

remove impediments to and perfects the mechanism of a free and open market by ensuring that persons subject to the Exchange's jurisdiction, regulators, and the investing public can more easily navigate and understand the Exchange's rules. The proposed amendments would not be inconsistent with the public interest and the protection of investors because investors will not be harmed and in fact would benefit from the increased transparency and clarity, thereby reducing potential confusion.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any burden on competition not necessary or appropriate in furtherance of the purposes of the Act. The proposed rule change is not intended to address competitive issues but rather is concerned solely with updating the Exchange's rules to reflect its affiliate's name change.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments were either solicited or received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Because the foregoing proposed rule change does not: (i) significantly affect the protection of investors or the public interest; (ii) impose any significant burden on competition; and (iii) become operative prior to 30 days from the date on which it was filed, or such shorter time as the Commission may designate, if consistent with the protection of investors and the public interest, the proposed rule change has become effective pursuant to Section 19(b)(3)(A)(iii) of the Act⁶ and Rule 19b-4(f)(6) thereunder.⁷

A proposed rule change filed under Rule 19b-4(f)(6)⁸ normally does not become operative prior to 30 days after the date of the filing. However, pursuant to Rule 19b-4(f)(6)(iii),⁹ the Commission may designate a shorter time if such action is consistent with the protection

of investors and the public interest. The Exchange has asked the Commission to waive the 30-day operative delay so that the proposal may become operative immediately upon filing. Waiver of the operative delay would allow the Exchange to immediately update its rulebook to reflect the name change of "Nasdaq BX, Inc." to "Nasdaq Texas, LLC." The Commission believes that the proposed rule change presents no novel issues and that waiver of the 30-day operative delay is consistent with the protection of investors and the public interest. Accordingly, the Commission hereby waives the 30-day operative delay and designates the proposal operative upon filing.¹⁰

At any time within 60 days of the filing of the proposed rule change, the Commission summarily may temporarily suspend such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change 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-GEMX-2026-34 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-GEMX-2026-34. 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 the Exchange. 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 publication submitted material that is obscene or subject to copyright protection. All submissions should refer to file number SR-GEMX-2026-34 and should be submitted on or before October 26, 2026.

For the Commission, by the Division of Trading and Markets, pursuant to delegated authority.¹¹

Sherry R. Haywood,
Assistant Secretary.

[FR Doc. 2026-20300 Filed 10-2-26; 8:45 am]

BILLING CODE 8011-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 33-11449; File No. 4-935]

Potential Designations of the Investment Banking Representative License (Series 79) and the Research Analyst License (Series 86 and Series 87) as Qualifying Natural Persons for Accredited Investor Status

AGENCY: Securities and Exchange Commission.

ACTION: Notice; request for comment.

SUMMARY: Notice is given that the Securities and Exchange Commission (the "Commission") is considering whether to issue an order designating the Investment Banking Representative license (Series 79) and the Research Analyst license (Series 86 and Series 87) as each independently qualifying natural persons for accredited investor status.

DATES: This release was published in the **Federal Register** on October 5, 2026. Comments should be received on or before December 4, 2026.

ADDRESSES: Comments may be submitted by any of the following methods:

Electronic Comments

- Use the Commission's internet comment form (<https://www.sec.gov/comments/4-935/potential-designations-investment-banking-representative-license-series-79-research-analyst-license>); or
- Send an email to rule-comments@sec.gov. Please include File Number 4-935 on the subject line. To submit a comment to more than one file, please include each file number on the subject line.

¹¹ 17 CFR 200.30-3(a)(12) and (59).

⁶ 15 U.S.C. 78s(b)(3)(A)(iii).

⁷ 17 CFR 240.19b-4(f)(6). In addition, Rule 19b-4(f)(6) requires a self-regulatory organization to give the Commission written notice of its intent to file the proposed rule change, along with a brief description and text of the proposed rule change, at least five business days prior to the date of filing of the proposed rule change, or such shorter time as designated by the Commission. The Exchange has satisfied this requirement.

⁸ See *id.*

⁹ 17 CFR 240.19b-4(f)(6)(iii).

¹⁰ For purposes only of waiving the 30-day operative delay, the Commission has also considered the proposed rule's impact on efficiency, competition, and capital formation. See 15 U.S.C. 78c(f).

Paper Comments

• Send paper comments to Vanessa A. Countryman, Secretary, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549–1090. All submissions should refer to File Number 4–935. To submit a comment to more than one file, please refer to each file number. 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 of submission. The Commission will post all submitted comments on its website (<https://www.sec.gov/rules-regulations/public-comments/4-935>). Do not include personally identifiable information in submissions; you should submit only information that you wish to make available publicly. The Commission may redact in part or withhold entirely from publication submitted material that is obscene or subject to copyright protection.

FOR FURTHER INFORMATION CONTACT: John Byrne, Office Chief, Kenisha D. Nicholson, Senior Special Counsel, or Max Corey, Special Counsel, Office of Small Business Policy, Division of Corporation Finance, at 202–551–3460, Securities and Exchange Commission, 100 F Street NE, Washington, DC 20549.
SUPPLEMENTARY INFORMATION:

I. Background

A. Accredited Investor Definition

Regulation D¹ provides a widely-used set of exemptions from registration under 15 U.S.C. 77a *et seq.* (the “Securities Act”) for the offer and sale of securities.² Among other things, Regulation D includes the regulatory definition of “accredited investor” in 17 CFR 230.501(a) (“Rule 501(a)”) followed by the three main operative provisions—17 CFR 230.504 (“Rule 504”),³ 17 CFR 230.506(b) (“Rule 506(b)”),⁴ and 17 CFR 230.506(c) (“Rule

506(c)”).⁵ The Commission has stated that the “accredited investor” definition under Regulation D is intended to capture persons whose financial sophistication renders the protection of the Securities Act’s registration process unnecessary.⁶

The definition of “accredited investor” is a cornerstone of Regulation D and also plays an important role in other Federal securities law contexts.⁷ Qualifying for accredited investor status is significant because accredited investors may, under Commission rules, participate in investment opportunities that are generally not available to non-accredited investors, such as investments in private companies and offerings by private funds.

Accredited investors are natural persons and entities that come within, or that the issuer reasonably believes come within, any of the enumerated categories contained in Rule 501(a). Natural persons may qualify as accredited investors if they are:

- Any director, executive officer, or general partner of the issuer of the securities being offered or sold or of a

and, where non-accredited investors purchase in the Rule 506(b) offering, the information requirements in 17 CFR 230.502(b) must be met. See 17 CFR 230.506(b)(1); 17 CFR 230.506(b)(2)(i); 17 CFR 230.502(b).

⁵ Rule 506(c) provides an exemption from registration under the Securities Act, and permits issuers to raise any amount from an unlimited number of accredited investors. The exemption permits general solicitation, but issuers may not make any sales to non-accredited investors under Rule 506(c), and the issuer must take reasonable steps to verify that all purchasers are accredited. See also Jumpstart Our Business Startups Act of 2012, Public Law 112–106, sec. 201(a), 126 Stat. 306 (2012) (directing the Commission to revise its rules “to provide that the prohibition against general solicitation or general advertising contained in section 230.502(c) of such title [17] shall not apply to offers and sales of securities made pursuant to section 230.506, provided that all purchasers of the securities are accredited investors Section 230.506 of title 17, Code of Federal Regulations, as revised pursuant to this section, shall continue to be treated as a regulation issued under section 4(2) of the Securities Act of 1933 (15 U.S.C. 77d(2))”).

