

Election Notice

Notice of Annual Meeting of FINRA Firms and Proxy

Summary

FINRA will conduct its Annual Meeting of firms on Monday, August 19, 2019, at 9:00 a.m. Eastern Time in the FINRA Visitors Center at 1735 K Street, NW, in Washington, D.C. The purpose of the meeting is to elect individuals to fill one small firm seat and one large firm seat on the FINRA Board of Governors (FINRA Board).¹

It is important that all eligible firms be represented by proxy or in person at the Annual Meeting. Firms are urged to vote using one of the methods described below. In order for a proxy to be considered valid, it must be signed by the executive representative of the firm eligible to vote in the election.

Firms that are members of FINRA as of the close of business on Thursday, July 18, 2019 (the Annual Meeting record date), are eligible to vote.

Note: This *Notice* was mailed and sent electronically to the executive representative of each FINRA member firm. It is also posted on FINRA's website at www.finra.org/notices/election/071919.

Questions regarding this *Notice* may be directed to:

- ▶ Marcia E. Asquith, Executive Vice President and Corporate Secretary; or
- ▶ Jennifer Piorko Mitchell, Vice President and Deputy Corporate Secretary, at CorporateSecretary@finra.org or (202) 728-8949.

Election of Governors

Election Notice 5/24/19 previously announced the two upcoming vacancies on the FINRA Board, FINRA's nominees, and the process by which interested individuals could seek petitions in support of their nomination to be included on the proxy.²

Below is the list of candidates who were either nominated by the Nominating Committee or submitted the requisite number of petitions and were certified by the Corporate Secretary as eligible candidates.

July 19, 2019

Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

Large Firm Governor Candidates

FINRA Nominating Committee Nominee

- ▶ Andrew S. Duff, Board of Directors, Piper Jaffray & Co.

Nominee by Petition

- ▶ Chris W. Flint, President & Chief Executive Officer, ProEquities, Inc.

Small Firm Governor Candidates

FINRA Nominating Committee Nominee

- ▶ Robert A. Muh, Chief Executive Officer, Sutter Securities

Nominee by Petition

- ▶ Linde Murphy, Chief Compliance Officer, M.E. Allison & Co., Inc.

Attachment A includes the profiles of the Large Firm Governor candidates and Attachment B contains the profiles of the Small Firm Governor candidates.

Term of Office

Governors are appointed or elected to three-year terms. Governors may not serve more than two consecutive full terms.³ The winning candidates' terms will begin immediately following the Annual Meeting.

In order for the Board to maintain compliance with the compositional requirements of the FINRA By-Laws, elected Board members have a continuing obligation to satisfy the firm-size classification throughout the entire term for which the Governor is elected. The By-Laws expressly provide that a Governor's term on the Board shall terminate immediately upon a determination by a majority vote of the remaining Governors, that the Governor no longer satisfies the classification for which he or she was elected and the Governor's continued service would violate the mandated compositional requirements of the Board.

Voting Eligibility

FINRA firms are eligible to vote for the nominees who are running for seats that are in the same size category as their own firm. Therefore, firms registered with FINRA as of the close of business on Thursday, July 18, 2019, will receive a proxy card listing the candidates running for the seat that is the same size category as their own firm.

Along with a copy of this *Notice*, a proxy listing the Small Firm Governor candidates was mailed to the executive representative of each eligible small firm, and a proxy listing the Large Firm Governor candidates was mailed to the executive representative of each eligible large firm.

Voting Methods

Firms will be able to submit a proxy by any lawful means, including using any of the following methods:

- ▶ Telephone;
- ▶ U.S. mail; or
- ▶ Internet.

Alternatively, firms may attend the Annual Meeting and vote in person. The proxy mailed to each eligible firm contains detailed instructions on the proxy submission procedures.

For purposes of the election, for each open Governor seat, a quorum must be met in each size category. Therefore, as mentioned above, it is important that all firms be represented at the Annual Meeting. Following receipt of this *Notice* and proxy, executive representatives may receive telephone reminders during the election period to ensure that FINRA receives sufficient proxies to satisfy the Annual Meeting quorum requirements, as well as broad participation in the election by all firms that are eligible to vote.

Revocation of Proxies

If you have given a revocable proxy pursuant to a proxy card distributed by FINRA, you may nonetheless revoke your proxy by attending the Annual Meeting and voting in person. In addition, you may revoke any such proxy you give at any time before the Annual Meeting by delivering to FINRA's Corporate Secretary a written statement revoking it or by duly delivering another proxy at a later time. Your attendance at the Annual Meeting will not in and of itself constitute a revocation of your proxy.

