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FIRM NEWS

Susan Light on FINRA's Push for Stronger Due Process and Transparency

September 10, 2026

The *Hedge Fund Law Report* spoke with Partner and Broker-Dealer Regulation Co-Chair Susan Light about a new Financial Industry Regulatory Authority (FINRA) report, released on June 30, 2026, as part of the agency's ongoing FINRA Forward project. Prepared by two unaffiliated enforcement experts, the report offers 24 recommendations to make FINRA's enforcement function more effective, transparent, and fair to respondent firms, including proposals to create a forum to challenge Rule 8210 information requests, expand the Wells process, and adopt a statute of limitations for enforcement actions.

Sue, a former FINRA chief counsel, viewed the recommendations as overwhelmingly positive, noting that some changes are already taking hold through FINRA Forward, while others would mark a meaningful step forward if adopted. Among the proposals she flagged as most consequential were greater direct involvement by FINRA's CEO in the most contentious matters, a shift away from the demanding "extraordinary" cooperation standard toward a more attainable meaningful-cooperation model, and the adoption of a statute of limitations that she described as potentially life-changing, given FINRA's practice of pursuing conduct dating back many years.

"FINRA Report Urges Stronger Due Process and Transparency," *Hedge Fund Law Report*, September 10, 2026

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