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May 11, 2026

Via Electronic Mail (rule-comments@sec.gov)

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

Re: File Number CLL-15: Statement on Reforming Regulation S-K

Dear Ms. Countryman,

Robinhood Markets, Inc. (“Robinhood”) submits this letter in response to U.S. Securities and Exchange Commission (“SEC” or “Commission”) Chairman Paul Atkins's January 13, 2026, statement and request for comment regarding the comprehensive review and reform of Regulation S-K (“Reg S-K”).¹ Robinhood’s mission is to democratize finance for all, regardless of a customer’s background, income, or wealth. We believe access to straightforward, material investment information is fundamental to expanding participation in the U.S. financial system. Unfortunately, Reg S-K too often elicits voluminous, immaterial disclosures that creates confusion and hinders the ability of retail investors to find the information needed to make an informed investment decision. A disclosure regime that strays from the materiality principle further serves to distract registrants from focusing on generating a financial return for shareholders and has the potential to distort our capital markets.

We strongly support Chairman Atkins's view that the Commission’s disclosure regime should enable a reasonable investor to separate the wheat from the chaff when reviewing periodic reports and proxy statements, rather than burying shareholders in an avalanche of immaterial information.¹ We encourage the Commission to take a direct, practical approach to modernizing Reg S-K by adopting the following comprehensive reforms.

I. Modernize Item 101 (Description of Business) by Eliminating Redundant, Immaterial and Potentially Politicized Disclosures

The Commission should eliminate the Item 101(c)(2)(i) requirement to discuss the material effects of compliance with government regulations, to the extent that it is already discussed in Risk Factors and Management Discussion and Analysis of Financial Condition and Results of Operation (MD&A), as there is significant overlap in these disclosures. Furthermore, the Commission should eliminate the Item 101(c)(2)(ii) requirement for human capital management disclosures. This provision unnecessarily emphasizes the subject for all companies and frequently results in immaterial disclosures. As one of the few prescriptive disclosure requirements remaining in Item 101, this provision also provides the potential for future Commissions to seek to impose their policy or political preferences on companies through the

¹ Statement on Reforming Regulation S-K, Chair Paul S. Atkins (Jan. 13, 2026).



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comment letter and enforcement processes. The existing Item 101(c)(1) disclosure requirements are sufficient to elicit material disclosures on human capital management.

II. Streamline Item 105 (Risk Factors) to Focus on Company-Specific Risks

(1) Remove the 15 page summary requirement. The Commission should eliminate the summary requirement for risk factors beyond 15 pages. Mandating a two-page summary does not cure the underlying problem of bloated disclosures but instead creates a duplicative burden that adds to the length of the document.

(2) Eliminate the need to disclose generic industry-wide risks. Furthermore, the Commission should eliminate the need to list generic industry-wide risks (e.g., stock price volatility, economic conditions, competition, etc.) unless the company faces heightened exposure to such risk compared to its peers, in which case the company should explain such exposure. To address litigation risk to companies, the Commission should provide a safe harbor confirming that such omission, absent such heightened exposure, does not give rise to liability under the securities laws.

Proposed Safe Harbor:

“Omission of generic or industry-wide risks shall not give rise to liability under the securities laws unless the registrant knew, or was reckless in not knowing, that such risk posed a materially greater risk to the registrant than to similarly situated companies and failed to disclose such materially greater risk.”

III. Refine Item 1.05 of Form 8-K and Item 106 (Cybersecurity) to Minimize Speculative Disclosure

Nearly three years after the adoption of Item 1.05 of Form 8-K, public companies continue to interpret the trigger for reporting differently, resulting in premature and immaterial disclosures that are confusing to investors.² The Commission should revise Item 1.05(a) to clarify that the reporting obligation is limited to incidents that “have materially affected or are reasonably likely to materially affect” the business. Allowing registrants to rely on information that is known or reasonably available at the time of the filing will minimize speculative and forward-looking disclosure and ground the disclosure in known facts. Additionally, the Commission should clarify that the board oversight disclosure requirement of Item 106 does not require descriptions of specific board deliberations in detail and that high-level disclosure is sufficient.

