

Election Notice

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

Petitions for Candidacy Due: December 23, 2024

November 7, 2024

Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

Summary

The purpose of this *Election Notice* is to: (1) notify members of an upcoming election to fill one large firm seat and one small firm seat on the National Adjudicatory Council (NAC); (2) announce the FINRA Nominating & Governance Committee (Nominating Committee) nominees for these vacancies; and (3) describe the procedures to be included as an additional large or small firm candidate on the ballot.

If more than one candidate is certified for either the large or small firm vacancy, the election will be deemed contested. If the election is contested, the official *Election Notice* and ballots will be distributed to the executive representatives¹ of eligible large and small FINRA member firms on or about December 30, 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.

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.

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.

Election of NAC Members

There are two vacancies on the NAC to be filled in this election. The elected large firm NAC member will replace a NAC member who vacated the seat early.² Regarding the small firm seat, when the vacancy was previously announced, no individuals submitted the requisite petitions to be included on the ballot as a candidate and the nomination process is therefore starting anew.

FINRA Nominating Committee Nominees

The Nominating Committee has nominated the following individuals for the open NAC seats:

- ▶ Large Firm Member Nominee:
 - Richard Kuhlman, Senior Vice President and Chief Legal Officer, Cambridge Investment Research, Inc.
- ▶ Small Firm Member Nominee:
 - Trinity Lee, President and Executive Director, Heim, Young & Associates, Inc.

Profiles of the Nominating Committee nominees are included as Attachment A. The new NAC members will each serve a four-year term beginning in 2025 and concluding in December 2028.

Petition Process for Candidates

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 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 November 6, 2024, the number of FINRA small firms was 2,962 and large firms was 148. Therefore, the number of required petitions for a small firm petitioner is 89 and for a large firm petitioner is five.

Individuals interested in petitioning to become candidates must complete a [candidate profile form](#) (Attachment B) 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 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 applicable-size firms. Firms may only endorse one petitioner for the same firm-size seat as their own firm size. No firm may endorse more than one such petitioner. If a firm does endorse more than one petition for a specific vacancy, the later-dated petition will supersede any previously submitted 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 December 23, 2024.

Endnotes

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.
2. Scott Kursman, who was serving as a Large Firm NAC Member, and whose term was set to expire at the end of 2027, recently changed firms and was required to vacate his large firm NAC seat at that time because he was no longer registered with a large firm FINRA member.

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Attachment A

Nominee Profiles

Nominating Committee Nominee for Large Firm NAC Member

Richard Kuhlman is a Senior Vice President and Chief Legal Officer of Cambridge Investment Research, Inc. In his role, he oversees Cambridge's Regulatory Affairs and Dispute Resolution Teams, as well as day-to-day operation of the Legal Department. He provides direction on relevant legal and regulatory issues for the firm with a focus on risk mitigation while also focusing on supporting the growth of Cambridge in connection with the firm's broker-dealer, insurance and registered investment advisor operations. He is registered with Cambridge and holds Series 7 and 24 licenses.

Mr. Kuhlman joined Cambridge in 2019 and has more than 25 years of private practice experience, focused primarily on litigation, regulatory and compliance matters arising in the financial services area. Prior to joining Cambridge, he served as a partner at Bryan Cave Leighton Paisner, LLP; Husch Blackwell Sanders, LLC; and served as a judicial law clerk for a United States District Court judge. He earned Bachelor of Arts degrees in economics and psychology from Duke University and a Juris Doctorate from Washington University School of Law. He is currently a member of the Missouri, Illinois, and District of Columbia Bar Associations.

Nominating Committee Nominee for Small Firm NAC Member

Trinity Lee is President and Executive Director of Heim, Young & Associates, Inc. She previously served in various roles with this firm, and HYA Advisors, Inc., an investment adviser firm, including as chief compliance officer, FINOP, operations, and in accounting. In these roles, she has led planning, implementation and ongoing management of a robust regulatory compliance framework in line with group policies and local guidelines to promote efficient business practices. She is a member of the FINRA National Arbitration and Mediation Committee and serves on the FINRA Series 24 Content Committee. She is also a former member and chair of the FINRA Small Firm Advisory Committee, the FINRA Series 27/28 Content Committee and the FINRA Midwest Regional Committee.

Ms. Lee has more than 14 years of experience in the financial services industry. Throughout her career, she has a record of managing internal/external audits, delivering expansively-scoped technology implementation projects, revamping AML programs, managing securities/investment advisory rules and regulations, and optimizing compliance monitoring procedures.

Ms. Lee is registered and holds Series 7, 14, 24, 28, 66 and 99 licenses, and her background includes roles as FINOP, CCO and CFO.