

# Election Notice

## Notice of FINRA District Committee Elections and Ballots

**Ballots Due: November 15, 2013**

### Executive Summary

The purpose of this *Notice* is to inform firms of the upcoming elections to fill vacancies on the FINRA District Committees and distribute ballots to the firms eligible to vote in these elections. Firms that are members of FINRA as of the close of business on Tuesday, October 15, 2013, are eligible to vote for the seat corresponding to their district and firm size.

Firms are urged to vote in this election using one of the methods described in this *Notice*. In order for a ballot to be considered valid, the executive representative of the firm eligible to vote in the election must sign it. Ballots are due by Friday, November 15, 2013.

The candidates running for election are listed in Attachment A to this *Notice*. Information about each candidate is available at [www.finra.org/district/candidateprofiles](http://www.finra.org/district/candidateprofiles).

The elected committee members will take office in January 2014.

A list of the current District Committee members is available at [www.finra.org/districtcommittees](http://www.finra.org/districtcommittees).

**Note:** This *Notice* was distributed electronically to the executive representative of each FINRA member firm and is posted on FINRA's website.

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

- ▶ Marcia Asquith, Senior Vice President and Corporate Secretary, at (202) 728-8949, or via email to [CorporateSecretary@finra.org](mailto:CorporateSecretary@finra.org);
- ▶ Jennifer Piorko Mitchell, Assistant Corporate Secretary, at (202) 728-8949, or via email to [jennifer.mitchell@finra.org](mailto:jennifer.mitchell@finra.org); or
- ▶ Chip Jones, Senior Vice President, Member Relations, at (240) 386-4797, or via email to [chip.jones@finra.org](mailto:chip.jones@finra.org).

**October 16, 2013**

### Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

## Background

The FINRA District Committees serve an important role in the self-regulatory process by, among other things:

- ▶ serving on disciplinary panels in accordance with FINRA rules;
- ▶ alerting FINRA to industry trends that could present regulatory concerns; and
- ▶ consulting with FINRA on proposed policies and rule changes.

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;
- ▶ educating firms in their district on the responsibilities of FINRA;
- ▶ attending regularly and participating in a collegial manner in District Committee meetings; and
- ▶ remaining objective and unbiased, regardless of the interest of their firm, in the performance of District Committee matters.

Committee members also must adhere to the following prohibitions and restrictions:

- ▶ being sensitive to conflicts, such as those that can arise from firm-related work and service on industry committees, or as an expert witness, hearing panelist or arbitrator, and refraining from participating in a particular matter when a conflict exists;
- ▶ refraining from using membership on the District Committee for commercial purposes, for qualifying as an expert or suggesting special access to FINRA; and
- ▶ keeping sensitive, non-public or proprietary information confidential.

## Candidate Nomination Process and Eligibility

All candidates who submitted their names and met the qualifications set forth in Article VIII, Section 8.2 of the FINRA Regulation By-Laws were included on their district's ballot.

## Terms of District Committee Members and Vacancies

The full term for District Committee members is three years. There is no limit on the number of terms that a member of a District Committee may serve, except that a District Committee member may not serve two full terms consecutively. Terms of District Committee members will terminate if they do not remain eligible for the seat for which they were elected.

Those individuals elected or appointed in this election will serve terms beginning on January 1, 2014.

### Full-Term Vacancies

In this election, the District Committees for Districts 1, 2, 3, 4, 5, 6, 7, 8, 9 and 11 each have two seats to fill: one representing small firms and one representing large firms.<sup>1</sup> District 10 has four seats to fill: two representing small firms and two representing large firms.

The individuals elected to fill these vacancies will serve a term expiring December 31, 2016.

### Partial-Term Vacancy

In addition to the vacancies listed above, Districts 1, 2 and 10 each have an additional vacancy to fill. District 1 has a small firm vacancy and District 2 has a mid-size firm vacancy to fill. The individuals elected or appointed will serve a one-year term expiring December 31, 2014. District 10 has a large firm vacancy to fill. The individual elected or appointed to fill this vacancy will serve a two-year term expiring December 2015.

