

Election Notice

NAC and SFAB Elections

FINRA Announces Recently Elected and Appointed National Adjudicatory Council and Small Firm Advisory Board Members

Executive Summary

The purpose of this *Election Notice* is to announce the names of the recently elected and appointed National Adjudicatory Council (NAC) and Small Firm Advisory Board (SFAB) members.

Questions concerning this *Notice* may be directed to Marcia E. Asquith, Senior Vice President and Corporate Secretary, at (202) 728-8949 or CorporateSecretary@finra.org.

Background and Discussion

NAC Election and Board Appointments

One elected Small Firm NAC Member and one appointed At-Large Industry NAC Member will replace the two industry members whose terms expire at the end of 2009. Additionally, three Non-Industry NAC Members were appointed to replace the Non-Industry NAC Members whose terms expire at the end of 2009.

In an election that concluded in October 2009, Stephen Kohn, President and CEO of Stephen A. Kohn & Associates, Ltd. in Lakewood, Colorado who had successfully petitioned to be added to the Small Firm NAC Member ballot received the most votes. As required by the FINRA Regulation By-Laws, Mr. Kohn was appointed by the Board as a Small Firm NAC Member to a three-year term beginning January 2010.

Earlier in the year there was also a vacancy for the Mid-Size NAC Member seat. The Nominating and Governance Committee nominated John Muschalek, Managing Director of the Clearing Services of First Southwest Company as FINRA's nominee.

December 18, 2009

Suggested Routing

- Compliance
- Legal
- Operations
- Registration
- Senior Management

The nomination was not contested and Mr. Muschalek was appointed by the Board to complete an existing term.

The Nominating and Governance Committee nominated, and the FINRA Board appointed, the following individuals to fill the at-large industry position and the three appointed Non-Industry NAC Members whose terms expire at the end of 2009:

At-Large Industry NAC Member Appointee

- **Andrew S. Margolin** – Principal and Associate General Counsel, Bank of America Merrill Lynch, New York, New York

Non-Industry NAC Member Appointees

- **Michael Fishman** – Norman Strunk Professor of Financial Institutions, Kellogg School of Management of Northwestern University, Evanston, Illinois
- **Donald C. Langevoort** – Thomas Aquinas Reynolds Professor of Law, Georgetown University Law Center, Washington, DC
- **Donna Nagy** – C. Ben Dutton Professor of Law, Indiana University Maurer School of Law, Bloomington, Indiana

Additional information on each of these candidates is included in Attachment A.

SFAB Election and Board Appointments

In an election for the West and North Region seats concluded in November 2009, the following individuals were elected to three-year terms beginning in January 2010:

West Region SFAB Member

- **Daniel W. Roberts** – President & Chief Executive Officer, Roberts & Ryan Investments Inc., San Francisco, California

North Region SFAB Member

- **Tina Blakeley Maloney** - Chairman/Financial Operations and Compliance, Winslow, Evans & Crocker, Inc., Boston, Massachusetts

In addition, the Board appointed the following individuals to fill three At-Large seats on the SFAB:

- **Mark Cresap** – President and Founder, Cresap, Inc., Radnor, Pennsylvania
- **Robert Muh** – Co-Founder, Sutter Securities Incorporated, San Francisco, California
- **David M. Sobel** – Executive Vice President, General Counsel and Chief Compliance Officer, Abel/Noser Corp., New York, New York

Mr. Cresap and Mr. Muh will both serve three-year terms beginning in January 2010. Mr. Sobel was appointed to complete the remainder of a term of a resigning SFAB member and will serve from January 2010 through December 2010.

Additional information on the new SFAB members is included in Attachment B.

Attachment A: Profiles of New NAC Members

Elected Small Firm NAC Member

Stephen Kohn is the President and CEO of Stephen A. Kohn & Associates, Ltd., a Colorado based, full service, and independent FINRA member firm founded in 1996. He came into the financial services industry in 1984 as a municipal bond salesman. Ultimately, he rose to become a branch manager of the largest OTC brokerage in the country. His experience has been with a number of small and large firms. Mr. Kohn is a member of the Independent Broker-Dealer Association (IBDA). He is also a Member of the Securities Industry Professional Association (SIPA) and a FINRA Arbitrator. Mr. Kohn graduated from C.W. Post College in 1964 with a Bachelor of Arts. He has served in the U.S. Coast Guard Reserve.

