

Special Notice to Members

JUNE 2005

SUGGESTED ROUTING

Executive Representatives
Legal & Compliance
Operations
Registration
Senior Management

KEY TOPICS

District Elections

GUIDANCE

District Elections

NASD Informs Members of Upcoming District Committee and District Nominating Committee Elections

Executive Summary

The purpose of this *Special Notice to Members* is to inform members of the upcoming nomination and election process to fill forthcoming vacancies on NASD District Committees and District Nominating Committees.

Information on District Committee and District Nominating Committee members currently serving through 2006, 2007, and 2008 is included in Attachment A. Information on District Election Procedures is included in Attachment B. A blank candidate profile sheet is also included (Attachment C).

Background

The NASD District Committees serve an important role within NASD by supporting NASD's mission to regulate securities markets for the ultimate benefit and protection of investors. Among other things, District Committee members:

- ♦ Alert staff to industry trends that could be a potential regulatory concern.
- ♦ Consult with NASD staff on proposed policies and rule changes brought to a District Committee for its views.
- ♦ Serve on Disciplinary Panels in accordance with NASD Rules.
- ♦ Promote NASD's mission and stated positions.

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.
- ◆ Fostering member interest and participation in NASD.
- ◆ Educating members in their District on the work of NASD.
- ◆ Attending regularly and participating professionally, effectively, and in a collegial manner in District Committee meetings.
- ◆ Remaining objective and unbiased in the performance of District Committee matters.

Committee members must also adhere to certain prohibitions and restrictions. These include:

- ◆ Refraining from serving as an expert witness in NASD disciplinary hearings or arbitrations.
- ◆ Being sensitive to conflicts, and refraining from participating in a particular matter when a conflict exists.
- ◆ Refraining from using membership on the District Committee for commercial purposes, or otherwise suggesting special access to NASD.
- ◆ Keeping sensitive, non-public, or propriety information confidential.

Nomination Process

Individuals from member firms of all sizes and segments of the industry are encouraged to submit names for consideration for membership on the 11 District Committees and District Nominating Committees. In this election, each District Committee will have three vacancies to fill, with the exception of District 10, which will have four.¹ The term of office for District Committee members is three years. Each District Nominating Committee will have five vacancies to fill for a one-year term. Persons who are interested in serving on the District Committee or the District Nominating Committee within their district must complete a candidate profile sheet (Attachment C) and submit it by hand delivery, courier service, mail, or facsimile to the District Director. Completed candidate profile sheets must be received by the District Director on or before July 29, 2005. Persons who submit candidate profile sheets after this date will not be considered. NASD encourages current and former committee members to assist NASD by soliciting candidates for both committees.

Article VIII, Sections 8.2 and 8.9 of the NASD Regulation By-Laws (By-Laws) establish formal eligibility requirements for members of the District Committee and District Nominating Committee. They provide that such members:

- 1) Be employed by an NASD member eligible to vote in the district for District Committee elections;² and
- 2) Work primarily from such NASD member's principal office or a branch office that is located within the district where the member serves on a District Committee or District Nominating Committee.

Completed nomination forms that are received by July 29, 2005, will be provided to all members of the appropriate District Nominating Committee for review. It is anticipated that on or before September 9, 2005, each District Director, acting on behalf of the District Nominating Committee, will notify the Secretary of NASD of each candidate nominated by the District Nominating Committee and the committee to which the candidate is nominated.

Members are reminded of the importance to accurately maintain their Executive Representative name and email address information, as well as their firm's main postal address. This will ensure that member mailings, such as election information, will be properly directed. Failure to keep this information accurate may jeopardize the member's ability to participate in District elections as well as other member votes. To update the Executive Representative name and email address, firms should access the NASD Contact System, located on NASD's Web site at www.nasd.com/ncs.

To update postal address information, the firm must file a Form BD Amendment via the Web CRD system. For assistance updating either of these systems, you may contact our Call Center at (301) 590-6500.

Questions/Further Information

Questions concerning this *Special Notice* may be directed to the District Director noted, or to Barbara Z. Sweeney, Senior Vice President and Corporate Secretary, NASD, at (202) 728-8062 or via email at barbara.sweeney@nasd.com.