⁶ See *Accredited Investor Definition*, Release No. 33–10824 (Aug. 26, 2020) [85 FR 64234, n.7 and accompanying text (Oct. 9, 2020)] (“Accredited Investor Adopting Release”); Regulation D Revisions; Exemption for Certain Employee Benefit Plans, Release No. 33–6683 (Jan. 16, 1987) [52 FR 3015 (Jan. 30, 1987)]. See also *SEC v. Ralston Purina Co.*, 346 U.S. 119, 125 (1953) (taking the position that the availability of the section 4(a)(2) exemption “should turn on whether the particular class of persons affected needs the protection of the [Securities] Act. An offering to those who are shown to be able to fend for themselves is a transaction ‘not involving any public offering’”).

⁷ For example, each of 17 CFR 230.251 through 230.263 (“Regulation A”) and 17 CFR 227.100 through 227.504 (“Regulation Crowdfunding”) contains limitations on the amount an investor may invest if such investor is not an accredited investor. See 17 CFR 230.251(d)(2)(i)(C) and 17 CFR 227.100(a)(2).

general partner of that issuer, pursuant to 17 CFR 230.501(a)(4);

- Individuals who have a net worth exceeding \$1,000,000 (excluding the value of the individual’s primary residence and any indebtedness secured by such residence up to the estimated value of the residence), either alone or with their spouse or spousal equivalent, pursuant to 17 CFR 230.501(a)(5);

- Individuals who had an income in excess of \$200,000 in each of the two most recent years, or joint income with the individual’s spouse or spousal equivalent in excess of \$300,000 in each of those years, and have a reasonable expectation of reaching the same income level in the current year, pursuant to 17 CFR 230.501(a)(6);

- Individuals who are holders in good standing of one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status, pursuant to 17 CFR 230.501(a)(10) (“Rule 501(a)(10)”);

- Individuals who are “knowledgeable employees,”⁸ under the Investment Company Act of 1940 (the “Investment Company Act”),⁹ of the private-fund issuer of the securities being offered or sold, pursuant to 17 CFR 230.501(a)(11); or

- Individuals who are “family clients” of a “family office”¹⁰ under the Investment Advisers Act of 1940 (the “Advisers Act”)¹¹ and whose prospective investment in the issuer is directed by such family office in accordance with 17 CFR 230.501(a)(12)(iii), pursuant to 17 CFR 230.501(a)(13) (“Rule 501(a)(13)”).

Various institutions may qualify as accredited investors based on their status alone or on a combination of their status and the amount of their total assets or investments. Institutions that qualify include:

- Banks, savings and loan associations; brokers or dealers registered pursuant to section 15 of the Securities Exchange Act of 1934;¹² certain investment advisers; insurance companies; investment companies registered under the Investment Company Act or business development companies as defined in section 2(a)(48) of the Investment Company Act;¹³ and certain specialized investment

⁸ 17 CFR 270.3c–5(a)(4).

⁹ 15 U.S.C. 80a–1 *et seq.*

¹⁰ 17 CFR 275.202(a)(11)(G)–1 (defining “family office”).

¹¹ 15 U.S.C. 80b–1 *et seq.*

¹² 15 U.S.C. 78o.

¹³ 15 U.S.C. 80a–2(a)(48).

¹ 17 CFR 230.500 through 230.508.

² Approximately \$400 billion was raised in Regulation D offerings (excluding pooled funds) between July 1, 2024 and June 30, 2025. See *Staff Report from Office of the Advocate for Small Business Capital Formation* (“OASB”) Fiscal Year 2025 OASB Annual Report (Jan. 8, 2026) at 14, available at <https://www.sec.gov/files/2025-oasb-staff-report.pdf>.

³ Rule 504 provides an exemption from registration under the Securities Act for the offer and sale of up to \$10 million of securities in a 12-month period from an unlimited number of investors (without regard to whether those investors are accredited).

⁴ Rule 506(b) is a safe harbor under section 4(a)(2) of the Securities Act that permits issuers to raise any amount from an unlimited number of accredited investors but limits the number of non-accredited investors to 35 in any 90-calendar-day period. The rule does not permit general solicitation

companies;¹⁴ plans established and maintained by a state, its political subdivisions, or any agency or instrumentality of a state or its political subdivisions, for the benefit of its employees, if such plan has total assets in excess of \$5 million; employee benefit plans (within the meaning of the Employee Retirement Income Security Act of 1974¹⁵) if a bank, savings and loan association, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million, or, if a self-directed plan, with investment decisions made solely by persons who are accredited investors, pursuant to 17 CFR 230.501(a)(1) (“Rule 501(a)(1)”);

- Any private business development company as defined in section 202(a)(22) of the Advisers Act,¹⁶ pursuant to 17 CFR 230.501(a)(2) (“Rule 501(a)(2)”);

- Charitable organizations, corporations, business trusts, partnerships, or limited liability companies not formed for the specific purpose of acquiring the securities offered, with total assets in excess of \$5,000,000, pursuant to 17 CFR 230.501(a)(3) (“Rule 501(a)(3)”);¹⁷

- Trusts with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the securities offered, whose purchase is directed by a sophisticated person as described in 17 CFR 230.506(b)(2)(ii), pursuant to 17 CFR 230.501(a)(7) (“Rule 501(a)(7)”);

- Entities in which all of the equity owners are accredited investors, pursuant to 17 CFR 230.501(a)(8) (“Rule 501(a)(8)”);

- Any entity, of a type not listed in Rules 501(a)(1), (2), (3), (7), or (8), not formed for the specific purpose of acquiring the securities offered, owning investments in excess of \$5,000,000, pursuant to 17 CFR 230.501(a)(9);

- “Family offices” meeting certain requirements, pursuant to 17 CFR 230.501(a)(12) (“Rule 501(a)(12)”);¹⁸ and

- Entities that are “family clients” of a “family office” that meets the requirements of Rule 501(a)(12), pursuant to Rule 501(a)(13).

B. Background on Rule 501(a)(10) and Overview of Potential Designations

Rule 501(a)(10) confers accredited investor status on any natural person holding in good standing one or more professional certifications or designations or credentials from an accredited educational institution that the Commission has designated as qualifying an individual for accredited investor status.¹⁹ In adopting Rule 501(a)(10), the Commission stated that certain “professional credentials and experience should enable [investors that hold such credentials] to assess investment opportunities, appropriately allocate capital based on their individual circumstances, including whether to reallocate investment capital between private investments and other equivalent-sized investments, and otherwise make appropriately informed decisions regarding their financial interests, including their ability to bear the financial risk.”²⁰

Rule 501(a)(10) contains the following non-exclusive list of attributes that the Commission will consider in determining whether to designate a professional certification or designation or credential from an accredited educational institution as qualifying for accredited investor status:

- The certification, designation, or credential arises out of an examination or series of examinations administered by a self-regulatory organization or other industry body or is issued by an accredited educational institution, under 17 CFR 230.501(a)(10)(i) (“Rule 501(a)(10)(i)”);

- The examination or series of examinations is designed to reliably and validly demonstrate an individual’s comprehension and sophistication in the areas of securities and investing, under 17 CFR 230.501(a)(10)(ii) (“Rule 501(a)(10)(ii)”);

merits and risks of the prospective investment. *See* 17 CFR 230.501(a)(12)(i) through 230.501(a)(12)(iii).