Firm size categories are:

- ▶ small firm—a firm that employs at least one and no more than 150 registered persons;<sup>2</sup>
- ▶ mid-size firm—a firm that employs at least 151 and no more than 499 registered persons;<sup>3</sup> and
- ▶ large firm—a firm that employs 500 or more registered persons.<sup>4</sup>

## Candidates

Only one eligible individual submitted his or her name for consideration for the following seats:

- ▶ District 1 Small Firm Seat (one-year term)
- ▶ District 2 Large Firm Seat
- ▶ District 5 Small Firm Seat
- ▶ District 5 Large Firm Seat
- ▶ District 6 Large Firm Seat
- ▶ District 7 Small Firm Seat
- ▶ District 9 Large Firm Seat

Therefore, because the candidates for the above-listed seats are running unopposed, FINRA will not distribute ballots and the candidates will take office in January 2014.

FINRA will distribute ballots for the following seats for which more than one candidate qualified to be included on the ballot:

- ▶ District 2 Small Firm Seat
- ▶ District 3 Small Firm Seat
- ▶ District 3 Large Firm Seat
- ▶ District 4 Small Firm Seat
- ▶ District 4 Large Firm Seat
- ▶ District 6 Small Firm Seat
- ▶ District 7 Large Firm Seat
- ▶ District 8 Small Firm Seat
- ▶ District 8 Large Firm Seat
- ▶ District 9 Small Firm Seat
- ▶ District 10 Small Firm Seat
- ▶ District 11 Small Firm Seat
- ▶ District 11 Large Firm Seat

Additionally, no candidates self-nominated for the seats listed below. Therefore, in accordance with the by-laws, FINRA will not distribute ballots for these positions and individuals will be appointed to fill the following seats:<sup>5</sup>

- ▶ District 1 Small Firm Seat
- ▶ District 1 Large Firm Seat
- ▶ District 2 Mid-size Firm Seat
- ▶ District 10 Large Firm Seat
- ▶ District 10 Large Firm Seat (two-year term)

FINRA will announce the committee members once the appointments have been made.

## Voting Eligibility

Firms that are members of FINRA as of the close of business on Tuesday, October 15, 2013, are eligible to vote for candidates running for the seat corresponding to their firm size in the district in which it has its principal office and in districts where it has one or more registered branch offices as indicated in the Central Registration Depository®. For example, a firm headquartered in Atlanta with one branch office in New Jersey and nine branch offices in Boston would have one vote in District 7, one vote in District 9 and one vote in District 11.

Ballots have been mailed, along with a copy of this *Notice*, to the executive representatives of those firms eligible to vote in this election. Detailed voting instructions are included on the ballots.

## Voting Methods

Firms will be able to vote by telephone, the Internet or by U.S. mail. The ballot sent to eligible firms contains detailed instructions on the submission procedures. **Ballots are due on Friday, November 15, 2013.**

## Firm Contact Information

Firms are reminded to accurately maintain their executive representative's name and email address, as well as their firm's main postal address in the FINRA Contact System. This will ensure that important mailings, such as election information, are properly directed. A firm's failure to keep this information accurate may jeopardize the firm's ability to participate in elections.<sup>6</sup>

To update an executive representative name, mailing address and email address, firms may access the FINRA Contact System, via the Firm Gateway, at <https://firms.finra.org/fcs>. For assistance updating FCS, contact FINRA's Call Center at (301) 590-6500.

