

Definition of “Hearing Officer”

FINRA Amends FINRA Rule 9120 and the Definition of “Hearing Officer”

Implementation Date: August 12, 2014

Executive Summary

FINRA has amended the definition of “Hearing Officer” to include a former FINRA employee who previously acted as a Hearing Officer and who is a licensed attorney. Based on the amended definition, the Chief Hearing Officer may appoint a former employee of FINRA who previously acted as a Hearing Officer to act in an adjudicative role and fulfill the various adjudicative responsibilities and duties of a Hearing Officer described in the Code of Procedure.¹ The implementation date of the amended definition is August 12, 2014.

The new rule text is available in the online FINRA Manual.

Questions concerning this *Notice* should be directed to Megan Rauch, Counsel, Office of General Counsel, at (202) 728-8863.

Discussion

FINRA has amended FINRA Rule 9120 to modify the definition of “Hearing Officer” to include a former FINRA Hearing Officer who is a licensed attorney and who is appointed by the Chief Hearing Officer. The previous rule limited the definition of Hearing Officer to current FINRA employees.

The amended definition of “Hearing Officer” will be implemented on August 12, 2014. As of that date, the Chief Hearing Officer may appoint, on a case by case basis, a former FINRA employee who previously acted as a Hearing Officer to fulfill the various adjudicative responsibilities and duties of a Hearing Officer described in the Code of Procedure. The former employees appointed by the Chief Hearing Officer would be experienced, licensed attorneys who previously acted in the same adjudicative role and fulfilled the same adjudicative responsibilities and duties for FINRA. As a former employee acting and defined as a Hearing Officer, he or she would be subject to the same FINRA rules that address the impartiality of Hearing Officers and the fairness of disciplinary and expedited proceedings as a current Hearing Officer.

August 2014

Notice Type

- ▶ Rule Amendment

Suggested Routing

- ▶ Compliance
- ▶ Legal

Key Topics

- ▶ Disciplinary Proceedings
- ▶ Hearing Officers

Referenced Rules & Notices

- ▶ FINRA Rule 9120

Endnotes

1. See Securities Exchange Act Release No. 72543 (July 3, 2014), 79 FR 39440 (July 10, 2014); File No. SR-FINRA-2014-031, which was filed for immediate effectiveness on July 2, 2014.