¹⁹ Rule 501(a)(10) does not expressly define what constitutes good standing. In connection with the adoption of Rule 501(a)(10), the Commission stated that in addition to passing the relevant exam, “maintaining an active certification, designation, or license is sufficient to demonstrate the individual’s financial sophistication to invest in exempt offerings . . . [and] that an inactive certification, designation, or license, particularly when the certification or designation has been inactive for an extended period of time, could lessen the validity of the certification or designation as a measure of financial sophistication.” Accredited Investor Adopting Release at 64242. *See infra* section II.B.1.

²⁰ *Id.* at 64241.

- Persons obtaining such certification, designation, or credential can reasonably be expected to have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of a prospective investment, under 17 CFR 230.501(a)(10)(iii) (“Rule 501(a)(10)(iii)”); and

- An indication that an individual holds the certification or designation is either made publicly available by the relevant self-regulatory organization or other industry body or is otherwise independently verifiable, under 17 CFR 230.501(a)(10)(iv) (“Rule 501(a)(10)(iv)”);²¹

In proposing Rule 501(a)(10), the Commission noted prior recommendations to designate holding certain licenses from the Financial Industry Regulatory Authority, Inc. (“FINRA”) as qualifying natural persons for accredited investor status. However, the proposed initial list did not include the Investment Banking Representative license (“Series 79”) or Research Analyst license (“Series 86 and 87”).²² A number of commenters recommended the addition of the Series 79 and/or Series 86 and 87.²³

Consistent with the proposal, at the time of adoption of Rule 501(a)(10), the Commission issued an order designating the General Securities Representative license (Series 7), Private Securities Offerings Representative license (Series 82), and Investment Adviser Representative license (Series 65) as qualifying a holder of such licenses in good standing for accredited investor

²¹ Additionally, Note 1 to paragraph 501(a)(10) specifies that the Commission will designate professional certifications or designations or credentials as qualifying such holders as accredited investors by order, after notice and an opportunity for public comment.

²² *See Amending the “Accredited Investor” Definition*, Release No. 33–10734 (Dec. 18, 2019) [85 FR 2574, 2579–2581 (Jan. 15, 2020)] (the “Accredited Investor Proposing Release”).

²³ *See, e.g.,* letter from Center for Capital Markets Competitiveness (Mar. 16, 2020) (supporting including the Series 79 and Series 86 and 87); letter from CMT (Mar. 16, 2020) (supporting including the Series 86 and 87); letter from Federal Regulation of Securities Committee of the Business Law Section of the American Bar Association (May 22, 2020) (supporting including the Series 86 and 87); letter from G. Philip Rutledge (Jan. 31, 2020) (supporting including, as accredited investors, “individuals who took and passed an examination required by FINRA in order to perform a specific function with a FINRA member firm and, at the time of the investment, remained an associated person with a FINRA member”); letter from Raymond Wu (Feb. 21, 2020) (supporting including the Series 86 and 87). One commenter specifically opposed including the Series 86 and 87. *See* letter from Alex Naegele (Jan. 9, 2020). The comment letters to the Accredited Investor Proposing Release are available at <https://www.sec.gov/comments/s7-25-19/s72519.htm>.

¹⁴ This includes small business investment companies licensed under section 301(c) or (d) of the Small Business Investment Act of 1958 [15 U.S.C. 661 *et seq.*], and any rural business investment company as defined in section 384A of the Consolidated Farm and Rural Development Act [7 U.S.C. 1921].

¹⁵ 29 U.S.C. 1001 *et seq.*

¹⁶ 15 U.S.C. 80b–2(a)(22).

¹⁷ A charitable organization is as described in section 501(c)(3) of the Internal Revenue Code [26 U.S.C. 501(c)(3)].

¹⁸ The family office must have assets under management in excess of \$5,000,000; not been formed for the specific purpose of acquiring the securities offered; and its prospective investments directed by a person who has such knowledge and experience in financial and business matters that such family office is capable of evaluating the

status.²⁴ In the Accredited Investor Adopting Release, the Commission expressly noted that “[a]lthough other professional certifications, designations, and credentials, such as other FINRA exams, a specific accredited investor exam, other educational credentials, or professional experience received broad commenter support, we are taking a measured approach to the expansion of the definition . . . [and] we believe it is appropriate to consider these other credentials after first gaining experience with the revised rules.”²⁵

The Commission has now had over five years of experience with the initially designated professional licenses. There is no evidence that we are aware of to suggest that the expansion in 2020 of the accredited investor definition to include these types of financially sophisticated investors has created investor protection concerns. Since the adoption of Rule 501(a)(10) and the initial designations, the Commission has received recommendations to further expand the number of investors that qualify as accredited investors under Rule 501(a)(10).²⁶ The arguments in some of

these recommendations echo the arguments contained in letters from commenters in connection with the adoption of Rule 501(a)(10), which stated that the definition limits access to private investments primarily to those who are wealthy,²⁷ have close ties to the issuer,²⁸ or have certain jobs in the financial industry.²⁹ The Commission has also received petitions for rulemaking requesting changes to the accredited investor definition.³⁰

Accredited Investor Definition (May 1, 2024), available at <https://www.sec.gov/files/recs-accredited-investor-definition.pdf> (recommending in part that persons not meeting the definition be able to undertake an educational program, which would allow them to invest a percent of their assets); OASB, *Annual Report for Fiscal Year 2023* at 75, available at <https://www.sec.gov/files/2023-oasb-annual-report.pdf> (recommending expansion of the accredited investor definition to add qualitative professional criteria and alternative ways to demonstrate financial sophistication). See also SEC Investor Advisory Committee Recommendation regarding Retail Investor Access to Private Market Assets (Sept. 18, 2025), available at <https://www.sec.gov/files/iac-recommendation-private-market-assets-final-09182025.pdf> (not taking a position on whether the accredited investor definition should be expanded, but recommending that, if the definition were to be expanded, the Commission consider expanding the accredited investor definition to cover additional professional certifications or designations or credentials).

²⁷ See, e.g., letter from David R. Burton (May 1, 2020) (“D. Burton”) (stating that “people outside of the financial industry should have a means to prove that they have the knowledge and sophistication to qualify as [accredited investors] . . . [o]therwise, the Commission will effectively creat[e] barriers where only affluent people or those it regulates in the financial industry have access to these investments.”); letter from Tron Black (Nov. 20, 2019, last updated Dec. 24, 2019).

²⁸ See, e.g., letter from Bruce A. Wallick (Dec. 19, 2019) (stating that the “[accredited investor definition] should include an opportunity for self-taught investors to demonstrate their financial sophistication and achieve accredited status.”); letter from D. Burton.

²⁹ See, e.g., letter from Crowdwise, LLC (Mar. 1, 2020) (stating that it is crucial for the Commission to “consider how self-taught, sophisticated investors who do not have any other financial credentials (nor the ability to get them) or finance industry experience can still have access to the same investment opportunities that are available to accredited investors today.”); letter from D. Burton (stating that expansion of the accredited investor definition “will help investors that would typically otherwise be barred from investing in Regulation D offerings (most often younger investors or those that live outside of high-income metropolitan areas).”).

