

# Special NASD Notice to Members 99-64

NASD Informs Members Of Upcoming Nomination Procedures For Industry Member Vacancies On The National Adjudicatory Council

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- Internal Audit
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- Municipal
- Mutual Fund
- Operations
- Options
- Registered Representatives
- Registration
- Research
- Syndicate
- Systems
- Trading
- Training
- Variable Contracts

## Executive Summary

The purpose of this *Special Notice to Members* is to advise members of the nomination procedures to fill upcoming vacancies on the National Adjudicatory Council (NAC). The terms of NAC members from the West Region and New York City are expiring in January 2000.

Members are encouraged to submit names of candidates to the appropriate Regional Nominating Committee Chairs (listed in Exhibit I), the NASDR<sup>SM</sup> District Director (listed in Exhibit I), or National Association of Securities Dealers, Inc. (NASD<sup>®</sup>) Corporate Secretary Joan Conley by September 1, 1999. The Chair or a District Director in the Region will provide each nominee with a biographical form for completion. The completed form will be provided to all Regional Nominating Committee members for review. On or about October 1, 1999, the Regional Nominating Committees will provide members with written notice of NAC candidates.

Current Industry members of the NAC and their terms are listed in Exhibit I. The procedures to fill the NAC vacancies are outlined in Exhibit II. Questions concerning this *Special Notice to Members* may be directed to the District Directors in the Region noted or to Joan C. Conley, Corporate Secretary, NASD, at (202) 728-8381.

## National Adjudicatory Council Membership And Function

### Membership

The NAC consists of 12 members—six Industry members and six Non-Industry members. Five Industry members each represent one of the following geographic regions and the sixth Industry member is selected at large.

**West Region:** Hawaii, California, Nevada, Arizona, Colorado, New Mexico, Utah, Wyoming, Alaska, Idaho, Montana, Oregon, and Washington.

**South Region:** Alabama, Arkansas, Kentucky, Louisiana, Mississippi, Oklahoma, Tennessee, Texas, Florida, Georgia, North Carolina, South Carolina, Puerto Rico, Virginia, Canal Zone, and the Virgin Islands.

**Central Region:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, Illinois, Indiana, Michigan, and Wisconsin.

**North Region:** Delaware, Maryland, Pennsylvania, West Virginia, District of Columbia, New Jersey, Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont, and New York (except for New York City).

**New York:** New York City.

**Function**

According to the NASD By-Laws, the NAC is authorized to act for the NASD Board of Governors in matters concerning:

- an appeal or review of a disciplinary proceeding, a statutory disqualification proceeding, or a membership proceeding;
- a review of an offer of settlement; a letter of acceptance, waiver, and consent; and a minor rule violation plan letter;
- the exercise of exemptive authority;
- and such other proceeding or actions authorized by the Rules of the Association.

The NAC also shall consider and make recommendations to the Board on policy and rule changes relating to the business and sales practices of NASD members and associated persons and enforcement policies, including policies regarding fines and other sanctions.

**EXHIBIT I**  
**1999 National Adjudicatory Council Industry Members**

**West Region**

**Districts 1, 2, 3a, and 3b**

<b>NAC Industry Member</b>	<b>Term Expiration</b>
Nicholas C. Cochran American Investors Company	January 2000

NASD members are encouraged to submit names of candidates for this NAC member seat. Please submit candidates' names to any of the following:

Joan B. Seidel, Regional Nominating  
Committee Chair  
Morton Seidel & Company, Inc.  
8730 Wilshire Blvd., Suite 530  
Beverly Hills, CA 90211  
(310) 360-7541

Elisabeth P. Owens, District 1 Director  
525 Market Street, Suite 300  
San Francisco, CA 94105  
(415) 882-1200

Lani M. Sen Woltmann, District 2 Director  
300 South Grand Avenue, Suite 1600  
Los Angeles, CA 90071  
(213) 627-2122

