

Election Notice

District Elections and Ballots

Notice of FINRA District Committee Election and Ballots

Ballots Due: November 16, 2012

Executive Summary

The purpose of this *Notice* is to inform firms of the upcoming elections to fill vacancies on the FINRA District Committees and distribute ballots to the firms eligible to vote in these elections. Firms that are members of FINRA as of the close of business on Tuesday, October 16, 2012, are eligible to vote for the seat corresponding to their district and firm size.

Firms are urged to vote in this election using one of the methods described in this *Notice*. In order for a ballot to be considered valid, the executive representative of the firm eligible to vote in the election must sign it. **Ballots are due by Friday, November 16, 2012.**

The candidates running for election are listed in Attachment A to this *Notice*. Information about each candidate is available at www.finra.org/district/candidateprofiles.

The elected committee members will take office in January 2013.

A list of the current District Committee members is available at www.finra.org/districtcommittees.

Note: This *Notice* was distributed electronically to the executive representative of each FINRA member firm and is posted on FINRA's website.

Questions concerning this *Election Notice* may be directed to:

- ▶ Marcia Asquith, Senior Vice President and Corporate Secretary, at (202) 728-8949, or via email to CorporateSecretary@finra.org;
- ▶ Jennifer Piorko Mitchell, Assistant Corporate Secretary, at (202) 728-8949, or via email to jennifer.mitchell@finra.org; or
- ▶ Chip Jones, Senior Vice President, Member Relations, at (240) 386-4797, or via email to chip.jones@finra.org.

October 17, 2012

Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

Background

The FINRA District Committees serve an important role in the self-regulatory process by, among other things:

- ▶ serving on disciplinary panels in accordance with FINRA rules;
- ▶ alerting FINRA to industry trends that could present regulatory concerns; and
- ▶ consulting with FINRA on proposed policies and rule changes.

Committee members must have the experience, ability and commitment to fulfill these responsibilities, including:

- ▶ understanding the issues facing the securities industry and possessing the ability to apply knowledge and expertise to these issues to develop solutions;
- ▶ educating firms in their district on the responsibilities of FINRA;
- ▶ attending regularly and participating in a collegial manner in District Committee meetings; and
- ▶ remaining objective and unbiased, regardless of the interest of their firm, in the performance of District Committee matters.

Committee members also must adhere to the following prohibitions and restrictions:

- ▶ being sensitive to conflicts, such as those that can arise from firm-related work and service on industry committees, or as an expert witness, hearing panelist or arbitrator, and refraining from participating in a particular matter when a conflict exists;
- ▶ refraining from using membership on the District Committee for commercial purposes, for qualifying as an expert or suggesting special access to FINRA; and
- ▶ keeping sensitive, non-public or proprietary information confidential.

Candidate Nomination Process and Eligibility

All candidates who submitted their names and met the qualifications set forth in Article VIII, Section 8.2 of the FINRA Regulation By-Laws were included on their district's ballot.

Terms of District Committee Members and Vacancies

The full term for District Committee members is three years. There is no limit on the number of terms that a member of a District Committee may serve, except that a District Committee member may not serve two full terms consecutively. Terms of District Committee members will terminate if they do not remain eligible for the seat for which they were elected.

Those individuals elected or appointed in this election will serve three-year terms beginning on January 1, 2013.

Full-Term Vacancies

In this election, the District Committees for Districts 1, 2, 3, 4, 5, 6, 7, 8, 9 and 11 each have two seats to fill: one representing small firms and one representing large firms.¹ District 10 has five seats to fill: two representing small firms, one representing mid-sized firms and two representing large firms.

The individuals elected to fill these vacancies will serve a term expiring December 31, 2015.

Partial-Term Vacancy

In addition to the vacancies listed above, District 2 has an additional vacancy to fill to complete the term of a small firm member who resigned prior to the completion of her term. The individual elected to fill this vacancy will serve a term expiring December 31, 2014.

Firm size categories are:

- ▶ small firm—a firm that employs at least one and no more than 150 registered persons;²
- ▶ mid-size firm—a firm that employs at least 151 and no more than 499 registered persons;³ and
- ▶ large firm—a firm that employs 500 or more registered persons.⁴

Candidates

Only one eligible individual submitted his or her name for consideration for the following seats:

- ▶ District 5 Large Firm Seat
- ▶ District 8 Large Firm Seat
- ▶ District 10 Small Firm Seat
- ▶ District 11 Small Firm Seat

Therefore, because the candidates for the above-listed seats are running unopposed, FINRA will not distribute ballots and the candidates will take office in January 2013.