³⁰ See Benjamin Bartel, *Petition for Rulemaking to Amend the Accredited Investor Definition in Rule 501(a) of SEC Regulation D* (Sept. 25, 2025), available at <https://www.sec.gov/files/rules/petitions/2025/petn4-871.pdf>; Fabricio R. Murillo Garcia, *Petition for Modification of Definition of Accredited Investors* (Feb. 13, 2024), available at <https://www.sec.gov/files/rules/petitions/2024/petn4-823.pdf>; Nicholas Morgan, Investor Choice Advocates Network, *Rulemaking petition to reduce the diversity, equity, and inclusion (“DEI”) barriers for “accredited investors” by replacing the net worth and income requirements of Rule 501(a) under the Securities Act of 1933 with non-financial metrics* (Nov. 9, 2022), available at <https://www.sec.gov/files/rules/petitions/2022/petn4-796.pdf>; Benny R. Brown, *Request to change the*

For the reasons set forth in section II, we believe that holding either a Series 79 or a Series 86 and 87 in good standing would satisfy the standard in Rule 501(a)(10).³¹ Accordingly, as required by Rule 501(a)(10), we are providing notice and an opportunity for public comment on potential designation of the Series 79 or a Series 86 and 87 as qualifying natural persons for accredited investor status.³²

II. Discussion

A. Series 79 and Series 86 and 87 Requirements

1. Background

We believe designating holding the Series 79 and holding the Series 86 and 87 as qualifying natural persons for accredited investor status would be consistent with the standard in Rule 501(a)(10) because such licenses meet the non-exclusive attributes the Commission identified in Rule 501(a)(10) as relevant to its consideration of adding additional professional certifications or designations or credentials.

As with the currently designated FINRA licenses, the Series 79 and the Series 86 and 87 are registrations held with FINRA.³³ In order to hold a Series 79 registration, an individual must

rules which qualifies an individual or individuals as an accredited investor (Apr. 26, 2021), available at <https://www.sec.gov/files/rules/petitions/2021/petn4-773.pdf>. The Commission has considered these petitions in connection with this notice and the other notices published elsewhere in this issue of the **Federal Register**. See *infra* note 31.

³¹ We are also concurrently providing notice pursuant to Note 1 to paragraph 501(a)(10) with respect to the potential designation of each of the following as qualifying natural persons for accredited investor status: the passage of an accredited investor exam to be developed by FINRA; holding a license as a U.S. certified public accountant in good standing; holding a charter as a Chartered Financial Analyst in good standing; and holding a certification as a Certified Financial Planner in the United States in good standing. See *Potential Designation of Passage of an Accredited Investor Exam to be Developed by FINRA as Qualifying Natural Persons for Accredited Investor Status; Potential Designation of U.S. Certified Public Accountant License as Qualifying Natural Persons for Accredited Investor Status; Potential Designation of Chartered Financial Analyst Designation as Qualifying Natural Persons for Accredited Investor Status; Potential Designation of Certified Financial Planner Certification as Qualifying Natural Persons for Accredited Investor Status* published elsewhere in this issue of the **Federal Register**.

³² As is the case for the other prongs of the accredited investor definition, individuals holding a Series 79 or a Series 86 and 87 would only themselves qualify as accredited investors and could not rely on their status as accredited investors to purchase securities on behalf of another person.

³³ See Series 79 Licensing; FINRA, *Series 86 and 87—Research Analyst Exams* (“Series 86 and 87 Licensing”), available at <https://www.finra.org/registration-exams-ce/qualification-exams/series86-87> (last retrieved Sept. 24, 2026).

²⁴ The exams for the General Securities Representative license (Series 7) and the Private Securities Offerings Representative license (Series 82) are developed and administered by FINRA, and the exam for the Investment Adviser Representative license (Series 65) was developed by the North American Securities Administrators Association and is administered by FINRA. See *Order Designating Certain Professional Licenses as Qualifying Natural Persons for Accredited Investor Status*, Release No. 33–10823 (Aug. 26, 2020) [85 FR 64234 (Oct. 9, 2020)].

²⁵ Accredited Investor Adopting Release at 64243. Certain holders of the Series 79 may also hold a Series 7 or Series 82, if they actively market offerings and interact with investors or potential investors. See *FINRA, Series 79—Investment Banking Representative Exam* (“Series 79 Licensing”), available at <https://www.finra.org/registration-exams-ce/qualification-exams/series79> (“The Investment Banking Representative registration category is meant to include investment bankers who, as part of their job activities, advise on or facilitate the marketing of an offering . . . [I]t would not include persons who actively market the offering and interact with investors or potential investors, such as a person who is engaging in road show activities. Such a person would also need to be registered as a General Securities Representative (SIE + Series 7 exam) or Private Securities Offerings Representative (SIE + Series 82 exam).”) (last retrieved Sept. 24, 2026).

²⁶ See, e.g., *Report on the 45th Annual Small Business Forum* (July 27, 2026) at 17, available at <https://www.sec.gov/files/2026-oasb-annual-forum-report.pdf> (recommending that the Commission “expand the accredited investor definition to include additional measures of sophistication, including through an investor test and experience”); *Report on the 44th Annual Small Business Forum* (Sept. 22, 2025) at 18, available at <https://www.sec.gov/files/2025-oasb-annual-forum-report.pdf> (recommending that the Commission “[e]xpand the accredited investor definition to include additional measures of sophistication”); SEC Small Business Capital Formation Advisory Committee Recommendation regarding the

fulfill the requisite eligibility requirements and pass the Series 79 exam (the “Series 79 Exam”).³⁴ The Series 79 Exam is designed to assess the knowledge and skills that FINRA has determined are necessary “to perform the critical functions of an investment banking representative, including advising on or facilitating debt or equity securities offerings through a private placement or a public offering and mergers and acquisitions.”³⁵

In order to hold a Series 86 and 87 registration, an individual must fulfill the eligibility requirements and pass both the Series 86 exam (the “Series 86 Exam”) and the Series 87 exam (the “Series 87 Exam”).³⁶ The Series 86 and 87 Exams are designed to assess the knowledge and skills that FINRA has determined are necessary “to perform the critical functions of a research analyst, including preparation of written or electronic communications that analyze equity securities and/or companies and industry sectors.”³⁷ FINRA is responsible for developing and scoring each of the Series 79, Series 86, and Series 87 Exams.³⁸ Based on information provided by FINRA staff to Commission staff, as of August 2026, we estimate there are approximately 57,000 Series 79 holders and approximately 5,900 Series 86 and 87 holders.

2. Eligibility Requirements

Prior to applying for the Series 79 or the Series 86 and 87, a candidate must be associated with and sponsored by a FINRA member or other applicable self-regulatory organization member firm.³⁹ In addition to passing the Series 79

Exam or the Series 86 and 87 Exams, which is discussed in sections II.A.3.i and II.A.3.ii, passing the Securities Investment Essentials Exam (“SIE”) is a co-requisite to obtaining a Series 79 or Series 86 and 87.⁴⁰

3. Exams

i. Series 79 Exam Contents

Over a two-hour and thirty-minute period, the Series 79 Exam tests investment banking related knowledge and skills through 80 (75 scored and 5 unscored) multiple-choice questions on the following topics:

- Collection, Analysis and Evaluation of Data (approximately 49 percent of the Series 79 Exam): covering, among other things, the financial analysis of companies and industries, including modeling financial performance and determining valuation; the collection of information relating to the financial performance, securities issuances, and transactions of both public and private companies through publicly available data and commercial databases; and performing the due diligence process on companies conducting private or public offerings of securities;

- Underwriting/New Financing Transactions, Types of Offerings and Registration of Securities (approximately 27 percent of the Series 79 Exam): covering, among other things, the structuring of, and rules governing, offerings of securities exempt from registration and the process for and rules governing registered offerings of securities; and

- Mergers and Acquisitions (M&As), Tender Offers and Financial Restructuring Transactions (approximately 24 percent of the Series 79 Exam): covering, among other things, the structuring and execution of both sell-side and buy-side M&A transactions; regulations governing tender offers; and the process for and rules governing financial restructuring, such as bankruptcy.⁴¹

⁴⁰ See Series 79 Licensing; Series 86 and 87 Licensing. The SIE tests knowledge of “basic securities industry information including concepts fundamental to working in the industry, such as types of products and their risks; the structure of the securities industry markets, regulatory agencies and their functions; and prohibited practices.” See FINRA, *Securities Industry Essentials (SIE) Exam* (“SIE Exam Overview”), available at <https://www.finra.org/registration-exams-ce/qualification-exams/securities-industry-essentials-exam> (last retrieved Sept. 24, 2026). See also *supra* note 36 (discussing exemptions from the Series 86 Exam).

