

INFORMATIONAL

NAC Nominations

NASD Announces
Nomination Procedures
For Regional Industry
Member Vacancies On
The National
Adjudicatory Council;
**Nomination Deadline:
September 15, 2000**

SUGGESTED ROUTING

The Suggested Routing function is meant to aid the reader of this document. Each NASD member firm should consider the appropriate distribution in the context of its own organizational structure.

- Legal & Compliance
- Senior Management

KEY TOPICS

- National Adjudicatory Council

Executive Summary

The purpose of this *Special Notice to Members* is to advise members of the nomination procedures to fill three upcoming vacancies on the National Adjudicatory Council (NAC). The two-year terms of NAC regional Industry members from the North Region, South Region, and Central Region expire in January 2001. The current regional Industry members from these three regions are eligible to serve another two-year term.

Exhibit I contains a list of NAC regional Industry members whose terms expire in January 2001. Exhibit II contains a list of all NAC members. The procedures to fill the NAC regional Industry vacancies are outlined in Exhibit III. Also, a Candidate Profile Sheet is included in Exhibit IV.

Nomination Process

Members are encouraged to submit nominations for the upcoming NAC vacancies. To nominate a candidate, members should submit a cover letter and the Candidate Profile Sheet (Exhibit IV) to the appropriate Regional Nominating Committee Chair, the NASDRSM District Director, or National Association of Securities Dealers, Inc. (NASD[®]) Corporate Secretary (listed in Exhibit I) by **September 15, 2000**.

The Candidate Profile Sheets will be provided to all Regional Nominating Committee members for review. On or about **October 6, 2000**, the Regional Nominating Committees will provide NASD members with written notice of NAC candidates the Committee proposes for nomination to the National Nominating Committee. Pursuant to Article V, Section 5.3(a) of the NASD Regulation By-Laws, the

NASD National Nominating Committee shall nominate all candidates for the NAC for subsequent appointment by the Board.

Questions/Further Information

Questions concerning this *Special Notice to Members* may be directed to the District Directors listed in Exhibit I or to Joan C. Conley, Senior Vice President and Corporate Secretary, NASD, at (202) 728-8381 or via e-mail at: joan.conley@nasd.com.

**National Adjudicatory Council
Membership And Function****Membership**

The NAC consists of 14 members—seven Industry members and seven Non-Industry members. Exhibit II contains a list of all NAC members. Two Industry members are appointed by the NASD National Nominating Committee as at-large members. Five Industry members each represent one of the following geographic regions:

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, Western New York state, and Wisconsin.

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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 and Western New York state).

New York: New York City.

We are seeking nominations for the North, South, and Central Regions.

Function

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

- appeals or reviews of disciplinary proceedings, statutory disqualification proceedings, or membership proceedings;
- the review of offers of settlement; letters of acceptance, waiver, and consent; and minor rule violation plan letters;

- the exercise of exemptive authority; and
- other proceedings or actions authorized by the Rules of the Association.

The NAC also considers and makes recommendations to the Board on enforcement policy and rule changes relating to the business and sales practices of NASD members and associated persons.

EXHIBIT I
NAC Industry Members With Terms Expiring In January 2001

South Region (Districts 5, 6, and 7)

NAC Incumbent: Raymond E. Wooldridge, Southwest Securities, Inc.

If you are interested in nominating yourself or a colleague to represent the South Region for a two-year term on the NAC, please submit a cover letter and a completed Candidate Profile Sheet (Exhibit IV) to any of the following individuals by **September 15, 2000**.

Frederick W. McGinnis, Regional Nominating Committee Chair
PaineWebber, Inc.
777 N. Eldridge Parkway, Suite 400
Houston, TX 77079-4496 (281) 589-4520

Warren A. Butler, Jr. District 5 Director 1100 Poydras Street Energy Centre, Ste 850 New Orleans, LA 70163-0802 (504) 522-6527	Bernerd Young District 6 Director 12801 N. Central Expressway #1050 Dallas, TX 75243 (972) 701-8554	Alan M. Wolper District 7 Director One Securities Centre Suite 500 3490 Piedmont Rd, NE Atlanta, GA 30305 (404) 239-6100	Joan C. Conley Senior Vice President and Corporate Secretary 1735 K Street NW Washington, D.C. 20006 (202) 728-8381
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Central Region (Districts 4 and 8)

NAC Incumbent: Timothy P. Henahan, Baker & Co., Inc.

If you are interested in nominating yourself or a colleague to represent the Central Region for a two-year term on the NAC, please submit a cover letter and a completed Candidate Profile Sheet (Exhibit IV) to any of the following individuals by **September 15, 2000**.