At-Large Industry NAC Member Appointees

Andrew S. Margolin is Principal and Associate General Counsel for Bank of America Merrill Lynch, where he currently serves as Global Equities Regulatory Counsel and Counsel for U.S. Broker-Dealer Regulation. He joined the bank in 2003 and primarily advises the U.S. Equities businesses and regulatory programs of the bank, which are generally conducted through Merrill Lynch Pierce Fenner & Smith, Banc of America Securities, LLC, and Banc of America Specialist, Inc. and their affiliates. He has previously focused his coverage in Sales and Trading, Institutional Research Sales, and Electronic Trading Services (Program Trading, Algorithmic Trading and Direct Market Access). Mr. Margolin has been Chairman of FINRA's Market Regulation Committee, as well as a member of FINRA's Advisory Council and the NASDAQ Market Regulation Committee. He also serves on several SIFMA Committees and working groups. Mr. Margolin formerly was Assistant General Counsel for the NASDAQ Stock Market and began his legal career at the Securities and Exchange Commission, working in the Chief Counsel's office for the Division of Market Regulation and the Office of Compliance Inspections and Examinations. He received his J.D. from Brooklyn Law School, a B.A. from C.U.N.Y. at Queens College and is a graduate of the Bronx High School of Science. He is a member of the New York and District of Columbia bars.

Non-Industry NAC Member Appointees

Michael Fishman is the Norman Strunk Professor of Financial Institutions at the Kellogg School of Management of Northwestern University in Evanston, Illinois. He has been a member of the Kellogg Finance Department since 1985 and he served as Chairman of the Finance Department from 2002 – 2005. He is the co-Director of the Finance Ph.D. program and he was recently appointed co-Director of the Northwestern JD-MBA program. At Northwestern, Professor Fishman has won numerous teaching awards. Professor Fishman has served as Editor of the *Review of Financial Studies*, Associate Editor for four other finance journals, and is currently a Director of the Western Finance Association. Professor Fishman's research has focused on financial market regulation and financial contracting. His research has investigated the enforcement of insider trading regulations, mandatory disclosure requirements, the role of self-regulatory organizations, long-term financial contracting and corporate investment. He has won several awards for his research. He also co-edited the book *A Primer on Securitization* (MIT Press, 1996). Professor Fishman received his Ph.D. in economics from the University of Chicago in 1986 and a B.A. in economics from the University of Illinois.

Donald C. Langevoort is the Thomas Aquinas Reynolds Professor of Law at Georgetown University Law Center, Washington, DC. He joined the Georgetown faculty in 1999 after 18 years at Vanderbilt University School of Law, where he had been the Lee S. & Charles A. Speir Professor. He has also been a visiting professor at the University of Michigan, Harvard Law School, and the University of Sydney in Australia. Professor Langevoort graduated from the Harvard Law School in 1976, and went into private practice with the law firm of Wilmer, Cutler & Pickering in Washington. In 1978, he joined the staff of the U.S. Securities & Exchange Commission as Special Counsel in the Office of the General Counsel.

Since entering academia in 1981, Professor Langevoort has written a treatise on insider trading, co-authored a casebook on securities regulation, and produced numerous law review articles on topics such as insider trading, the impact of technology on securities regulation, investor behavior and the intersection between cognitive psychology and lawyers' professional responsibilities. He has served on the Legal Advisory Committee of the NYSE, the Legal Advisory Board of NASD, the SEC's Advisory Committee on Market Information (chairing its subcommittee on alternative models for data consolidation), and the Nominating Committee of the MSRB, and has testified numerous times before Congressional committees on matters relating to securities regulation and litigation. Professor Langevoort is also a member of the American Law Institute.