Endnotes

- 1 In some cases, a District Committee may have additional vacancies to fill if a member of the District Committee has resigned since the last election, as indicated in Attachment A.
- 2 NASD will be filing with the Securities and Exchange Commission, for immediate effectiveness, an amendment to Article VIII of the By-Laws to modify the eligibility requirements for membership on the District Committee and District Nominating Committee by providing that candidates must be "registered with" rather than "employed by" an NASD member. The rationale for this change is that any person who engages in the investment banking or securities business of a member must be registered with NASD and be an associated person of that member. There is, however, no requirement that associated persons be employees. They may, in

fact, operate for employment law purposes as independent contractors. The staff believes the requirement of being "registered with" as opposed to "employed by" the member more accurately aligns the candidacy requirements with the qualification of persons who may represent a member.

NASD also will be filing a second change to Article VIII to permit each District Nominating Committee, at the time it nominates its slate of nominees, to identify one alternate nominee for the District Committee and one alternate nominee for the District Nominating Committee who will, in an uncontested election, replace a member of the slate of nominees who withdraws or is otherwise determined to be ineligible.

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ATTACHMENT A

District 1 Committee and District Nominating Committee Members

Elisabeth P. Owens, District Director

525 Market Street, Suite 300, San Francisco, CA 94105

(415) 882-1201

(415) 546-6991 fax

District 1 Committee—Chair: Francis X. Roche, II

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Warren E. Gordon	Charles Schwab & Co., Inc.	San Francisco, CA
William P. Hayes	Wells Fargo Investments, LLC	San Francisco, CA
Francis X. Roche, II	RBC Dain Rauscher, Inc.	San Francisco, CA

Committee members to serve until January 2007

William A. Evans	Stone & Youngberg, LLC	San Francisco, CA
Mansoor Kisat	Citigroup Global Markets, Inc.	Santa Rosa, CA
Arthur E. Raitano	Hoefer & Arnett, Incorporated	San Francisco, CA

Committee members to serve until January 2008

Howard Bernstein	Pacific Growth Equities, LLC	San Francisco, CA
Bruce Nollenberger	Nollenberger Capital Partners, Inc.	San Francisco, CA
Daniel W. Roberts	Roberts & Ryan Investments Inc.	San Francisco, CA

District 1 Nominating Committee—Chair: L. Robert McKulla

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Nicholas C. Cochran	American Investors Company	San Ramon, CA
L. Robert McKulla	Wachovia Securities	Walnut Creek, CA
Robert A. Muh	Sutter Securities, Inc.	San Francisco, CA
G. Stuart Spence	UBS Financial Services, Inc.	San Francisco, CA
Samuel Yates	RBC Dain Rauscher	San Francisco, CA

District 2 Committee and District Nominating Committee Members

Lani M. Sen Woltmann, District Director

300 South Grand Avenue, Suite 1600, Los Angeles, CA 90071

(213) 613- 2601
(213) 617-3299 fax

District 2 Committee — Chair: Don S. Dalis

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

A. William Cohen	Integrated Trading and Investments, Inc.	Las Vegas, NV
Don S. Dalis	UBS	Newport Beach, CA
Ismael Manzanares, Jr.	Foresters Equity Services, Inc.	San Diego, CA

Committee members to serve until January 2007

Stephen B. Benton	Financial Network Investment Corporation	El Segundo, CA
James M. S. Dillahunty	Fixed Income Securities, LLC	San Diego, CA
John D. Lewis	JDL Securities Corp.	Newport Beach, CA

Committee members to serve until January 2008

Kenneth R. Hyman	Partnervest Securities, Inc.	Santa Barbara, CA
Bryan R. Plank	Merrill Lynch	San Diego, CA
Valorie Seyfert	CUSO Financial Services, L.P.	San Diego, CA

District 2 Nominating Committee—Chair: Richard B. Gunter

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Richard B. Gunter	Wedbush Morgan Securities	Los Angeles, CA
James E. Biddle	The Securities Center Incorporated	Chula Vista, CA
Terry L. Chase	Wachovia Securities, Inc.	Pasadena, CA
James R. Kruger ¹	Crowell, Weedon & Co.	Los Angeles, CA
Joel H. Ravitz	Quincy Cass Associates	Los Angeles, CA

¹ Mr. Kruger was appointed to fill a vacancy created by the resignation of Steven K. McGinnis. Mr. Kruger's term expires in January 2006.