Voting Instructions

The named proxies shall vote as instructed by the FINRA firm. In the absence of a direction with respect to the election, any duly delivered proxy will not be counted in determining the outcome of the election, but will be counted in determining the presence of a quorum at the Annual Meeting. In their discretion, the named proxies will be authorized to vote upon all such other matters as may properly come before the Annual Meeting or any adjournment or postponement thereof.

Endnotes

1. To be eligible to serve, Small Firm Governors must be registered with a small firm and Large Firm Governors must be registered with a large firm. See FINRA By-Laws, Article I (xx) and (z). Pursuant to Article I of FINRA's By-Laws, a small firm is defined as a firm that employs between one and 150 registered persons, and a large firm is a firm that employs at least 500 registered persons.
2. A person who was not been nominated by the Nominating Committee was eligible for inclusion on the ballot for the election if he or she timely presented the requisite number of petitions in support of his or her nomination. See FINRA By-Laws, Article VII, Section 10.
3. See Article VII, Section 5. If a Governor is elected or appointed to fill a vacancy for a term of less than one year, the Governor may serve up to two consecutive full terms following the expiration of the Governor's initial term. *Id.*

Attachment A: Profiles of Large Firm Governor Candidates

- ▶ **Andrew S. Duff**, Board of Directors, Piper Jaffray & Co.
 - ▶ **Chris W. Flint**, President & Chief Executive Officer, ProEquities, Inc.
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ANDREW S. DUFF

Board of Directors, Piper Jaffray & Co.

Andrew S. Duff is the former chairman and chief executive officer of Piper Jaffray Companies, having served as chief executive officer from 2000 through 2017. He currently serves on the Board of Directors of Piper Jaffray & Co., the primary broker-dealer subsidiary for Piper Jaffray Companies. Mr. Duff joined Piper Jaffray in 1980 in the institutional fixed income sales group. He was later promoted to manager of institutional sales and trading in 1994, and then served as president of the individual investor services and capital markets areas until 1996. During the time period that Piper Jaffray was owned by U.S. Bancorp (1996 through 2003), Mr. Duff served as president of Piper Jaffray and vice chair of U.S. Bancorp for the wealth management group.

Mr. Duff holds a bachelor's degree in economics from Tufts University in Medford, Mass., and attended the Advanced Executive Program at the Kellogg School of Management at Northwestern University.

In 2017, Mr. Duff was named among the Most Admired CEOs by the *Minneapolis-St. Paul Business Journal*. He was inducted into the Minnesota Business Hall of Fame in 2018.

Mr. Duff currently serves on the Board of Governors of the Financial Industry Regulatory Authority (FINRA), the University of St. Thomas board of trustees and the University of St. Thomas Opus College of Business strategic board of governors. He is a longstanding member of the Walker Art Center board of trustees, and an advisor to the board of directors of Great Clips, Inc.

CHRIS W. FLINT

President & Chief Executive Officer, ProEquities, Inc.

Chris Flint has over 23 years in the financial services industry, where he has served as a sales, technology, compliance, operations, and distribution leader. Currently, Mr. Flint is President and CEO of ProEquities, Inc. and Senior Vice President, Distribution Companies for Protective Life Insurance Company. Prior to joining Protective Life and ProEquities in 2015, he served as the President of Lincoln Financial Securities and Senior Vice President at Lincoln Financial Group. Before his tenure there, Mr. Flint was a Senior Vice President at Securities America. He is also a member of the Financial Services Institute (FSI) Board of Directors and previously served on FSI's Marketing, Growth & Development Council.

Mr. Flint obtained his M.B.A. and M.S. from Creighton University and his B.S. from The University of Alabama at Birmingham, where he was a scholarship athlete. He is a former member of the adjunct faculty at the University of Nebraska at Omaha and attended the University of Pennsylvania Wharton School of Business Executive Leadership Program. He holds his Series 4, 7, 24, 53, 63, and 66, as well as his CRPC designation.

Mr. Flint supports multiple charitable organizations, including Ronald McDonald House, Heart Gallery of Alabama, and several international charities through a community coalition that partners with ProEquities.