Alan Newman, Regional Nominating Committee Chair
J.J.B. Hilliard, W.L. Lyons, Inc.
329 Main Street
Evansville, IN 47708 (812) 428-1481

Thomas D. Clough District 4 Director 120 W. 12th Street Suite 900 Kansas City, MO 64105 (816) 421-5700	Carlotta A. Romano District 8 Director 10 South LaSalle 20th Floor Chicago, IL 60603-1002 (312) 899-4400	William H. Jackson, Jr. District 8 Director Renaissance on Playhouse Square 1350 Euclid Avenue Suite 650 Cleveland, OH 44115 (216) 694-4545	Joan C. Conley Senior Vice President and Corporate Secretary 1735 K Street NW Washington, D.C. 20006 (202) 728-8381
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North Region (Districts 9 and 11)

NAC Incumbent: Richard J. DeAgazio, Boston Capital Services, Inc.

If you are interested in nominating yourself or a colleague to represent the North Region for a two-year term on the NAC, please submit a cover letter and a completed Candidate Profile Sheet (Exhibit IV) to any of the following individuals by **September 15, 2000**.

A. Louis Denton, Regional Nominating Committee Chair
Philadelphia Corporation for Investment Services
One Liberty Place, Suite 3050
Philadelphia, PA 19103
(215) 419-6410

Gary K. Liebowitz
District 9 Director
581 Main Street, 7th floor
Woodbridge, NJ 07095
(732) 596-2000

John P. Nocella
District 9 Director
11 Penn Center
1835 Market Street
Suite 1900
Philadelphia, PA 19103
(215) 665-1180

Fred McDonald
District 11 Director
260 Franklin Street
16th Floor
Boston, MA 02110
(617) 261-0800

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

EXHIBIT II
NAC Members

Mary E.T. Beach
Attorney

Robert J. Birnbaum
Attorney

Herbert H. Brown
Attorney

Joan Caridi
CS First Boston

Nicholas C. Cochran
NAC Chairperson
American Investors Company

Richard J. DeAgazio
Boston Capital Services, Inc.

David A. DeMuro
Lehman Brothers, Inc.

Timothy P. Henahan
Baker & Co., Inc.

Alice T. Kane
American General

Roberta S. Karmel
Kelley Drye & Warren LLP

Anthony B. Petrelli
Neidiger, Tucker, Bruner, Inc.

Mark A. Sargent
Villanova University School
of Law

Elliott J. Weiss
Charles E. Ares Professor
of Law
The University of Arizona

Raymond E. Wooldridge
Southwest Securities, Inc.

EXHIBIT III

2000 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 North Region, Central Region, and South Region 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 15, 2000**.
3. Nominees will be asked to complete a Candidate Profile Sheet 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. In proposing a candidate for nomination, the Regional Nominating Committee shall endeavor to secure appropriate and fair representation of the region.
5. On or about **October 6, 2000**, 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) the Regional Nominating Committees will propose to the National Nominating Committee 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 online *NASD Manual* at www.nasdr.com.

Special Notices to Members are published on an accelerated basis and distributed independently of monthly *Notices to Members* newsletters. Numerical sequencing may thus appear to contain gaps during a given monthly publication cycle. Such temporary gaps reflect a priority in the production process and will disappear at the conclusion of monthly electronic posting and print distribution.

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Notices to Members (December 1996 to current) are also available on the Internet at www.nasdr.com.

Date: ____/____/____

EXHIBIT IV

Candidate Profile Sheet

Current Employment

Name: _____ CRD#: _____

Firm: _____

Title: _____

Primary areas of responsibility: _____

Address: _____

City/state/zip: _____ No. of Registered People at Firm: _____

Phone: (____) _____ Fax: (____) _____ E-mail: _____

Prior Employment *(List the most recent first. Feel free to include extra pages if necessary.)*

Firm: _____

Title: _____

Primary areas of responsibility: _____

Address: _____

City/state/zip: _____

Dates employed: _____ No. of Registered People at Firm: _____

Firm: _____

Title: _____

Primary areas of responsibility: _____

Address: _____

City/state/zip: _____

Dates employed: _____ No. of Registered People at Firm: _____

General Areas of Expertise *(please check all that apply)*

- | | |
|---|--|
| ☐ Compliance/Legal | ☐ Corporate Finance |
| ☐ Financial & Regulatory Reporting | ☐ Institutional Sales |
| ☐ Investment Advisory | ☐ Operations |
| ☐ Retail Sales | ☐ Trading/Market Making |
| ☐ Other: _____ | |

Product Expertise *(please check all that apply)*

- | | |
|---|--|
| ☐ Corporate Bonds | ☐ Direct Participation Programs |
| ☐ Equity Securities | ☐ Government Securities |
| ☐ Investment Company | ☐ Municipal Securities |
| ☐ Options | ☐ Variable Contracts Securities |
| ☐ Other: _____ | |

Memberships/Positions Held in Trade or Business Organizations

Past NASD Experience and Dates of Service *(please check all that apply)*

- ☐ Committee Member (Identify committee: _____) Dates served: _____
- ☐ Arbitrator Dates served: _____ ☐ Mediator Dates served: _____
- ☐ Other: _____ Dates served: _____

Educational Background

School: _____ Degree: _____

School: _____ Degree: _____