District 3 Committee and District Nominating Committee Members

Joseph M. McCarthy, District Director

370 17th Street, Suite 2900

Denver, CO 80202

(303) 446-3100

(303) 620-9450 fax

James G. Dawson, District Director

Two Union Square, 601 Union Street, Suite 1616

Seattle, WA 98101-2327

(206) 624-0790

(206) 623-2518 fax

District 3 Committee—Chair: Bridget M. Gaughan

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Gene G. Branson	Partners Investment Network, Inc.	Spokane, WA
Bridget M. Gaughan	SunAmerica Securities, Inc.	Phoenix, AZ
John W. Goodwin	Goodwin Browning & Luna Securities, Inc.	Albuquerque, NM

Committee members to serve until January 2007

Curtis J. Hammond	Morgan Stanley Dean Witter Inc.	Bellevue, WA
J. Keith Kessel	AFS Brokerage, Inc.	Greenwood Village, CO
Arlene M. Wilson	D.A. Davidson & Co.	Great Falls, MT

Committee Members to serve until January 2008

Kathryn M. Dominick	TCAdvisors Network Inc.	Englewood, CO
Craig A. Jackson	Northwest Consulting, LLC	Roseburg, OR
Harry L. Striplin	Paulson Investment Company, Inc.	Portland, OR

District 3 Nominating Committee—Chair: Kathryn A. Supko

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Gregory R. Anderson	MCL Financial Group, Inc.	Denver, CO
Elyssa S. Baltazar	Smith Barney	Denver, CO
Thomas R. Hislop	Peacock, Hislop, Staley & Given, Inc.	Phoenix, AZ
Clarence Fredrick Roed	McAdams Wright Ragen, Inc.	Bellevue, WA
Kathryn A. Supko	Northwestern Mutual Investment Services, LLC	Boise, ID

District 4 Committee and District Nominating Committee Members

Thomas D. Clough, District Director

120 West 12th Street, Suite 900, Kansas City, MO 64105

(816) 802-4708
(816) 421-5029 fax

District 4 Committee—Chair: Deborah M. Castiglioni

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Michael D. Burns	USAllianz Securities, Inc.	Minneapolis, MN
Deborah M. Castiglioni	Cutter & Company, Inc.	Chesterfield, MO
Kevin P. Maas	PrimeVest Financial Services, Inc.	St. Cloud, MN

Committee members to serve until January 2007

Joseph D. Fleming	Piper Jaffray & Co.	Minneapolis, MN
Mark T. Lasswell	Wells Fargo Brokerage Services, LLC	Minneapolis, MN
Vacancy ²		

Committee members to serve until January 2008

Allen J. Moore	SMITH HAYES Financial Services	Lincoln, NE
Stephen R. Oliver	Gold Capital Management, Inc.	Overland Park, KS
Minoo Spellerberg	Princor Financial Services Corporation	Des Moines, IA

District 4 Nominating Committee—Chair: Pamela R. Ziermann

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Frank H. Kirk	Wachovia Securities, LLC	Kansas City, MO
Jeffrey A. Schuh	Residential Funding Securities Corporation	Minneapolis, MN
James H. Warner	The Warner Group	Sioux City, IA
Pamela R. Ziermann	Dougherty & Company LLC	Minneapolis, MN
Vacancy ³		

² This vacancy was created by the resignation of Richard M. Hurwitz. The term expires in January 2007.

³ This vacancy was created by the resignation of Timothy J. Lyle. The term expires in January 2006.

District 5 Committee and District Nominating Committee Members

Warren A. Butler, Jr., Regional Director

1100 Poydras Street, Energy Centre, Suite 850
New Orleans, LA 70163

(504) 522-6527
(504) 522-4077 fax

District 5 Committee—Chair: Carolyn R. May

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

John J. Dardis	Jack Dardis & Associates, Ltd.	Metairie, LA
Carolyn R. May	Simmons First Investment Group, Inc.	Little Rock, AR
F. Eugene Woodham	Sterne, Agee & Leach, Inc.	Birmingham, AL

Committee members to serve until January 2007

Jennifer Carty Scola	Carty & Company, Inc.	Memphis, TN
R. Patrick Shepherd	Avondale Partners, L.L.C.	Nashville, TN
Donald Winton	Crews & Associates, Inc.	Little Rock, AR

Committee members to serve until January 2008

Philip J. Dorsey	Dorsey & Company, Inc.	New Orleans, LA
Fred G. Eason	Delta Trust Investments, Inc.	Little Rock, AR
Harold L. Gladney	Vining Sparks IBG, L.P.	Memphis, TN