Frank J. Birgfeld, District 3a Director  
Republic Plaza Building  
370 17th Street, Suite 2900  
Denver, CO 80202-5629  
(303) 446-3100

James G. Dawson, District 3b Director  
Two Union Square  
601 Union Street, Suite 1616  
Seattle, WA 98101-2327  
(206) 624-0790

Joan Conley, NASD Corporate Secretary  
1735 K Street NW  
Washington, D.C. 20006  
(202) 728-8381

**South Region**

**Districts 5, 6, and 7**

<b>NAC Industry Member</b>	<b>Term Expiration</b>
Raymond E. Wooldridge Southwest Securities, Inc.	January 2001

**Central Region**

**Districts 4, 8a, and 8b**

<b>NAC Industry Member</b>	<b>Term Expiration</b>
Ronald D. Brooks Banc One Capital Markets, Inc.	January 2001

**North Region**

**Districts 9a, 9b, and 11**

<b>NAC Industry Member</b>	<b>Term Expiration</b>
Richard J. DeAgazio Boston Capital Services, Inc.	January 2001

**New York**

**District 10**

<b>NAC Industry Member</b>	<b>Term Expiration</b>
David DeMuro Lehman Brothers, Inc.	January 2000

NASD members are encouraged to submit names of candidates for this NAC member seat. Please submit candidates' names to any of the following:

Joan Caridi, Regional Nominating Committee Chair  
Citigroup, Inc.  
425 Park Ave., 3rd Floor  
New York, New York 10043  
(212) 793-7181

David Leibowitz, District 10 Director  
NASD Financial Center  
33 Whitehall Street  
New York, NY 10004  
(212) 858-4000

Joan Conley, NASD Corporate Secretary  
1735 K Street NW  
Washington, D.C. 20006  
(202) 728-8381

**At Large NAC Industry Member**

<b>NAC Industry Member</b>	<b>Term Expiration</b>
Theodore A. Levine PaineWebber Group, Inc.	January 2000

## EXHIBIT II

### 1999 National Adjudicatory Council Nomination Procedures

1. NASD Regulation maintains Regional Nominating Committees in the manner specified in Article VI of the By-Laws of NASD Regulation, Inc.
2. Members located in the West Region and New York City are hereby notified of the upcoming election of members to the National Adjudicatory Council and are encouraged to submit names of potential candidates to their respective Chair of the Regional Nominating Committee, District Director (see Exhibit I), or to NASD Corporate Secretary Joan Conley by September 1, 1999.
3. Nominees will be asked to complete a biographical form which will be reviewed by the Regional Nominating Committee.
4. The Regional Nominating Committee shall review the background of the candidates and the description of the NASD membership provided by NASD Regulation staff and shall propose one or more candidates for nomination to the National Nominating Committee on or before September 24, 1999. In proposing a candidate for nomination, the Regional Nominating Committee shall endeavor to secure appropriate and fair representation of the region.
5. On or before October 1, 1999, the Regional Nominating Committee shall notify in writing the Executive Representatives and branch offices of the NASD members in the region the name(s) of the candidate(s) proposed for nomination to the National Adjudicatory Council.
6. If an officer, director, or employee of an NASD member in the region is not proposed for nomination by the Regional Nominating Committee and wants to seek the nomination, he or she shall send a written notice to the Regional Nominating Committee Chair or the Secretary of NASD Regulation within 14 calendar days after the mailing date of the Regional Nominating Committee's notice (#5 above) and proceed in accordance with the Contested Nomination Procedures found in Article VI of the NASDR By-Laws.
7. If no additional candidate comes forward within 14 calendar days, the Regional Nominating Committees shall certify their candidates to the National Nominating Committee.

Additional information pertaining to the District Election Procedures can be found in Article VI of the By-Laws of NASD Regulation. The By-Laws can be found in the on-line *NASD Manual* at [www.nasdr.com](http://www.nasdr.com).

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