IV. Eliminate the Item 201(e) Performance Graph

The Commission should eliminate the Item 201(e) performance graph. The Item 201(e) performance graph is redundant as investors already get stock performance data through widely available third-party platforms with better tools and flexibility. It provides limited decision-useful

² See e.g., SEC Division of Corporation Finance Director Erik Gerding, Statement, Disclosure of Cybersecurity Incidents Determined to Be Material and Other Cybersecurity Incidents, (May 21, 2024), <https://www.sec.gov/newsroom/speeches-statements/gerding-cybersecurity-incidents-05212024#>



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insight because it is backward-looking, static, and often based on arbitrary or inconsistent peer group comparisons. The graph is furnished (not filed), reducing liability under Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and therefore diminishing its reliability and rigor.

V. Eliminate Duplication in Item 303 (MD&A)

In the MD&A, registrants frequently repeat information that is already published in earnings releases, including detailed period-over-period comparisons and non-GAAP reconciliations, and a lot of time is spent by registrants ensuring consistency across documents. In addition, the Commission should eliminate the requirement for a separate MD&A for six and nine month year-to-date periods. MD&A for prior quarters is already reflected in prior 10-Qs. The current requirements result in lengthy and duplicative disclosure, which limits the value of the MD&A for investors. The Commission should allow companies to incorporate or cross-reference select information from earnings releases to improve clarity.

VI. Modify Treatment of Forward-Looking Non-GAAP Financial Measures under Item 10(e) and Regulation G

Under the current non-GAAP rules for forward-looking non-GAAP measures, companies are required to provide a quantitative reconciliation to the most directly comparable GAAP measure or explain why such reconciliation cannot be provided without unreasonable efforts. This applies, for instance, when issuing forward-looking guidance on non-GAAP metrics such as Adjusted Operating Expenses. This requirement can place companies in the position of either speculating about inherently uncertain items such as credit losses and regulatory expenses or relying on an exception that it cannot be done without unreasonable efforts, which provides limited value to investors. In the case of forward-looking non-GAAP measures, the Commission should replace the requirement of providing a quantitative reconciliation to the extent available without unreasonable efforts with a safe harbor that permits companies to issue forward-looking non-GAAP measures so long as the companies clearly define the measures, identify the material items excluded, and describe the key drivers underlying the forward-looking measures.

*Proposed Redline to 17 CFR § 229.10(e)(1)(i)(B):*³

(B) A reconciliation (by schedule or other clearly understandable method), which shall be quantitative for ~~historical~~ non-GAAP measures presented, ~~and quantitative, to the extent available without unreasonable efforts, for forward-looking information,~~ of the differences between the non-GAAP financial measure disclosed or released with the most directly comparable financial measure or measures calculated and presented in accordance with GAAP identified in paragraph (e)(1)(i)(A) of this section. ***With respect to forward-looking non-GAAP measures presented, a quantitative reconciliation shall not be required if the registrant (x) clearly defines the measure, (y) identifies the material items excluded from the most***

³ We also propose corresponding changes to Regulation G (17 CFR § 244.100(a)(2)).



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directly comparable GAAP measure, and (z) describes the key drivers underlying the forward-looking non-GAAP measure.

VII. Re-focus the Summary Compensation Table in Item 402 to Elicit More Accurate Representation of Compensation Decisions

The Summary Compensation Table presents a distorted view of executive compensation because it mixes earned and granted (unvested) compensation. Total compensation reported in the table bears no or little resemblance to actual realized compensation by named executive officers and is incongruent with how boards view compensation packages for named executive officers. Investors are therefore presented with compensation disclosure that is contrary to the table's purpose of providing investors with clear, concise, and understandable information. In fact, the current disclosure is often affirmatively misleading for investors. The Commission should revise the Summary Compensation Table to eliminate the rigid requirements that do not permit modification and instead permit flexibility for registrants to clearly distinguish between compensation actually *earned* in a covered year and compensation *granted* in a covered year.