District 5 Nominating Committee—Chair: David A. Knight

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

David A. Knight	Stephens Inc.	Little Rock, AR
LeRoy H. Paris, II	InvestLinc Securities, LLC	Jackson, MS
Tom R. Steele	Equitable Advisors, Inc.	Nashville, TN
David W. Wiley, III	Wiley Bros., Aintree, LLC	Nashville, TN
John J. Zollinger, III	Morgan Keegan & Company, Inc.	New Orleans, LA

District 6 Committee and District Nominating Committee Members

Virginia F. M. Jans, District Director

12801 N. Central Expressway, Suite 1050, Dallas, TX 75243

(972) 701-8554
(972) 716-7646 fax

District 6 Committee—Chair: John R. Muschalek

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Brent T. Johnson	Multi-Financial Securities Corporation	Houston, TX
John R. Muschalek	First Southwest Company	Dallas, TX
Robert L. Nash	Southwest Securities, Inc.	Dallas, TX

Committee members to serve until January 2007:

Karen Banks	Frost Brokerage Services, Inc.	San Antonio, TX
Cynthia E. Besek	Maplewood Investment Advisors, Inc.	Dallas, TX
Sennett Kirk, III ⁴	Kirk Securities Corporation	Denton, TX

Committee members to serve until January 2008

Bryan T. Emerson	Starlight Investments, LLC	Houston, TX
William H. Lowell	Lowell & Co., Inc.	Lubbock, TX
Michael A. Pagano	1st Global Capital Corp.	Dallas, TX

District 6 Nominating Committee—Chair: William B. Madden

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Christoper R. Allison	M.E. Allison & Co., Inc.	San Antonio, TX
William B. Madden	Madden Securities Corporation	Dallas, TX
V. Keith Roberts	Stanford Group Company	Houston, TX
David W. Turner	Wachovia Securities, Inc.	Fort Worth, TX
Vacancy ⁵		

⁴ Mr. Kirk resigned from the District 6 Nominating Committee and was appointed to fill a vacancy on the District 6 Committee created by the resignation of Darryl W. Traweek. Mr. Kirk must stand for election to serve out the remaining term on the District 6 Committee, which expires in January 2007.

⁵ This vacancy was created by the resignation of Sennett Kirk, III. The term expires in January 2006.

District 7 Committee and District Nominating Committee Members

Daniel J. Stefek, District Director

One Securities Centre, Suite 500, 3490 Piedmont Road
NE, Atlanta, GA 30305

(404) 239-6128
(404) 237-9290 fax

District 7 Committee—Chair: Dennis S. Kaminski

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Joseph B. Gruber	FSC Securities Corporation	Atlanta, GA
Dennis S. Kaminski	Mutual Service Corporation	West Palm Beach, FL
James A. Klotz	FMSBonds, Inc.	North Miami Beach, FL

Committee members to serve until January 2007

Susan J. Hechtlinger	Banc of America Investment Services, Inc.	Charlotte, NC
Landrum H. Henderson, Jr.	Legg Mason Wood Walker, Inc.	Charlotte, NC
Alan L. Maxwell, Jr.	Wachovia Capital Markets, LLC	Charlotte, NC

Committee members to serve until January 2008

Erick R. Holt, Esq.	AMVESCAP	Atlanta, GA
William G. McMaster	Scott & Stringfellow, Inc.	Columbia, SC
Charles F. O'Kelley	Atlantic Coast Securities Corporation	Tampa, FL

District 7 Nominating Committee—Chair: Kenneth W. McGrath

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Jeffrey P. Adams	Balentine & Company	Atlanta, GA
Richard G. Averitt, III	Raymond James Financial Services, Inc.	St. Petersburg, FL
Kenneth W. McGrath	Popular Securities, Inc.	Hato Rey, PR
Richard V. McGalliard	Wachovia Securities, Inc.	Atlanta, GA
Roark A. Young	Young, Stovall and Company	Miami, FL

District 8 Committee and District Nominating Committee Members

Carla A. Romano, District Director

55 West Monroe Street, Suite 2700, Chicago, IL 60603

(312) 899-4324
(312) 606-0742 fax

District 8 Committee—Chair: Thomas M. McDonald

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Wilbur H. Burch	Newbridge Securities Corporation	Saginaw, MI
Thomas M. McDonald	Wayne Hummer Investments, L.L.C.	Chicago, IL
James J. Roth	Pershing A BNY Securities Group Co.	Oak Brook, IL

