

# Election Notice

## Notice of Special Meeting of Large Firms and Proxy

October 11, 2022

### Summary

FINRA will conduct a Special Meeting of large firms on Monday, October 31, 2022, at 9:00 a.m. ET in the FINRA Visitors Center at 1735 K Street, NW, in Washington, D.C. The purpose of the meeting is to elect one individual to fill a Large Firm Governor seat on the FINRA Board of Governors (Board).<sup>1</sup>

It is important that all eligible large firms be represented by proxy or in person at the Special Meeting. Large 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 large firm eligible to vote in the election.

Large firms that are members of FINRA as of the close of business on Friday, October 7, 2022 (the Special Meeting record date), are eligible to vote in this election.

**Note: This *Election Notice* was mailed and sent electronically to the executive representative of all large firms. In addition, it is posted online at [www.finra.org/notices/election/101122](http://www.finra.org/notices/election/101122).**

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

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

### Election of Large Firm Governor

On August 9, 2022, FINRA announced the Large Firm Governor vacancy on the Board, FINRA's nominee, and the process by which interested individuals could seek petitions in support of their nomination to be included on the proxy.<sup>2</sup>

The FINRA Nominating & Governance Committee's Nominee is Penny Pennington, Managing Partner at Edward Jones. As there were no individuals who sought to become petition candidates, Ms. Pennington is running unopposed for the vacancy. Her biographical profile is attached.

### Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

## Term of Office

Governors serve three-year terms and may not serve more than two consecutive full terms. The elected candidate's term will begin immediately following the Special Meeting.<sup>3</sup>

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. FINRA's By-Laws expressly provide that the term of office of a governor shall terminate immediately upon a determination by the Board, by a majority vote of the remaining governors, that the governor no longer satisfies the classification for which the governor was elected and the governor's continued service would violate the compositional requirements of the Board set forth in the FINRA By-Laws.<sup>4</sup>

## Voting Eligibility

FINRA firms are eligible to vote for a candidate in the same size category as their own firm. Therefore, large firms registered with FINRA as of the close of business on Friday, October 7, 2022, are eligible to vote in this special election.<sup>5</sup> A proxy listing the candidate for election was mailed to the executive representative of each eligible large firm along with a copy of this *Election Notice*.

## Voting Methods

Firms may 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 Special 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, a quorum must be met of one-third of large firms voting. Therefore, as mentioned above, it is important that all large firms be represented at the Special Meeting. Executive representatives of large firms may receive telephone or email reminders during the election period. This will ensure that FINRA receives sufficient proxies to satisfy the Special 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 Special Meeting and voting in person. In addition, you may revoke any such proxy you give at any time before the Special 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 Special 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 Special Meeting. In their discretion, the named proxies will be authorized to vote upon all such other matters as may properly come before the Special Meeting or any adjournment or postponement thereof.

## Endnotes

1. This special election will fill the Large Firm Governor seat on the Board vacated by Christopher W. Flint upon his resignation on June 1, 2022.
2. See [Election Notice 08/09/22](#) (Special Election to Fill a FINRA Large Firm Governor Vacancy).
3. See Article VII, Section 5 of the FINRA By-Laws. 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.
4. See Article VII, Section 6 of the FINRA By-Laws.
5. A large firm is defined as a member firm that employs 500 or more registered persons. See Article I (y) of the FINRA By-Laws.

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## Attachment A: Profile of FINRA Large Firm Governor Nominee

### Penny Pennington

#### Edward Jones – Managing Partner

Penny Pennington is the managing partner of Edward Jones, a Fortune 500 financial services firm. As the sixth managing partner in the firm's 100-year history, Penny is responsible for the firm's strategic direction, leading the firm's Enterprise Leadership Team and working together with more than 50,000 associates across North America to make a positive impact in the lives of Edward Jones' clients, colleagues and communities. She was recently named No. 34 in her third appearance on the Fortune Most Powerful Women in Business list.

Penny began her Edward Jones career in 2000 as a financial advisor in Livonia, Mich. In 2006, she was named a principal and relocated to the firm's St. Louis headquarters where she held various leadership roles.

Penny earned a bachelor's degree in commerce with a concentration in finance from the University of Virginia and an MBA from Kellogg School of Management at Northwestern University. She is a graduate of Wharton's Securities Industry Institute and is a CFA charter holder.

She is an active member of the St. Louis community, serving on the boards of the Federal Reserve Bank of St. Louis, United Way of Greater St. Louis, the Donald Danforth Plant Science Center, Washington University in St. Louis Board of Trustees, the Whitaker Foundation and Executive Committee of the Chair's Council for Greater St. Louis, Inc. Penny also actively champions Edward Jones' national presenting sponsorship with the Alzheimer's Association.