⁴¹ See FINRA, *Investment Banking Representative Qualification Exam (Series 79) Content Outline*, available at https://www.finra.org/sites/default/files/2025-10/Series_79_Content_Outline.pdf (last retrieved Sept. 24, 2026).

ii. Series 86 and 87 Exams

Over a four-hour and thirty-minute period, the Series 86 Exam tests research related knowledge and skills through 95 (85 scored and 10 unscored) multiple-choice questions on the following topics:

- Information and Data Collection (approximately 21 percent of the Series 86 Exam): covering, among other things, gathering (1) macroeconomic data (including knowledge of economic indicators, market forces, fiscal and monetary policy, short- and long-term trends in the economy and domestic and international issues, and key economic drivers that impact the covered industry) and (2) information about the industry sector (including knowledge of current industry status, short- and long-term trends within the industry sector, product demand and profitability assessment, and relationships of companies in the industry sector and peripheral sectors);

- Data Verification and Analysis (approximately 33 percent of the Series 86 Exam): covering, among other things, analyzing the data obtained about companies, the industry sector, competition, and supply and demand in the industry sector, including conducting fundamental analyses; and

- Valuation and Forecasting (approximately 46 percent of the Series 86 Exam): covering, among other things, (1) making financial projections about a company using qualitative and quantitative data (including knowledge of forecasts of key financial statements and evaluation of assumptions and support of the theory based on the data that were analyzed), (2) determining a company’s valuation (including knowledge of common metrics used to determine a company’s valuation, such as price to earnings, price-to-book, price to free cash flow, debt to EBITDA, discounted cash flow, leverage ratio, and interest coverage ratio), and (3) forecasting the future valuation of a company (including knowledge of characteristics of markets, factors that could impact the perceived risk of an investment, technical analysis, large shareholder exposure, activist investors, and other valuation considerations).⁴²

Over a one-hour and forty-five-minute period, the Series 87 Exam tests research related knowledge and skills through 55 (50 scored and 5 unscored) multiple-choice questions on the following topics:

⁴² See FINRA, *Research Analyst Qualification Examinations (Series 86 and 87) Content Outline*, available at https://www.finra.org/sites/default/files/2023-03/Series_86_87_Content_Outline_Revised.pdf (last retrieved Sept. 24, 2026).

³⁴ See *id.* From Nov. 2, 2009 to May 3, 2010, FINRA (as its predecessor the National Association of Securities Dealers (“NASD”)) permitted Series 7 or Series 7-equivalent registered representatives “who function in the firm’s investment banking business as described in NASD Rule 1032(i)” to “opt in to the Investment Banking Representative position without having to take the Series 79 Exam” NASD, *Regulatory Notice 09–41* (July 2009) at 7. After May 3, 2010, candidates who wish to engage in the specified investment banking activities have been required to pass the Series 79 Exam or obtain a waiver, “regardless of whether or not they have a Series 7 or Series 7-equivalent registration.” *Id.* at 8. See also FINRA Rule 1210.03 (providing that “FINRA may, in exceptional cases and where good cause is shown, waive the applicable qualification examination(s) and accept other standards as evidence of an applicant’s qualifications for registration”).

³⁵ See Series 79 Licensing.

³⁶ See Series 86 and 87 Licensing. A candidate who passed both Level I and Level II of the Chartered Financial Analyst exam or passed both Level I and Level II of the Chartered Market Technician Certification exam is permitted to request an exemption from the Series 86 Exam. See *id.*

³⁷ See Series 86 and 87 Licensing.

³⁸ See *id.*; Series 79 Licensing.

³⁹ See Series 79 Licensing; Series 86 and 87 Licensing.

- Preparation of Research Reports (approximately 72 percent of the Series 87 Exam): covering, among other things, (1) adhering to regulatory requirements in preparing research reports (including knowledge of disclosure requirements, necessary approvals, regulatory and compliance requirements, and conflicts of interest) and (2) preparing various research reports supported by evidence and analysis; and

- Dissemination and Marketing of Information (approximately 28 percent of the Series 87 Exam): covering, among other things, presenting and discussing research with the various individuals and/or groups and disseminating information via various means.⁴³

iii. Exam Administration

To be eligible to take the Series 79 Exam or the Series 86 and 87 Exams, candidates must be associated with a FINRA member firm or other applicable self-regulatory organization member firm, which must submit an application on the candidate's behalf through FINRA's Central Registration Depository.⁴⁴ However, the exams are delivered by a third party.⁴⁵ The fees to take the exams are currently: \$395 for the Series 79 Exam, \$295 for the Series 86 Exam, and \$195 for the Series 87 Exam.⁴⁶ The exams may be taken in-person at designated test centers.⁴⁷ After a candidate is enrolled to take an exam, FINRA provides a 120-day window in which the exams must be taken.⁴⁸ Most

test centers are open at least five days a week (except for major holidays) and candidates are able to schedule a time based on appointment availability.

4. Continuing Education

In order to maintain a Series 79 or a Series 86 and 87, a person must complete continuing education, which consists of two elements: the "Regulatory Element," which FINRA uses to provide training on significant rule changes and regulatory developments relevant to the Series 79 and Series 86 and 87 and must be completed annually;⁴⁹ and the "Firm Element," which requires the firm with which the Series 79 or Series 86 and 87 holder is associated to design a program that "enhances the securities knowledge, skills and professionalism [of the Series 79 or Series 86 and 87 holder]." ⁵⁰ The Firm Element requires "broker-dealers to establish a formal training program to keep registered persons . . . up to date on topics related to professional responsibility and to the role, activities or responsibilities of the registered person." ⁵¹

5. Public Verification

FINRA maintains the BrokerCheck website, which is a free tool for the public to research the background and experience of financial advisers and firms, including investment-related licensing information (including industry exams an individual has passed, such as the Series 79 and Series 86 and 87, and what registrations individuals currently hold).⁵²

B. Rationale for Designation

1. Rule 501(a)(10) Generally and Rule 501(a)(10)(i)

We believe it would be appropriate to designate each of the Series 79 and Series 86 and 87 held in good standing as a professional certification qualifying

would need to reschedule and pay the exam fee. There are also fees for exam appointments rescheduled or cancelled within ten business days of the relevant exam. See Exam Scheduling Procedures; FINRA, *Reschedule or Cancel Your Appointment*, available at <https://www.finra.org/registration-exams-ce/qualification-exams/cancellation-policy> (last retrieved Sept. 24, 2026).

⁴⁹ See FINRA, *View a Regulatory Element Learning Plan*, available at <https://www.finra.org/registration-exams-ce/continuing-education/regulatory-element-topics> (last retrieved Sept. 24, 2026). See also FINRA Rule 1240.

⁵⁰ See Continuing Education Council, *Frequently Asked Questions*, available at <https://ceccouncil.com/frequently-asked-questions/> (last retrieved Sept. 24, 2026).

⁵¹ See FINRA, *Continuing Education*, available at <https://www.finra.org/registration-exams-ce/continuing-education> (last retrieved Sept. 24, 2026).