Committee members to serve until January 2007

Michael E. Bosway	City Securities Corporation	Indianapolis, IN
Mari Buechner ⁶	Coordinated Capital Securities, Inc.	Madison, WI
Robert J. Michelotti	Ferris, Baker Watts Incorporated	Auburn Hills, MI

Committee members to serve until January 2008

Richard M. Arceci	ValMark Securities, Inc.	Akron, OH
Ronald J. Dieckman	J.J.B. Hilliard, W.L. Lyons, Inc.	Louisville, KY
Julie E. Vander Weele	Mesirow Financial, Inc.	Chicago, IL

District 8 Nominating Committee—Chair: Bruce J. Young

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Bernard A. Breton	Carillon Investments, Inc.	Cincinnati, OH
William K. Curtis	M & I Brokerage Services, Inc.	Milwaukee, WI
Carol P. Foley	Podesta & Company	Chicago, IL
Gregory W. Goelzer	Goelzer Investment Management	Indianapolis, IN
Bruce J. Young	Mesirow Financial, Inc.	Chicago, IL

⁶ Ms. Buechner was appointed to fill a vacancy created by the resignation of Lora Rosenbaum. Ms. Buechner must stand for election to serve out the remaining term, which expires in January 2007.

District 9 Committee and District Nominating Committee Members

John P. Nocella, District Director

1835 Market Street, Suite 1900
Philadelphia, PA 19103
(215) 963-1992
(215) 496-0434 fax

Gary K. Liebowitz, District Director

581 Main Street, 7th Floor
Woodbridge, NJ 07095
(732) 596-2025
(732) 596-2001 fax

District 9 Committee—Chair: W. Dean Karrash

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Richard Grobman	Oppenheimer & Co. Inc.	Philadelphia, PA
W. Dean Karrash	Burke, Lawton, Brewer & Burke	Spring House, PA
Gregg A. Kidd	Pinnacle Investments Inc.	East Syracuse, NY
Jerome J. Murphy	Janney Montgomery Scott LLC	Philadelphia, PA

Committee members to serve until January 2007

Peter P. Jenkins	Credit Suisse First Boston LLC	Baltimore, MD
Harold N. Peremel	Peremel & Co., Inc.	Baltimore, MD
Vacancy ⁷		

Committee member to serve until January 2008

Scott L. Fagin	The Jeffrey Matthews Financial Group, L.L.C.	Millburn, NJ
Rebecca L. Kohler	Fidelity Investments Tax-Exempt Services Co.	Roanoke, VA
Vacancy ⁸		

District 9 Nominating Committee—Chair: J. Lee Keiger, III

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

James E. Bickley	Cresap, Inc.	Horsham, PA
J. Lee Keiger, III	Davenport & Company, LLC	Richmond, VA
Michael S. Mortensen	PNC Investments	Pittsburgh, PA
Michael B. Row	Pershing LLC	Jersey City, NJ
Howard B. Scherer	Janney Montgomery Scott LLC	Philadelphia, PA

⁷ This vacancy was created by the resignation of Barry M. Cash. The term expires in January 2007.

⁸ This vacancy was created by the resignation of Dorothy G. Sanders. The term expires in January 2008.

District 10 Committee and District Nominating Committee Members

Hans L. Reich, Regional Director

One Liberty Plaza, 49th Floor, 165 Broadway, New York, NY 10006 (212) 858-4180
(212) 858-4189 fax

District 10 Committee—Chair: Richard J. Paley

Members to be elected to terms expiring January 2009: 4

Committee members to serve until January 2006

Margaret M. Caffrey	Schonfeld & Company, LLC	Jericho, NY
Raymond C. Holland, Sr.	Triad Securities Corp.	New York, NY
Andrew H. Madoff	Bernard L. Madoff Investment Services LLC	New York, NY
Richard J. Paley	Carey Financial Corporation	New York, NY

Committee members to serve until January 2007

Richard Berenger	Sky Capital, LLC	New York, NY
Lon T. Dolber	American Portfolios Financial Services, Inc.	Holbrook, NY
George T. Mimura	Nomura Securities International, Inc.	New York, NY
Howard R. Plotkin	Lehman Brothers Inc.	New York, NY