VIII. Replace the Pay vs Performance Table with a Principles-Based Approach

The Pay vs. Performance Table relies on a highly complex "compensation actually paid" metric that diverges from how companies design and disclose compensation, often producing results that are difficult for investors to understand. The Commission should replace the prescriptive tabular disclosure requirements to adopt a principles-based approach to eliciting disclosure about the relationship between actual executive compensation and company performance. Permitting registrants greater flexibility to tailor their disclosures to their circumstances in the Pay vs. Performance Table and Summary Compensation Table would result in clear, concise, and understandable executive compensation disclosure.

IX. Right-size the Clawback Rule under Section 954 of Dodd-Frank

Rule 10D-1 of the Exchange Act implements the statutory clawback mandate in an inflexible manner that ignores nearly a decade of market practice in between Dodd-Frank and the adoption of the SEC rulemaking, and yields no incremental investor protection. The Commission should eliminate the requirement for clawbacks based on "little r" restatements for errors that are not material to previously issued financial statements, but would result in a material misstatement if either the errors were left uncorrected in the current report or the error correction was recognized in the current period. The inclusion of "little r" restatements is not required by Dodd-Frank as Section 954's reference to "material noncompliance" with financial reporting requirements does not encompass errors that are, by definition, immaterial to previously issued financial statements, and hence limiting mandatory clawbacks to "Big R" restatements is both a textually sound and practically sensible approach. Further, the Commission should cease to require clawbacks even when a board of directors has determined in good faith that the enforcement of a clawback is not appropriate. The rule's refusal to show deference to boards of directors improperly ignores directors' fiduciary obligations under state law and is not mandated by the statute.



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X. Eliminate \$120,000 Threshold for Related Party Transaction Disclosure under Item 404

The Commission should eliminate the static \$120,000 threshold for related party transaction disclosure under Item 404. The \$120,000 threshold is arbitrary, outdated, and fails to scale with company size. What is immaterial for large issuers may still trigger disclosure, while smaller but qualitatively significant transactions may be excluded. A purely principles-based, materiality-focused standard would better capture investor-relevant conflicts of interest, allowing companies to disclose transactions that are truly important. Eliminating the monetary threshold would reduce immaterial, boilerplate disclosure and improve clarity, enabling investors to focus on meaningful related party relationships.

XI. Modernize Exhibit Requirements by Rescinding Item 601(b)(21)

Item 601(b)(21) requires public companies to file an exhibit listing all subsidiaries, their jurisdictions of incorporation, and their names under which they do business, typically included with Form 10-K. Modern corporate realities make this requirement obsolete. It is outdated due to the immense complexity of contemporary, multi-national corporations, which often have intricate structures and hundreds of subsidiaries.

A list of every subsidiary is also unhelpful to investors. The Commission should not continue to mandate this list unless a subsidiary is significant enough to warrant inclusion in the registrant's Business disclosure. If a subsidiary is truly material, it will be mentioned elsewhere, for instance, in the registrant's description of its business operations through its registered subsidiaries, making the mechanical list unnecessary for providing useful information to investors.

The current rule's structure for subsidiary listing is also overly complex and poses significant compliance challenges. It mandates that a company must list all subsidiaries except those deemed insignificant, with the added complication that the unlisted, insignificant subsidiaries, when considered together, still cannot constitute a "significant subsidiary," and that such instruction does not apply to subsidiaries that are "banks, insurance companies, savings and loan associations or to any subsidiary subject to regulation by another Federal agency." The Commission should eliminate this outdated and unnecessarily burdensome requirement.

We respectfully request that the Commission modernize Reg S-K in line with the detailed reasoning provided above. Please contact Robinhood's General Counsel and Corporate Secretary, Lucas Moskowitz, at lucas.moskowitz@robinhood.com if you have any questions.

Sincerely,

DocuSigned by:

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Daniel M. Gallagher

Chief Legal, Compliance and Corporate Affairs Officer
Robinhood Markets, Inc.