⁵² See FINRA, *BrokerCheck*, available at <https://brokercheck.finra.org/>.

individuals holding such licenses for accredited investor status pursuant to Rule 501(a)(10). The addition of each of the Series 79 and Series 86 and 87 as designated professional certifications would provide two additional knowledge-based means for individuals to qualify as accredited investors while appropriately balancing investor protection concerns.⁵³

Rule 501(a)(10) requires that any professional certifications and designations and other credentials designated as qualifying such holder for accredited investor status be held in good standing.⁵⁴ As with the previously designated FINRA licenses,⁵⁵ we believe that the standards set by FINRA for a Series 79 holder and Series 86 and 87 holder to retain their license in an active status are an appropriate measure of good standing.⁵⁶ Accordingly, licensees that hold inactive, terminated, or suspended licenses would not be considered in good standing.

Rule 501(a)(10)(i) additionally requires that a designated certification, designation, or credential arise out of an examination or series of examinations administered by a self-regulatory organization or other industry body or be issued by an accredited educational institution. As described in section II.A.1, the Series 79 Exam, which is a prerequisite to holding a Series 79, and the Series 86 and 87 Exams, which are prerequisites to holding a Series 86 and 87, are designed and administered by FINRA, which is a self-regulatory organization.⁵⁷

2. Rules 501(a)(10)(ii) and 501(a)(10)(iii)

Rule 501(a)(10)(ii) states that the Commission will consider whether "[t]he examination or series of examinations is designed to reliably and validly demonstrate an individual's comprehension and sophistication in the areas of securities and investing." Rule 501(a)(10)(iii) states the Commission will consider whether

⁵³ As the Commission stated in connection with adoption of Rule 501(a)(10) "[w]e believe that the amendments we are adopting in [the Accredited Investor Adopting Release] provide appropriate investor protections while facilitating capital formation." See Accredited Investor Adopting Release at 64256. See also *supra* note 20.

⁵⁴ See *supra* note 19.

⁵⁵ See Accredited Investor Adopting Release at 64242.

⁵⁶ See *supra* section II.A.4.

⁵⁷ See Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Order Approving Proposed Rule Change to Amend the By-Laws of NASD to Implement Governance and Related Changes to Accommodate the Consolidation of the Member Firm Regulatory Functions of NASD and NYSE Regulation, Inc., Release No. 34-56145 (July 26, 2007) [72 FR 42169 (Aug. 1, 2007)].

⁴³ See *id.*

⁴⁴ See FINRA, *Register a New Candidate*, available at <https://www.finra.org/registration-exams-ce/individuals/register-new-candidate> (last retrieved Sept. 24, 2026).

⁴⁵ See FINRA, *Schedule an Exam* ("Exam Scheduling Procedures"), available at <https://www.finra.org/registration-exams-ce/qualification-exams/schedule-exam> (last retrieved Sept. 24, 2026).

⁴⁶ See Series 79 Licensing; Series 86 and 87 Licensing. The fee to take the SIE Exam, a co-requisite to obtaining a Series 79 or Series 86 and 87, is currently \$100. See SIE Exam Overview.

⁴⁷ See Series 79 Licensing; Series 86 and 87 Licensing; Exam Scheduling Procedures. As with FINRA's existing exams, the Series 79 Exam and the Series 86 and 87 Exams are designed to comply with the Americans with Disabilities Act [Pub. L. 101-336, 104 Stat. 328 (1990)], providing testing modifications and aids to individuals with disabilities and/or learning impairments that substantially limit a major life activity, such as learning, speaking, hearing and vision. FINRA also considers online testing accommodations for candidates who live more than 150 miles from a test center. See Exam Scheduling Procedures; FINRA, *Exam Candidates Requiring Testing Accommodations*, available at <https://www.finra.org/registration-exams-ce/qualification-exams/candidates-disabilities> (last retrieved Sept. 24, 2026).

⁴⁸ This 120-day window starts the day following successful enrollment, and if the candidate does not take an exam within that window, then the candidate would forfeit payment of exam fees and

“[p]ersons obtaining [a] certification, designation, or credential [designated under Rule 501(a)(10)] can reasonably be expected to have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of a prospective investment.”

We believe that the passage of either the Series 79 Exam, or the Series 86 and 87 Exams, would satisfy the objectives of Rule 501(a)(10)(ii). We further believe that the passage of the Series 79 Exam (combined with the satisfaction of the requirements to obtain a Series 79) and the passage of the Series 86 and 87 Exams (combined with the satisfaction of the requirements to obtain a Series 86 and 87) would each satisfy the objectives of Rule 501(a)(10)(iii). As described in more detail in section II.A.3.i, the Series 79 Exam is designed to evaluate a person’s knowledge and skill in the area of advising on, or facilitating, debt or equity securities offerings through a private placement or a public offering. In particular, the Collection, Analysis and Evaluation of Data section of the Series 79 Exam tests knowledge and skills related to collecting, analyzing, and evaluating information related to public and private companies’ financial performance and prior transactions, modeling financial performance, and determining the valuation of companies. In addition, the Underwriting/New Financing Transactions, Types of Offerings and Registration of Securities section of the Series 79 Exam tests knowledge and skills relating to the process and rules of offering securities that are registered or exempt from registration.

As described in more detail in section II.A.3.ii, the Series 86 and 87 Exams are designed to evaluate a person’s knowledge and skill in the area of performing the critical functions of a research analyst, including preparation of written or electronic communications that analyze equity securities and/or companies and industry sectors. Specifically, the Information and Data Collection section of the Series 86 Exam tests knowledge relating to macroeconomic data and information about industry sectors and the Data Verification and Analysis section tests knowledge on analyzing data obtained about companies, industry sectors, competition, and supply and demand. In addition, the Valuation and Forecasting section of the Series 86 Exam tests knowledge related to making financial projections about a company using qualitative and quantitative data, determining a company’s valuation, and forecasting the future valuation of a

company. The Preparation of Research Reports section of the Series 87 Exam requires understanding of valuation of company stock, earnings analysis, business model analysis, financial position, and quality of management.

We believe that by obtaining a Series 79, which requires passage of the Series 79 Exam, or obtaining the Series 86 and 87, which requires passage of the Series 86 and 87 Exams, such persons will have demonstrated that they have the comprehension and sophistication to evaluate the merits and risks of investment opportunities, and ultimately, appropriately allocate capital based on their individual circumstances, and otherwise make appropriately informed decisions regarding their financial interests.⁵⁸

Moreover, we believe that the continuing education requirements, which are intended to ensure that Series 79 holders and Series 86 and 87 holders are educated on significant rule changes and regulatory developments, further supports that holders of a Series 79 and holders of a Series 86 and 87 have sufficient knowledge and experience in financial and business matters to evaluate the merits and risks of a prospective investment.

3. Rule 501(a)(10)(iv)

Rule 501(a)(10)(iv) states the Commission will consider whether “[a]n indication that an individual holds the certification or designation is either made publicly available by the relevant self-regulatory organization or other industry body or is otherwise independently verifiable.” As described in section II.A.5, the public may use the BrokerCheck website to verify whether any person holds a Series 79 or Series 86 and 87.

