



August 29, 2023

Ms. Vanessa Countryman
Secretary
Securities and Exchange Commission
100 F Street NE
Washington, DC 20549-1090

Re: ***Proposed Rule Change to Adopt Supplementary Material .18 (Remote Inspections Pilot Program) under FINRA Rule 3110 (Supervision)***

Dear Ms. Countryman:

Fidelity Investments (“Fidelity”)¹ appreciates the opportunity to provide comments to the Securities and Exchange Commission (“SEC” or “Commission”) on the proposed rule change and FINRA’s recent amendments to adopt new Supplemental Material .18 (Remote Inspections Pilot Program) as set forth in SR-FINRA-2023-007 (the “Proposal”).

We would also like to express our appreciation for the Commission’s willingness to continue existing relief while the Remote Inspection Pilot and Residential Supervisory Location (SR-FINRA-2023-006) proposals are being considered. The existing relief provided under FINRA Rule 3110.17 is set to expire December 31st, 2023. We request an extension of the existing relief until at least June 30, 2024 to allow the industry sufficient time to plan for office inspections in anticipation of a finalized rule.

Fidelity continues to strongly support² the Proposal and recent amendments for changes to the inspection requirements of offices of supervisory jurisdiction, branch offices and non-branch locations under FINRA Rule 3110. The amendments, which include changes to address stakeholder comments received on previous iterations, should be swiftly adopted.

We urge the SEC to consider this Proposal in conjunction with FINRA’s proposal concerning Residential Supervisory Locations (Supplementary Material .19) and approve both with the same effective date. The Remote Inspections Pilot Program, along with the recently filed amendments, is an effectively designed pilot that would provide regulators the opportunity to assess the success of remote inspections in a structured manner while still protecting investors and safeguarding market integrity. We believe that the data submitted throughout the pilot will

¹ Fidelity is one of the world’s largest providers of financial services, including investment management, retirement planning, portfolio guidance, brokerage, benefits outsourcing and many other financial products and services to more than 30 million individuals and institutions, as well as through 13,500 financial intermediary firms. Fidelity submits this letter on behalf of Fidelity Brokerage Services LLC, National Financial Services LLC, and Fidelity Distributors Company LLC.

² See FINRA Remote Inspection Pilot comment letter (<https://www.sec.gov/comments/sr-finra-2022-021/srfinra2022021-20138352-308384.pdf>), Residential Supervisory Location comment letter (<https://www.sec.gov/comments/sr-finra-2023-006/srfinra2023006-20165205-334509.pdf>) and SEC Remote Inspection Pilot comment letter (<https://www.sec.gov/comments/sr-finra-2023-007/srfinra2023007-194879-387082.pdf>).



inform updates to guidance issued over 20 years ago, which does not account for advancements in technology and the evolution of the workforce.

Fidelity has always placed strong emphasis on investor protection and supervision of its associates' activities. We are happy to provide further information, participate in any direct outreach efforts the Commission undertakes, or respond to questions you may have about our comments.

Sincerely,



Gail Merken
Chief Compliance Officer
Fidelity Brokerage Services LLC



Janet Dyer
Chief Compliance Officer
National Financial Services LLC



John McGinty
Chief Compliance Officer
Fidelity Distributors Company LLC

CC: The Honorable Gary Gensler, Chair
The Honorable Hester M. Peirce, Commissioner
The Honorable Caroline A. Crenshaw, Commissioner
The Honorable Mark T. Uyeda, Commissioner
The Honorable Jaime Lizárraga, Commissioner
Haoxiang Zhu, Director, Division of Trading and Markets
Robert Cook, FINRA President & CEO
Bob Colby, FINRA Chief Legal Officer