Request seeks open-ended and extensive information from broker-dealers, investment advisers, retail investors, other stakeholders, and the general public regarding what the Commission describes as “digital engagement practices”—which the Commission defines to include nine categories of practices purportedly engaged in by broker-dealers and others. It is difficult to overstate the breadth of the Request. The Commission poses 91 categories of questions, many of which contain multiple separate subparts. At the same time, the Request makes clear the questions are not exclusive and are “not intended to limit the scope of comments, views, issues, or approaches to be considered.” *Id.* at 49,085.

The Commission further invites those responding to submit all manner of information, including “statistical, empirical, and other data.” *Id.* Despite the considerable breadth of the Request and the significant number of questions, the Commission imposed a deadline of only 30 days for responses, with comments due on or before October 1, 2021. On behalf of the Securities Industry and Financial Markets Association (“SIFMA”),<sup>1</sup> I am writing respectfully to

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<sup>1</sup> SIFMA is the leading trade association for broker-dealers, investment banks and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s nearly 1 million employees, we advocate on legislation, regulation, and business policy, affecting retail and institutional investors, equity and fixed income markets and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. SIFMA, with offices in New York and Washington, D.C., is the U.S.

request that the Commission extend the time for filing responses an additional 30 days, to November 1, 2021.<sup>2</sup>

SIFMA applauds the Commission’s efforts to encourage retail investors to provide input on broker-dealer and investment advisor digital engagement practices, particularly because the consequences of any future action the Commission may take in this space are likely to affect these individual investors the most. We are concerned, however, that the Commission’s efforts to solicit feedback may be undermined by the unnecessarily short comment deadline. Indeed, the 30-day timeframe may impose a particular burden on retail investors who may not be able to devote the time and resources to respond in such a short timeframe.

Moreover, the complexity and scale of the Request further warrant in favor of providing retail investors and other stakeholders more time to understand the issues and respond with meaningful comments. As noted above, the Request seeks wide-ranging information on a significant number of questions – ranging from empirical ones, to a discussion of existing regulatory controls, to an assessment of legal and regulatory alternatives. Collecting and compiling such information (including data and empirical evidence), and presenting it in a form useful to the Commission, will take time and cannot practically be achieved in 30 days.

Commenters cannot reasonably be expected to provide meaningful responses to the Commission in 30 days. By analogy, for “significant regulatory actions” – as any proposed rule resulting from the request for information would surely qualify – “agencies” should use a comment period of at least 60 days.” Administrative Conference of the United States, Rulemaking Comments, Recommendation number 2011–2 (June 16, 2011). Although the request for information at issue here is obviously not a proposed regulation, the request in many ways exceeds the scope of information sought in typical notices of proposed rulemaking.

Based on recent statements made by Chair Gensler that any formal rulemaking is likely to occur next year,<sup>3</sup> there does not appear to be any emergency or exigent circumstances that justify truncating the timeline for comment on these important issues. To this end, when the Commission has made requests for information of a similar scale in connection with proposed policy or rulemaking, it has provided a 120-day period for comment – 4 times what it is currently proposing. Cf. *Duties of Brokers, Dealers and Investment Advisers: Request for Data and Other Information*, Exchange Act Release No. 69013 (Mar. 1, 2013), available at <http://www.sec.gov/rules/other/2013/34-69013.pdf>. The Commission’s request for information from the public (including retail investors) in 2017, which led to Regulation Best Interest, imposed *no* deadline for submitting comments. See *Public Comments from Retail Investors and Other Interested Parties on Standards of Conduct for Investment Advisers and Broker-Dealers* (June 1, 2017), available at <https://www.sec.gov/news/public-statement/statement-chairman-clayton-2017-05-31>.

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regional member of the Global Financial Markets Association (GFMA). For more information, visit <http://www.sifma.org>.

<sup>2</sup> Because the 30th day of the extension would be on Sunday October 31, the Commission should require comments be filed on or before Monday November 1.

<sup>3</sup> Live Remarks Before the European Parliament Committee on Economic and Monetary Affairs (Sept. 1, 2021).

Accordingly, SIFMA respectfully requests that the Commission extend the comment period in response to the Request to November 1, 2021, to ensure that SIFMA, retail investors and other stakeholders have a fair, reasonable, and adequate opportunity to provide the Commission with the information it seeks. Thank you for your consideration of this request.

Sincerely,

Handwritten signature of Kevin M. Carroll in black ink.

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Kevin M. Carroll  
Managing Director and Associate General Counsel

cc: Division of Trading and Markets, Office of Chief Counsel  
Division of Investment Management, Investment Adviser Regulation Office