FINRA will distribute ballots for the following seats for which more than one candidate qualified to be included on the ballot:

- ▶ District 2 Small Firm Seat
- ▶ District 2 Large Firm Seat
- ▶ District 3 Small Firm Seat
- ▶ District 3 Large Firm Seat
- ▶ District 4 Small Firm Seat
- ▶ District 4 Large Firm Seat
- ▶ District 5 Small Firm Seat
- ▶ District 6 Small Firm Seat
- ▶ District 6 Large Firm Seat
- ▶ District 7 Small Firm Seat
- ▶ District 7 Large Firm Seat
- ▶ District 8 Small Firm Seat
- ▶ District 9 Small Firm Seat
- ▶ District 10 Large Firm Seat

Additionally, no candidates self-nominated for the seats listed below. Therefore, in accordance with the by-laws, FINRA will not distribute ballots for these positions and individuals will be appointed to fill the following seats:

- ▶ District 1 Small Firm Seat
- ▶ District 1 Large Firm Seat
- ▶ District 9 Large Firm Seat
- ▶ District 10 Small Firm Seat⁶
- ▶ District 10 Mid-Size Firm Seat
- ▶ District 11 Large Firm Seat

FINRA will announce the committee members once the appointments have been made.

Voting Eligibility

Firms that are members of FINRA as of the close of business on Tuesday, October 16, 2012, are eligible to vote for candidates running for the seat corresponding to their firm size in the district in which it has its principal office and in districts where it has one or more registered branch offices as indicated in the Central Registration Depository®. For example, a firm headquartered in Atlanta with one branch office in New Jersey and nine branch offices in Boston would have one vote in District 7, one vote in District 9 and one vote in District 11.

Ballots have been mailed, along with a copy of this *Notice*, to the executive representatives of those firms eligible to vote in this election. Detailed voting instructions are included on the ballots.

Voting Methods

Firms will be able to vote by telephone, the Internet or by U.S. mail. The ballot sent to eligible firms contains detailed instructions on the submission procedures. **Ballots are due on Friday, November 16, 2012.**

Firm Contact Information

Firms are reminded to accurately maintain their executive representative's name and email address, as well as their firm's main postal address in the FINRA Contact System. This will ensure that important mailings, such as election information, are properly directed. A firm's failure to keep this information accurate may jeopardize the firm's ability to participate in elections.⁷

To update an executive representative name, mailing address and email address, firms may access the FINRA Contact System, via the Firm Gateway, at <https://firms.finra.org/fcs>. For assistance updating FCS, contact FINRA's Call Center at (301) 590-6500.

Endnotes

1. On May 4, 2011, the SEC approved amendments to FINRA Regulation's By-Laws to, among other things, adjust the size and composition of District Committees to align more closely with the industry representation on the FINRA Board of Governors and replace District Nominating Committees with a process of direct nomination and election based on firm size. *See* Securities Exchange Act Release No. 64363 (April 28, 2011). The By-Law change adjusts the composition of the District Committees over a three-year transition period to align more closely with the industry representation by firm size on the Board of Governors. All District Committees except District 10 (New York) are adjusted from nine to seven members and District 10 is adjusted from 12 to 14 members. All currently serving District Committee members will serve out their original terms. Vacancies since the last election will not be filled because they entail partial terms that were not elected based on firm size.
2. *See* Article I (jj) of the FINRA Regulation By-Laws.
3. *See* Article I (aa) of the FINRA Regulation By-Laws.
4. *See* Article I (y) of the FINRA Regulation By-Laws.
5. *See* Article VIII, Sec. 8.8 of the FINRA Regulation By-Laws.
6. As previously mentioned, there are two Small Firm Representative vacancies on the District 10 Committee. One will be filled by the candidate who submitted his or her name and the other vacancy will be filled by appointment.
7. Under NASD Rule 1160, firms must 1) update their contact information promptly, but in any event not later than 30 days following any change in such information, as well as 2) review and, if necessary, update the information within 17 business days after the end of each calendar year. 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 agreed to by FINRA staff. *See* NASD Rule 1160 and [*Regulatory Notice 07-42*](#) (September 2007).

Attachment A—Candidates for District Committee Seats

Information about each candidate is available at www.finra.org/district/candidateprofiles.

District 1: *Northern California (the counties of Monterey, San Benito, Fresno and Inyo, and the remainder of the state north or west of such counties), northern Nevada (the counties of Esmeralda and Nye), and the remainder of the state north or west of such counties) and Hawaii*

Small Firm Representative Candidates

- None

Large Firm Representative Candidates

- None

District 2: *Southern California (that part of the state south or east of the counties of Monterey, San Benito, Fresno and Inyo), southern Nevada (that part of the state south or east of the counties of Esmeralda and Nye) and the former U.S. Trust Territories*

Small Firm Representative Candidates

- Kristina Cole, CCO/Compliance, WBB Securities, LLC
- Rick Dahl, CCO/EVP, Compliance Oversight and General Management, Sorrento Pacific Financial, LLC

Large Firm Representative Candidates

- Monica Daggs, Vice President Compliance, AMLCO, CUSO Financial Services, LP
- S. Kendrick Dunn, Assistant Vice President, Compliance, Pacific Select Distributors, Inc.