Professor Donna M. Nagy joined the Indiana University Maurer School of Law—Bloomington faculty in 2006 as the C. Ben Dutton Professor of Law. She began her teaching career in 1994 at the University of Cincinnati College of Law, where she served as Interim Dean from 2004 – 05 and as Associate Dean for Faculty Development from 2002 – 04. In Spring 2001, she was a Visiting Professor of Law at the University of Illinois College of Law, and was a Visiting Scholar at the University of Canterbury School of Law in Christchurch, New Zealand in Spring 2002. Professor Nagy teaches and writes in the areas of securities litigation, securities regulation and corporations. Her scholarship includes articles in the *Iowa Law Review*, the *Cornell Law Review*, and the *Notre Dame Law Review* as well as two co-authored books, one on the law of insider trading and a casebook on Securities Litigation and Enforcement. She is a frequent speaker on securities regulation and litigation topics at law schools and professional conferences. She serves as a Vice President and a member of the Board of Trustees of the SEC Historical Society. She also serves on the Association of American Law School's Committee on Audit and Investment Policy and was Chair of the AALS Section on Securities Regulation in 2004 – 05.

Prior to teaching, Professor Nagy was an associate with Debevoise & Plimpton in Washington, DC (1989 – 94), specializing in securities enforcement and litigation. She earned her J.D. from New York University School of Law, where she was an Articles Editor of the Law Review and elected to Order of the Coif. She graduated with general and departmental honors from Vassar College, with a B.A. in political science.

Attachment B: Profiles of New SFAB Members

Elected Midwest Region Representative

Dan Roberts entered the brokerage industry in 1972 as a registered representative for Dean Witter & Co. After having served as assistant manager for the main office, in 1987 he founded the San Francisco-based regional firm of Roberts & Ryan, a full-service, high-net-worth retail firm. He manages this firm which continues to serve the investment needs of thousands of retail and institutional clients.

In 1965 he received from San Francisco State University his undergraduate degree in business administration (emphasis in accounting) and in 1972 his MBA (emphasis in finance) from Loyola University of Chicago.

From a compliance standpoint, he is closely and personally involved with compliance as rules impact the smaller firm. He has and will continue to give feedback to FINRA about rulemaking in general, especially as impacts the smaller firm.

Mr. Roberts maintains several memberships in the investment industry including the Bond Club of San Francisco – Board of Directors; California Disabled Veteran Business Alliance – President; FINRA committee member – District 1, 2004-2007; FINRA Small Firms Advisory Board (SFAB), elected member Western Region, 2008-Present; Better Business Bureau of San Francisco, President; Independent Broker Dealer Association; FINRA hearing panelist/NYSE arbitration panelist and FINRA District 1 nominating committee member – 2009. He is a frequent program speaker in the area of compliance at the FSX Investment Conferences in 2008 and 2009.

Mr. Roberts maintains FINRA Series 4, 7, 24, 27, 53 and 63 licenses. He is also a Life and Variable Insurance Agent.

Elected North Region Representative

Tina Blakeley Maloney is the chairman and majority owner of Winslow, Evans & Crocker, Inc. (Winslow), a dually licensed full-service broker-dealer and SEC-registered investment advisor headquartered in Boston, Massachusetts. Ms. Maloney manages the financial operations and compliance areas of the firm and is active in business and client development. Since joining Winslow in January 1994, Ms. Maloney has served the firm in the capacities of Chief Financial Officer, President and Chief Operating Officer.

Ms. Maloney's career in the securities industry began in 1979. Her experience in management, sales, compliance and administration includes work for both small and large firms, namely Winslow, Merrill Lynch, Lawrence Energy Associates, Putnam Financial Services, Dean Witter, Moseley, Hallgarten, Estabrook & Weeden and Drexel Burnham Lambert.

Ms. Maloney is a General Securities Principal, Financial Operations Principal, and a Registered Investment Advisor Representative (Series 24, 27, 7, 63, 65). She is Chairman of the FINRA District 11 Committee, member of the FINRA 2009 Advisory Council, and serves as a Hearing Panelist in various FINRA Disciplinary Hearings. She attended Suffolk and Northeastern Universities in Boston.