Committee members to serve until January 2008

Vincent A. Buchanan	Buchanan Associates, Inc.	New York, NY
Clifford H. Goldman	Marco Polo Securities Inc.	New York, NY
Jeffrey T. Letzler	Instinet, LLC	New York, NY
Howard Spindel	Integrated Management Solutions	New York, NY

District 10 Nominating Committee—Chair: Charles V. Senatore

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

William Behrens	Northeast Securities, Inc.	New York, NY
Jennifer A. Connors	Lehman Brothers Inc.	New York, NY
Mark W. Ronda	Oppenheimer & Co. Inc.	New York, NY
Charles V. Senatore	Fidelity Brokerage Services, LLC	New York, NY
Vacancy ⁹		

⁹ This vacancy was created by the resignation of Ruth S. Goodstein. The term expires in January 2006.

District 11 Committee and District Nominating Committee Members

Frederick F. McDonald, District Director

99 High Street, Suite 900, Boston, MA 02110

(617) 532-3401

(617) 451-3524 fax

District 11 Committee—Chair: Mark R. Hansen

Members to be elected to terms expiring January 2009: 3

Committee members to serve until January 2006

Mark R. Hansen	State Street Global Markets, LLC	Boston, MA
Lee G. Kuckro	Advest, Inc.	Hartford, CT
Wilson G. Saville	Barrett & Company	Providence, RI

Committee members to serve until January 2007

David K. Booth	Jefferson Pilot Securities Corp.	Concord, NH
Thomas F. Hollenbeck	J.P. Morgan Invest, LLC	Boston, MA
Curtis L. Snyder, Jr.	American Technology Research, Inc.	Greenwich, CT

Committee members to serve until January 2008

Frank L. Chandler	Boston Capital Services, Inc.	Boston, MA
Joseph Gritzer	USI Securities, Inc.	Glastonbury, CT
Moirra Lowe	Tower Square Securities, Inc.	Hartford, CT

District 11 Nominating Committee—Chair: John I. Fitzgerald

Members to be elected to terms expiring January 2007: 5

Committee members to serve until January 2006

Michael C. Braun	Moors & Cabot, Inc.	Boston, MA
Andrew F. Detwiler	Vandham Securities Corp.	Boston, MA
John I. Fitzgerald	Leerink Swann & Company	Boston, MA
Gregory D. Teese	Equity Services, Inc.	Montpelier, VT
Peter T. Wheeler	Commonwealth Financial Network	Waltham, MA

ATTACHMENT B

Procedures for Electing District Committee and District Nominating Committee Members¹

1. Each NASD District shall maintain a District Nominating Committee in the manner specified in Article VIII of the By-Laws of NASD Regulation, Inc.
2. The Secretary of NASD has sent *Notice to Members 05-42* to each District Nominating Committee member and each District Director identifying the members of the District Committee and the District Nominating Committee whose terms expire in January 2006. The notice describes the election procedures to be followed in filling these positions.
3. The Secretary of NASD and the Corporate Communications Department will email a reminder to all members of their responsibility, and obligation, to keep current and accurate the information on their Executive Representatives. The email will contain a reference to the NASD Contact System, located on NASD's Web site at www.nasd.com/ncs, for changing a firm's Executive Representative name, email, and postal address. This email will note that failure to keep this information accurate may jeopardize the member's ability to participate in the district elections, as well as in other member votes.
4. The Secretary of NASD will send a *Notice to Members* announcing the forthcoming elections to the Executive Representative of all NASD members eligible to vote in each district. The *Notice to Members* will identify: (a) the number of positions that need to be filled in each district; and (b) the incumbent members of each District Committee. Persons who are interested in serving on the District Committee or the District Nominating Committee within their district must complete a candidate profile sheet and submit it by hand delivery, courier service, mail, or facsimile to the District Director. Completed candidate profile sheets must be received by the District Director on or before July 29, 2005. Persons who submit candidate profile sheets after this date will not be considered.

Completed candidate profile sheets received by the District Director on or before July 29, 2005, will be provided to all members of the appropriate District Nominating Committee for review. During this stage of the election process, the District Nominating Committee identifies and solicits candidates to nominate for election to the District Committee and the District Nominating Committee.