Attachment B: Profiles of Small Firm Governor Candidates

- ▶ **Robert A. Muh**, Chief Executive Officer, Sutter Securities
 - ▶ **Linde Murphy**, Chief Compliance Officer, M.E. Allison & Co., Inc.
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ROBERT A. MUH

Chief Executive Officer, Sutter Securities

Mr. Muh has over four decades of experience in the financial services industry. He is presently Chief Executive Officer of Sutter Securities, a 12-person broker-dealer he co-founded in San Francisco in 1992. Sutter Securities is a full-service broker-dealer. Mr. Muh was also the firm's Chief Compliance Officer until 2015, when increased regulatory burdens required Sutter to hire a full-time compliance officer. After serving as an officer in the U.S. Army, Mr. Muh began his business career at the consulting firm of McKinsey & Company. He left McKinsey to become a major owner and President of Newburger, Loeb & Co., a NYSE member firm. Prior to founding Sutter Securities, he was a partner at Bear Stearns in both Los Angeles and San Francisco.

Mr. Muh has also been actively involved in security industry affairs throughout his career. He has served as Chair of FINRA's Small Firm Advisory Committee and Chair of the District 1 Committee. He was a member of the National Arbitration and Mediation Committee and on FINRA's Membership Application Task Force. In 2016, he was elected to a three-year term on the FINRA Board of Governors. Mr. Muh has been a frequent speaker at FINRA's Small Firm Conferences and FINRA's Annual Conference. He has written numerous comment letters to both FINRA and the SEC regarding new rule proposals.

In addition, he has served on more than 20 corporate and non-profit boards. He was a Trustee of the Massachusetts Institute of Technology for more than 20 years and he is currently a Life Trustee Emeritus. He is also a Trustee and Vice Chair of the Culinary Institute of America. Mr. Muh is a graduate of MIT and he holds both an MBA and a M. Phil. from Columbia University, where he was an Adjunct Assistant Professor at the Business School. Mr. Muh is currently an Adjunct Professor at the University of San Francisco Law School and an advisor to the Law School's Investor Justice Project.

LINDE MURPHY

Chief Compliance Officer, M.E. Allison & Co., Inc.

Linde Murphy is the Chief Compliance Officer for M.E. Allison & Co., Inc., a full-service broker-dealer and Texas Registered Investment Adviser. Founded in 1946, the firm also provides municipalities with advisory and underwriting services. In Ms. Murphy's role, she implements and tests M.E. Allison's compliance control, supervisory functions and WSPs, audit, 1017/CMA acquisitions, disclosure and training solutions, and more for the BD/IA and associated persons.

Since beginning her investment career in 1999, Ms. Murphy has worked for small firms for the majority of her career. She has sales, compliance, business development, strategy and operational executive-level expertise. In addition to the Series 4, 7, 24, 27, 50, 53, 63, 65 licensing, Ms. Murphy graduated from the FINRA Institute at Wharton, resulting in her earning the CRCP designation, thanks to having been awarded the FINRA Small Firm Scholarship. Ms. Murphy graduated with honors from American University in Washington, D.C.

Ms. Murphy is currently serving a three-year term on the FINRA Small Firm Advisory Committee and is the 2019 elected Chair. In 2016, Ms. Murphy was elected to a three-year term on the FINRA District 6 Committee, has served with distinction on the FINRA Fixed Income Committee and the FINRA Regulatory Advisory Committee. Ms. Murphy has been an active participant in the industry-led effort to obtain small non-custodial firm relief from the PCAOB audit requirements, is a highly sought-after public speaker and regularly speaks at FINRA conferences, district events, and industry association events.

Identifying a need for networking and sharing of knowledge, Ms. Murphy formed a Round Table Group for clearing firm correspondents to address common concerns and share best practices. She serves on the board of Texas Women in Public Finance, is a member of the San Antonio Chamber of Commerce where she was selected for Executive Leadership for the Leadership San Antonio program, is a founding member of the soon-to-be-launched National Association of Small Broker-Dealers, and is active in industry groups, including the Texas Wall Street Women. Ms. Murphy has been recognized by past employer as a Hard Charger for exceeding goals. Ms. Murphy has extensive board experience, including KLRN (the San Antonio affiliate of Public Broadcasting Service), San Antonio Botanical Garden, and Texas Women in Public Finance. Ms. Murphy works on committees for local nonprofits including Las Casas Foundation supporting youth in theater arts, ArtPace, events benefiting Make A Wish and education causes.