

# Election Notice

## FINRA Announces Nomination Process to Fill Upcoming Vacancy on the National Adjudicatory Council

Petitions for Candidacy Due: October 3, 2024

### Summary

The purpose of this *Election Notice* is to notify members of an upcoming election to fill one small firm seat on the National Adjudicatory Council (NAC). Eligible individuals who obtain the requisite number of valid petitions may be included as candidates on the ballot by following the petition procedures described in this *Election Notice*.

A formal notice of the NAC election and ballot listing all certified candidates will be mailed to the executive representatives of all eligible small firm FINRA members on or about Oct. 18, 2024.

Questions regarding this *Election Notice* may be directed to Jennifer Piorko Mitchell, Vice President and Deputy Corporate Secretary, via [email](#) or at (202) 728-8949.

*Note: FINRA distributed this Notice electronically to the executive representative<sup>1</sup> of each FINRA member firm and posted it [online](#).*

### Background

The NAC is appointed by the FINRA Board of Governors to review all disciplinary decisions issued by FINRA hearing panels, and presides over disciplinary matters that have been appealed to or called for review by the NAC. The NAC also reviews statutory disqualification matters, considers appeals of membership proceedings, exercises exemptive authority and acts in other proceedings as set forth in the Code of Procedure.

The NAC comprises 15 members—seven industry members and eight non-industry members. The seven industry members of the NAC include two small firm, one mid-size firm, two large firm and two at-large industry members. Of the eight non-industry NAC members, at least three are public members.

August 19, 2024

### Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

The NAC meets primarily in person four times a year, several weeks prior to each FINRA Board of Governors meeting. NAC members are expected to attend meetings; will be requested to serve on appeal panels, which involves reading the record of the case and attending oral arguments; and are asked occasionally to participate in conference calls to handle other NAC matters. Potential candidates should ensure that their other commitments will allow for their full participation at all NAC meetings.

The elected individual will serve a four-year term beginning in January 2025 and concluding in December 2028.

### Petition Process for Candidates

The FINRA Nominating & Governance Committee determined it would not nominate a candidate for election for the small firm seat. Instead, any eligible individuals who obtain the requisite number of petitions will be included on the ballot.

Pursuant to Article VI, Section 6.2 of the FINRA Regulation By-Laws, a person who has not been nominated may be included on a ballot for an election to fill an open large, mid-size or small firm seat on the NAC if:

- (a.) within 45 days of the date of this *Election Notice*, such person presents to the Corporate Secretary of FINRA petitions in support of his or her nomination duly executed by 3 percent of the members entitled to vote for such nominee's election; and
- (b.) the Corporate Secretary certifies that the petitions are duly executed by the executive representatives of the requisite number of members entitled to vote for such nominee's election, and the person satisfies the firm-size classification of the NAC seat to be filled, based on such information provided by the person as is reasonably necessary to make the certification.

As of the close of business on Friday, Aug. 16, 2024, the number of FINRA small firms was 2,964, so the number of petitions required to become a candidate is 89.

Individuals interested in petitioning to become candidates must complete a candidate profile form (Attachment A) and submit it to [FINRA's Corporate Secretary](#) for a determination that the individual is qualified to serve in the seat for which he or she is petitioning to be nominated. Individuals seeking election as a small firm NAC member have an obligation to satisfy the firm-size classification on the date the petition is circulated, the date the petitions are certified by the Corporate Secretary, and during the election period. Individuals who fail to meet this requirement will be disqualified from election.

Petitioners must provide information sufficient for the Corporate Secretary to determine that the petitions are duly executed by the executive representatives of the requisite number of small firms. Firms may only endorse petitioners for open seats that correspond to the firm's own size classification. However, no firm may endorse more than one such candidate per vacancy. If a firm does sign more than one petition for a specific vacancy, the later-signed petition will supersede any previously signed petition. To assist in the process of verifying petitions, FINRA requests that all submitted petitions be dated by their signatory. Petitions must be submitted by Oct. 3, 2024.

## Endnote

1. Pursuant to FINRA Rule 4517, firms must update their contact information promptly, but in any event not later than 30 days following any change in such information, as well as review and, if necessary, update the information within 17 business days after the end of each calendar year. To update an executive representative's name, mailing address and email address, firms may access the FINRA Contact System, via [FINRA Gateway](#). Additionally, firms must comply with any FINRA request for such information promptly, but in any event not later than 15 days following the request, or such longer period that may be agreed to by FINRA staff. See FINRA Rule 4517.

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## Attachment A

### Candidate Profile Form: NAC Election for a Small Firm NAC Member

Please complete all sections and email this document to [CorporateSecretary@finra.org](mailto:CorporateSecretary@finra.org).

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Name: \_\_\_\_\_

Date: \_\_\_\_\_

*(As you would like it to appear on official correspondence)*

#### Current Registration

Title: \_\_\_\_\_

Firm Name: \_\_\_\_\_

Firm CRD#: \_\_\_\_\_

Individual CRD #: \_\_\_\_\_

#### Address

Street Address: \_\_\_\_\_

Suite/Floor: \_\_\_\_\_

City: \_\_\_\_\_

State: \_\_\_\_\_

Email: \_\_\_\_\_

Phone: \_\_\_\_\_

Provide a brief biography or summary of your qualifications to serve as a NAC member. The biography should contain only factual information, such as employment experience, service on other industry-related boards and committees, education credentials, etc. (The biography should be no more than 500 words.)