District 3: *Arizona, Colorado, New Mexico, Utah and Wyoming*

Small Firm Representative Candidates

- Marie Jorajuria, FINOP & Chief Compliance Officer, Equilibrium Capital Services
- Bruce Maranda, Executive Vice President, Chief Compliance Officer, Canaccord Wealth Management (USA) Inc.
- Howard A. Morin, CEO, Conover Securities Corporation
- Gordon A. Price, Chief Financial Officer and Chief Compliance Officer, Walton Securities, Inc.

Large Firm Representative Candidates

- Marc J. Beshany, Managing Director Rocky Mountain Market, Wells Fargo Advisors, LLC
- Mary K. Simonson, Vice President/Chief Compliance Officer, SagePoint Financial, Inc.

District 4: *Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota*

Small Firm Representative Candidates

- Norm Conley, CEO, J.A. Glynn & Co.
- Michelle Stockman, Chief Compliance Officer, D.M. Kelly & Company

Large Firm Representative Candidates

- Diane Gabriel, President of Wells Trade, Wells Fargo Advisors, LLC
- Tim Halevan, Chief Compliance Officer, CUNA Brokerage Services, Inc.
- Jeremy Michelman, Principal/Compliance, Edward Jones

District 5: *Alabama, Arkansas, Louisiana, Mississippi, Oklahoma and Tennessee*

Small Firm Representative Candidates

- Debra Shannon, Director Business Development, St. Bernard Financial Services, Inc.
- Kathryn P. Wilson, Associate Partner/Chief Financial Officer, The Baker Group LP

Large Firm Representative Candidate

- James F. Dixon III, Executive Managing Director, Sterne, Agee, & Leach Inc.

District 6: *Texas*

Small Firm Representative Candidates

- Daniel C. Dooley, CEO/President, Maplewood Investment Advisors, Inc.
- Claudio Larrain, Chief Executive Officer, LarrainVial Securities US LLC
- David D. McNally, President/CEO, McNally Financial Services Corporation

Large Firm Representative Candidates

- Susanne Denby, Chief Compliance Officer, NFP Securities, Inc.
- Kelly R. Welker, Branch Manager, LPL Financial

District 7: *Georgia, North Carolina and South Carolina, Florida, Puerto Rico, Panama and the Virgin Islands*

Small Firm Representative Candidates

- Jerome Borzello, President/Chief Compliance Officer, American Wealth Management
- Marcus Kindley, CEO/CCO Management/Compliance, Intercarolina Financial Services, Inc.
- Patrick Sheehan, CEO, Elevation, LLC
- Virginia Voos, Chief Compliance Officer, Bridge Capital Associates, Inc.

Large Firm Representative Candidates

- Ruth A. Burgess, Chief Compliance Officer/Sr. Vice President, Invest Financial Corporation
- Sharyn Handelsman, EVP, Business Risk Management, GRC, LPL Financial
- Todd Mustard, Supervision Manager, Vice President, Wells Fargo Advisors, LLC.
- Don Runkle, Chief Compliance Officer, Raymond James Financial Services, Inc.

District 8: *Illinois, Indiana, Kentucky, Michigan, Ohio and Wisconsin*

Small Firm Representative Candidates

- John C. Swhear, Chief Compliance Officer, Unified Financial Securities, Inc.
- Jason M. Welch, Vice President / CCO, WWK Investments, Inc.

Large Firm Representative Candidate

- Aimee Blinder-Ullrich, VP Compliance, National Planning Holdings, SII Investments, Inc.

District 9: *Delaware, the District of Columbia, Maryland, New Jersey and New York (except for the counties of Nassau and Suffolk, and the five boroughs of New York City), Pennsylvania, Virginia and West Virginia*

Small Firm Representative Candidates

- Peter M. Elish, President, Elish & Elish, Inc.
- Allan Goldstein, Chief Compliance Officer & FINOP, SJ Levinson & Sons LLC
- Terri F. Rumans, Chief Compliance Officer, Sage Ruddy & Co., Inc.
- Keith A. Zanders, Sr., Chief Compliance Officer, Pinnacle Capital Management, LLC

Large Firm Representative Candidates

- None

District 10: *New York (the counties of Nassau and Suffolk, and the five boroughs of New York City)*

Small Firm Representative Candidate

- David V. Shields, Vice Chairman, Wellington Shields & Co. LLC

Mid-Sized Firm Representative Candidates

- None

Large Firm Representative Candidates

- Jeffrey P. Halperin, Vice President/Compliance, MetLife Securities, Inc.
- Craig B. Jampol, Managing Director—Head of Syndicate, Sterne, Agee & Leach, Inc.
- Arlene Klein, US Regulatory Controls & Examinations Compliance, RBC Capital Markets, LLC
- James Siegel, CCO, Royal Alliance Associates, Inc.

District 11: *Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont*

Small Firm Representative Candidate

- Stephen Sussman, Manager, CFO and FINOP, Sussman Financial Services, LLC

Large Firm Representative Candidate

- None