Appointed At-Large SFAB Members

Mark Cresap is the President and founder of Cresap Inc., a small full-service securities brokerage firm located in Radnor, PA. Mark founded Cresap Inc., in 1989. Prior to establishing Cresap Inc., Mark served as the President of 1717 Capital Management (fka PML Securities) and was responsible for over 1,800 registered representatives. Mark has also worked with CIGNA Securities and W.H. Newbolds & Sons.

In 2000 Mr. Cresap served as Chairman for NASD's District 9 Committee. Mark served as Chairman on the NASD District 9 Nominating Committee as well as serving on NASD's Membership Committee.

Mr. Cresap currently holds Series 4, 7, 24, 27, 40, 53 and 63 licenses. Mr. Cresap graduated from Williams College in Williamstown, MA, where he received his B.A.

Robert Muh co-founded Sutter Securities Incorporated in 1992 where he is the Chief Executive Officer. Sutter is a San Francisco-based full-service brokerage firm specializing in trading fixed-income securities and underwriting municipal bonds. In addition to being the firm's CEO, Bob is the firm's Chief Compliance Officer.

Prior to founding Sutter, Mr. Muh was a senior managing director in charge of the San Francisco region of Bear, Stearns & Co where he supervised the overall operations of 200 professionals and staff. Bear Stearns' activities in San Francisco included corporate finance, retail brokerage, institutional sales, fixed income sales and public finance in Northern California and the Pacific Northwest.

Mr. Muh was chairman of Newburger, Loeb & Co., Inc. a New York Stock Exchange member firm, from 1970-1972 and with McKinsey & Co., management consultants from 1966-1969. Immediately after graduate school, Mr. Muh served as a 2nd Lt. in the US Army.

Mr. Muh is a trustee of the Massachusetts Institute of Technology, The Culinary Institute of America and The Napa Valley Opera House. He was appointed by the Financial Industry Regulatory Authority to its Small Firm Advisory Board where he currently serves as Chairman.

Mr. Muh has a bachelor's degree from the Massachusetts Institute of Technology and an M.B.A. and Master of Philosophy from Columbia University. While at Columbia, Mr. Muh was an Adjunct Assistant Professor of Finance. Bob is currently an Adjunct Professor at the University of San Francisco School of Law.

David M. Sobel is currently Executive Vice President, General Counsel and Chief Compliance Officer of Abel/Noser Corp., a FINRA / NYSE member broker/dealer. He was previously a partner at The Goldstein Law Group, P.C. where he concentrated in the areas of broker-dealer compliance/regulation; securities litigation, including arbitration and mediation; and disciplinary/enforcement matters at the SEC, NYSE, AMEX and FINRA.

Mr. Sobel was a Floor Member of the New York Stock Exchange from 1982 through 1991 as a floor broker for both H.A. Brandt & Co. and First Options of Chicago, and President of his own NYSE member firm, Ampro Securities, Inc. After leaving the NYSE floor, he was a Senior Equity Trader/Market Maker for Trimark Securities.

Mr. Sobel has a Master of Science from Brooklyn College and a Law Degree (JD) from Pace Law School where he was an Editor of the International Law Review. Since 1998 he has been a member of the FINRA Board of Arbitrators (Chairperson Qualified), a current member of FINRA District 10 Committee, the Board of Directors of the NAIBD, the NYSE Hearing Board and on the Faculty of the National Society of Compliance Professionals.

Mr. Sobel has been quoted in and/or interviewed by *Compliance Reporter*, *WSJ.com*, *Complanet*, *Traders Magazine*, *Wall Street Letter*, *Op/Risk* and *Compliance Magazine* and *Institutional Investor News*, and is a frequent speaker at securities conferences for SIFMA, NSCP, NRS, NAIBD and FMW. Recent conference topics include: Managing Risk at Small BDs; Internal Audits; and Supervisory Responsibility, Financial Responsibility, Fraud Prevention in Portfolio Management and Forensic Compliance.

He is admitted to practice before the Supreme Courts of New York and Connecticut, the United States District Courts for the Southern and Eastern Districts of New York and the Second Circuit Court of Appeals. He is a member of the New York County Lawyers Association (Securities and Exchange Committee), the New York State Bar Association (Section on Alternate Dispute Resolution) and the American Bar Association.