¹ NASD will be filing with the Securities and Exchange Commission, for immediate effectiveness, amendments to Article VIII of the By-Laws relating to District Committee and District Nominating Committee elections to: (1) clarify the eligibility requirements for membership on the District Committee and District Nominating Committee by providing that candidates must be "registered with," rather than "employed by," an NASD member; and (2) permit each District Nominating Committee, at the time it nominates its slate of nominees, to identify one alternate nominee for the District Committee and one alternate nominee for the District Nominating Committee who will, in an uncontested election, replace a member of the slate of nominees who withdraws or is otherwise determined to be ineligible.

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5. Soon after the expiration of the time allotted in the *Notice to Members* to submit names and candidate profile sheets for consideration, the District Nominating Committee will meet to determine its slate of candidates for the election. NASD staff will provide the District Nominating Committee members with information considered to be relevant to the nomination process, including:
 - ▶ analytical data pertaining to the district's membership; and
 - ▶ candidate profile sheets.
 6. In determining its slate of candidates for the election, the District Nominating Committee will review the background and qualifications of the proposed candidates, and endeavor to secure appropriate and fair representation on the District Committee and on the District Nominating Committee of the various sections of the district and various classes and types of NASD members engaged in the investment banking or securities business within the district. The slate must include the same number of nominees as there are positions to be filled on the District Committee and the District Nominating Committee.
 7. On or before September 9, 2005, the District Director, acting on behalf of the District Nominating Committee, will notify the Secretary of NASD of each candidate nominated by the District Nominating Committee and the committee to which the candidate is nominated.
 8. On or before October 1, 2005, the Secretary of NASD will send a *Notice to Members* to the District Committees and the Executive Representatives of NASD members eligible to vote in each district, identifying the nominees for the District Committees and the District Nominating Committees.

If the District Nominating Committee nominates the same number of nominees as there are positions to be filled on the District Committee and the District Nominating Committee and no additional candidate comes forward by delivering written notice to the appropriate District Director within 14 calendar days after the date of the *Notice to Members* identifying the nominees, the candidates nominated by the District Nominating Committee are considered duly elected.

9. If a person who is otherwise eligible to serve on the District Committee or the District Nominating Committee was not nominated by the District Nominating Committee and wants to be considered for election as an additional candidate, he/she must notify the District Director in writing within 14 calendar days after the date of the *Notice to Members* referenced in item 8 above. The District Director must make a written record of the time and date of the receipt of such notification.
10. Promptly following receipt of the additional candidate's timely notice, the Secretary of NASD will provide to the additional candidate a list of all NASD members eligible to vote in the district, their mailing addresses, and their Executive Representatives.
11. An additional candidate is considered nominated if a petition signed by the Executive Representative of at least 10 percent of the NASD members eligible to vote in the district is filed with the District Nominating Committee within 30 calendar days after the mailing date of the list to the additional candidate referenced in item 10 above.

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12. If an additional candidate secures the required petition within the 30-day designated timeframe, the election is considered a contested election. The Secretary of NASD will send a *Notice to Members* to the Executive Representatives of NASD members eligible to vote in the district announcing the names of all candidates and describing the contested election procedures.

Additional information pertaining to the District Committee and District Nominating Committee Election Procedures may be found in Article VIII of the By-Laws of NASD Regulation.

ATTACHMENT C Candidate Profile Sheet**Current Registration**

Name:	CRD#:	
Firm:	#RRs at Firm:	
Title/Primary Responsibility:		
Address:		
City:	State:	Zip:
Phone:	Fax:	
Email:		

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

Firm:
Title/Primary Responsibility:
Firm:
Title/Primary Responsibility:

General Areas of Expertise (please check all that apply)

- | | |
|---|---|
| ☐ Compliance/Legal | ☐ Investment Advisory |
| ☐ Corporate Finance | ☐ Retail Sales |
| ☐ Financial/Operational | ☐ Trading/Market Making |
| ☐ Institutional Sales | ☐ Other |

Product Expertise (please check all that apply)

- | | |
|---|---|
| ☐ Corporate Bonds | ☐ Investment Company |
| ☐ Direct Participation Programs | ☐ Options |
| ☐ Equity Securities | ☐ Variable Contracts Securities |
| ☐ Municipal/Government 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: _____)	Approx. Dates: _____
☐ Arbitrator	Approx. Dates: _____
☐ Mediator	Approx. Dates: _____
☐ Expert Witness (arbitrations; disciplinary proceedings):	Approx. Dates: _____
☐ Other:	Approx. Dates: _____

Educational Background

School: _____	Degree: _____
School: _____	Degree: _____