C. Economic Considerations

As discussed above, we are considering whether to add each of the Series 79 and the Series 86 and 87 to the list of designated professional certifications, designations, or credentials that would qualify natural persons for accredited investor status under Rule 501(a)(10). Thus, individuals who hold such a license would qualify as accredited investors and would be able to participate in investment opportunities that may not otherwise have been available to them, unless they were already accredited investors based on another criterion. This change could also impact issuers seeking to raise capital.⁵⁹ As with the

FINRA licenses already designated under Rule 501(a)(10) (Series 7, Series 65, and Series 82), the designation of holders of either the Series 79 or Series 86 and 87 as accredited investors would have economic effects on investors and issuers that would be consistent with those the Commission discussed in creating the Rule 501(a)(10) designation process in the Accredited Investor Adopting Release.⁶⁰

It is difficult to quantify how many additional natural persons would qualify as accredited investors because we cannot gauge how many of the holders of these FINRA licenses⁶¹ already qualify as accredited investors based on one or more of the other eligibility criteria in Rule 501(a), such as those for net worth, income, and other qualifying professional certifications, designations, or credentials.⁶² Further, it is unclear to what extent any newly eligible accredited investors will choose to participate in exempt offerings.

Issuers are expected to benefit from the expansion of the accredited investor definition under Rule 501(a)(10) through potentially greater capital formation, lower cost of capital, and greater efficiency in raising capital due to an expanded pool of accredited investors (especially for issuers that are small or do not have access to a network of institutional accredited investors or persons with the required net worth or income to qualify as accredited investors).⁶³ This change may also benefit issuers in exempt offerings by making it easier and less costly to find

laws (such as for non-Federal securities laws that incorporate the accredited investor definition), the designation of additional credentials might have indirect economic effects.

⁶⁰ See Accredited Investor Adopting Release at section VI.

⁶¹ As discussed in section II.A.1, based on information provided by FINRA staff to Commission staff, as of August 2026, we estimate there are approximately 57,000 Series 79 holders and approximately 5,900 Series 86 and 87 holders.

⁶² For instance, some investors that would qualify based on the Series 79 and the Series 86 and 87 may already qualify as accredited investors based on income or net worth criteria in Rule 501. Such individuals also may hold other licenses or credentials that are already designated, or that we are potentially designating, under Rule 501(a)(10). See *supra* note 25 (certain holders of the Series 79 may also hold a Series 7 or Series 82). In either scenario, the license holder category of accredited investors may not contribute to a meaningful net expansion of the pool of accredited investors. For example, one source reports the average base salary (excluding incentive compensation) of a FINRA Series 79 holder as \$127,000. See *Salary for Certification: Limited Representative—Investment Banking (FINRA Series 79)*, Payscale, [https://www.payscale.com/research/US/Certification=Limited_Representative-Investment_Banking_\(FINRA_Series_79\)/Salary](https://www.payscale.com/research/US/Certification=Limited_Representative-Investment_Banking_(FINRA_Series_79)/Salary) (last retrieved Sept. 24, 2026).

⁶³ See Accredited Investor Adopting Release at 64264–65.

⁵⁸ See Accredited Investor Adopting Release at 64241.

⁵⁹ To the extent that the accredited investor definition is used outside of the Federal securities

and verify accredited investors (*i.e.*, by reducing search costs).⁶⁴ As discussed in section II.A.5, whether someone holds the Series 79 or Series 86 and 87 could be easily independently verified, which would directly reduce issuers' costs of confirming accredited investor eligibility, relative to verifying income or net worth.⁶⁵ This is expected to benefit issuers and intermediaries in exempt offerings where only accredited investors may be purchasers (such as Rule 506(c)) or where some provisions, such as limits on the number of purchasers or investment limits, are dependent on accredited investor status (*e.g.*, Rule 506(b), Regulation A, and Regulation Crowdfunding). However, to the extent that issuers would have otherwise pursued additional financing from accredited investors meeting the existing definition or engaged in an offering that is not dependent on accredited investor participation (such as a registered securities offering), the amount of additional capital formation may be limited. Still, issuers may benefit from greater flexibility in how they may raise capital, which could result in some cost savings and a lower cost of capital. For instance, issuers undertaking a Rule 506(b) offering may incur lower costs if all of their purchasers are accredited investors as compared to if not all of their purchasers are accredited investors, as the rule would not require them to furnish the financial and other information prescribed by Rule 502(b) for offerings involving non-accredited investors.⁶⁶ For issuers in Rule 506(c) offerings, verification of accredited investor status based on a credential that is easier to confirm may be less costly than verification of other prongs of the accredited investor definition (such as financial eligibility), reducing their transaction costs.⁶⁷ For issuers that undertake a Tier 2 Regulation A or Regulation Crowdfunding offering, both of which are subject to investment limits for non-accredited investors, having more accredited investors in the offering enables higher investment amounts per investor, which may decrease all-in offering costs.⁶⁸ Issuers choosing among different exempt

offering alternatives may choose a Regulation D offering if they have enough prospective investors that meet the accredited investor definition, instead of pursuing a Regulation A or Regulation Crowdfunding offering, potentially lowering their compliance, intermediary, and marketing costs-per-dollar raised. Some issuers choosing between an exempt and a registered offering may choose an exempt offering if they have enough prospective investors that meet the accredited investor definition, instead of pursuing a registered offering.

For investors, the designation of these licenses as a means of becoming an accredited investor could enable more natural persons who would not otherwise meet one of the eligibility criteria in Rule 501(a), such as the income and net worth criteria, to access a broader range of investment options, potentially enhancing their ability to diversify and optimize portfolio allocations.⁶⁹

However, these investment options generally come without the additional disclosure provided by registration under the Securities Act and could entail greater costs related to illiquidity,⁷⁰ agency costs (*i.e.*, costs arising from conflicts of interest between investors and managers), adverse selection, and business risk, as compared to investments in the public capital markets. Individual investors' comprehension and sophistication in the areas of securities and investing, and knowledge and experience in financial and business matters, as reflected in having a professional certification or designation or credential under Rule 501(a)(10), increases the likelihood that such individual investors would be capable of evaluating the merits and risks of a prospective investment in an

exempt offering and managing such risks. For example, such individuals may be more likely to consider the size of any single investment relative to their overall portfolio and diversify their portfolio.⁷¹ It is unclear whether additional investment opportunities would improve portfolio efficiency for newly eligible accredited investors.

While individuals incur costs to prepare for and take the Series 79 Exam or Series 86 and 87 Exams, and obtain and maintain an active FINRA license in good standing, we do not expect there to be incremental costs of these licenses being designated as an accredited investor credential under Rule 501(a)(10), since we expect individuals to continue to pursue and maintain these licenses chiefly for professional purposes, rather than to qualify as accredited investors.⁷²

The described effects, including both the benefits and the costs to issuers and investors, may be modest in magnitude, as discussed in detail in the Accredited Investor Adopting Release. First, it is possible that a number of the individuals who would qualify as accredited investors under the potential designation may already qualify as accredited investors based on one or more of the criteria in Rule 501(a).⁷³ Second, because any newly eligible individuals may have income and net worth below the currently required thresholds for individual accredited investors, the increase in the capital supply from an individual newly eligible accredited investor would likely be low, and the collective impact would depend on the size of any increase in the number of individual accredited investors.⁷⁴ Third, the effects may be more modest to the extent that some of the newly eligible natural persons may end up not participating in exempt

⁶⁴ See Accredited Investor Adopting Release at 64264.

⁶⁵ See *supra* note 52 and accompanying text. Thus, even if some license holders already meet other accredited investor eligibility criteria, the overall costs of verification of accredited investor status may decrease with the designation of these licenses under Rule 501(a)(10).

⁶⁶ See 17 CFR 230.502(b).

⁶⁷ See 17 CFR 230.506(c)(1) through 230.506(c)(2).

⁶⁸ See 17 CFR 230.251(d)(2)(i)(C); 17 CFR 227.100(a)(2).

⁶⁹ As noted above, the extent of overlap between the holders of Series 79 and Series 86 and 87 FINRA licenses and the investors that meet the existing accredited investor criteria is unclear. License holders who are earlier in their careers, employed at smaller firms, or located in lower cost-of-living geographic areas, and thus may on average have lower incomes, may be most affected by the potential designation. Some investors that already meet income or net worth criteria may find it is easier or less costly to demonstrate their accredited investor status under Rule 501(a)(10).

⁷⁰ While securities sold in an exempt offering are generally illiquid, the introduction of a larger pool of investors that become eligible as accredited investors through the exams could potentially (at the margin) create impetus for additional secondary market liquidity in these securities. In addition, the expansion of the accredited investor pool also would potentially increase the feasibility of resales under section 4(a)(7) of the Securities Act [15 U.S.C. 77d(a)(7)]. However, if some newly eligible investors have fewer financial resources (*see infra* note 71), they may be less willing to hold restricted securities over long holding periods, and especially, seek to unload positions during downturns.

⁷¹ As stated in the Accredited Investor Adopting Release, while certain of these individuals may have fewer financial resources and, as a result, be less able to bear the financial risk of private investments, we believe their professional credentials and experience should enable these investors to assess investment opportunities, appropriately allocate capital based on their individual circumstances, including whether to reallocate investment capital between private investments and other equivalent-sized investments, and otherwise make appropriately informed decisions regarding their financial interests, including their ability to bear the financial risk. See Accredited Investor Adopting Release at 64241.

⁷² A candidate must be associated with and sponsored by a FINRA member or other applicable self-regulatory member firm, prior to applying for the Series 79 or the Series 86 and 87. See *supra* section II.A.2.

⁷³ See Accredited Investor Adopting Release at 64262.

⁷⁴ *Id.*

offerings.⁷⁵ Fourth, it is possible that issuers may choose to offer securities to institutional accredited investors, or apply investment minimums (perhaps in an effort to simplify their capitalization table), such that any individual accredited investors participating in exempt offerings are more likely to be those who meet the net worth or income criteria in Rule 501(a). Fifth, any specific effects of this potential change to the accredited investor pool would be partly diluted to the extent that other Commission actions designating other credentials result in expanding the pool of natural persons qualifying as accredited investors based on multiple criteria.

III. Notice

For the reasons set forth herein, we believe that a holder of a Series 79 or Series 86 and 87 would meet the requirements set forth in Rule 501(a)(10). Accordingly, we believe it is appropriate to designate holding the Series 79 and holding the Series 86 and 87 as qualifying natural persons for accredited investor status pursuant to Rule 501(a)(10). We are issuing this notice and providing an opportunity for public comment on such potential designations. We are particularly interested in comments on whether we should designate holding a Series 79 or holding a Series 86 and 87 as qualifying natural persons for accredited investor status pursuant to Rule 501(a)(10), as discussed in this notice, and whether such designation could raise investor protection concerns unique to persons who would be qualified under such designation.

By the Commission.

Dated: September 30, 2026.

Vanessa A. Countryman,
Secretary.

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–106554; File No. SR–PEARL–2026–41]

Self-Regulatory Organizations: MIAx PEARL, LLC; Notice of Filing and Immediate Effectiveness of a Proposed Rule Change To Amend Risk Controls for Equity Members in Connection With the Upcoming Expansion by Other National Securities Exchanges and the Applicable Securities Information Processors of Their Hours to 23 Hours per Day, 5 Days per Week

September 30, 2026.

Pursuant to the provisions of Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) ¹ and Rule 19b–4 thereunder,² notice is hereby given that on September 25, 2026, MIAx PEARL, LLC (“MIAx Pearl” or the “Exchange”),³ filed with the Securities and Exchange Commission (“Commission”) a proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization’s Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes amend its existing risk controls for Equity Members ⁴ trading on the Exchange in connection with the upcoming expansion by other national securities exchanges and the applicable Securities Information Processors (“SIPs”) of their hours to 23 hours per day, 5 days per week.⁵

The text of the proposed rule change is available on the Exchange’s website at <https://www.miaxglobal.com/markets/us-equities/pearl-equities/rule-filings>, and at MIAx Pearl’s principal office.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b–4.

³ All references to “MIAx Pearl” in this filing are to MIAx Pearl Equities, the equities trading facility of MIAx PEARL, LLC. See Exchange Rule 1901.

⁴ The term “Equity Member” is a Member authorized by the Exchange to transact business on MIAx Pearl Equities. See Exchange Rule 1901.

⁵ See Securities Exchange Act Release Nos. 105779 (June 26, 2026), 91 FR 40082 (July 1, 2026) (Order approving SR–CTA/CQ–2026–01); 105780 (June 26, 2026), 91 FR 40058 (July 1, 2026) (Order approving Fifty-Fifth Amendment to the Nasdaq UTP Plan); 105587 (May 29, 2026); 91 FR 33238 (June 3, 2026) (SR–CboeEDGX–2026–19); 105532 (May 21, 2026); 91 FR 31509 (May 27, 2026) (SR–NYSEArca–2026–53); 890235 (November 27, 2024); 89 FR 97072 (“24X Approval Order”); 105199 (April 10, 2026); 91 FR 20222 (April 15, 2026) (SR–Nasdaq–2025–109).

II. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, MIAx Pearl included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. MIAx Pearl has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

A. Self-Regulatory Organization’s Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

To help Equity Members manage their risk, the Exchange currently offers Limit Order Price Protection and other risk controls that authorize the Exchange to take automated action if a designated limit for an Equity Member is breached. Such risk controls provide Equity Members with enhanced abilities to manage their risk when trading on the Exchange. The Exchange now proposes to amend Limit Order Price Protection under Exchange Rule 2614(a)(1)(ix) and Trading Collars under Exchange Rule 2618(b)(1) to specify which reference prices would be used in connection with the upcoming expansion by other national securities exchanges and the applicable SIPs of their hours to 23 hours per day, 5 days per week. The proposal would allow the Exchange to maintain its status quo under 23/5 trading and continue to use the same last trade price as a reference price similar to today by limiting the times at which the last trade is received outside of Regular Trading Hours ⁶ to the times between 4:00 a.m. and 9:30 a.m. Eastern Time and 4:00 p.m. and 8:00 p.m. Eastern Time, as described below.

Limit Order Price Protection

Limit Order Price Protection is set forth under Exchange Rule 2614(a)(1)(ix) and provides for the cancellation of Limit Orders ⁷ priced too far away from a specified reference price at the time the order first becomes eligible to trade. A Limit Order entered

⁶ Further, a Limit Order in a security that is subject to a trading halt becomes first eligible to trade when the halt is lifted and continuous trading has resumed. See Exchange Rule 2614(a)(1)(ix)(C).

⁷ A Limit Order means an order to buy or sell a stated amount of a security at a specified price or better. See Exchange Rule 2614(a)(1).

⁷⁵ See, e.g., Katherine Carman et al., *Exploring Accredited Investors and Private Market Securities Ownership* 18 tbl. 6 (OIA, Working Paper No. 1, June 2025), available at <https://www.sec.gov/files/exploring-accredited-investors-june-2025.pdf> (reporting, based on a recent investor survey, that, 14.4% of accredited investors and 4.7% of non-accredited investors, respectively, indicate interest in investing in new or private companies, and that 4.3% of accredited investors and 1.1% of non-accredited investors, respectively, report owning a “private fund or offering”). See also Katherine Carman & Alycia Chin, *Accredited Investors in the U.S. Population*, 9 *Fin. Plan. Rev.* e70023 (2026).