## Endnotes

1. On May 4, 2011, the SEC approved amendments to FINRA Regulation's By-Laws to, among other things, adjust the size and composition of District Committees to align more closely with the industry representation on the FINRA Board of Governors and replace District Nominating Committees with a process of direct nomination and election based on firm size. *See* Securities Exchange Act Release No. 64363 (April 28, 2011). The By-Law change adjusts the composition of the District Committees over a three-year transition period to align more closely with the industry representation by firm size on the Board of Governors. All District Committees except District 10 (New York) are adjusted from nine to seven members and District 10 is adjusted from 12 to 14 members. All currently serving District Committee members will serve out their original terms. Vacancies since the last election will not be filled because they entail partial terms that were not elected based on firm size.
2. *See* Article I (jj) of the FINRA Regulation By-Laws.
3. *See* Article I (aa) of the FINRA Regulation By-Laws.
4. *See* Article I (y) of the FINRA Regulation By-Laws.
5. *See* Article VIII, Sec. 8.8 of the FINRA Regulation By-Laws.
6. Under NASD Rule 1160, firms must 1) update their contact information promptly, but in any event not later than 30 days following any change in such information, as well as 2) review and, if necessary, update the information within 17 business days after the end of each calendar year. Additionally, firms must comply with any FINRA request for such information promptly, but in any event not later than 15 days following the request, or such longer period agreed to by FINRA staff. *See* NASD Rule 1160 and [\*Regulatory Notice 07-42\*](#) (September 2007).

## Attachment A—Candidates for District Committee Seats

Information about each candidate is available at [www.finra.org/district/candidateprofiles](http://www.finra.org/district/candidateprofiles).

Those individuals elected or appointed in this election will serve three-year terms unless otherwise noted.

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**District 1:** *Northern California (the counties of Monterey, San Benito, Fresno and Inyo, and the remainder of the state north or west of such counties), northern Nevada (the counties of Esmeralda and Nye), and the remainder of the state north or west of such counties) and Hawaii*

### Small Firm Representative Candidates

- None

### Small Firm Representative Candidate (one-year term)

- Adrian E. Dollard, Chief Operating Officer, Qatalyst Partners

### Large Firm Representative Candidates

- None

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**District 2:** *Southern California (that part of the state south or east of the counties of Monterey, San Benito, Fresno and Inyo), southern Nevada (that part of the state south or east of the counties of Esmeralda and Nye) and the former U.S. Trust Territories*

### Small Firm Representative Candidates

- Paul Meehl, CEO, Sprott Global Resource Investments Ltd.
- Sandy Pappalardo, Chief Operating Officer/Chief Compliance Officer/FINOP, Puplava Securities, Inc.

### Mid-Size Firm Representative Candidates (one-year term)

- None

### Large Firm Representative Candidate

- Mark Quinn, Chief Risk Officer, First Allied Securities, Inc.

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**District 3:** *Alaska, Arizona, Colorado, Idaho, Montana, New Mexico, Oregon, Utah, Washington and Wyoming*

**Small Firm Representative Candidates**

- Ronald Oleksak, Chief Compliance Officer, Thornburg Securities Corporation
- Alexis Vanden Bos, CCO, E.K. Riley Investments, LLC

**Large Firm Representative Candidates**

- Bernard A. Breton, VP & Chief Compliance Officer, Cetera Advisors LLC
- Carrie Fleisher, Vice President, Chief Risk & Compliance Officer, M Holdings Securities, Inc.

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**District 4:** *Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota*

**Small Firm Representative Candidates**

- Robert L. (Bob) Hamman, President/CCO, First Asset Financial Inc.
- Jessica Pastorino, President & CCO, M&A Securities Group, Inc.

**Large Firm Representative Candidates**

- Joseph C. Godfrey, Complex Managing Principal, Waddell & Reed, Inc.
- James M. Martin, Managing Director and Assistant General Counsel, Piper Jaffray & Co.
- Steve Melichar, Principal, Edward Jones
- Robert T. Mooney, Chief Compliance Officer, Wells Fargo Advisors, LLC
- Kelly M. Zigaitis, Chief Compliance Officer, Scottrade, Inc.

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**District 5:** *Alabama, Arkansas, Louisiana, Mississippi, Oklahoma and Tennessee*

**Small Firm Representative Candidate**

- John L. Terry, III, President/CEO, High Street Securities, Inc.

**Large Firm Representative Candidate**

- Mayo Woodward, Branch Manager, Ameriprise Financial Services, Inc.



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**District 6:** *Texas*

**Small Firm Representative Candidates**

- Ed Balsmann, Chief Compliance Officer, Tudor, Pickering, Holt & Co. Securities, Inc.
- Matthew Mowen, Chief Operating Officer, National Alliance Securities, LLC
- Barrett Schultz, Chief Compliance Officer, McNally Financial Services Corporation

**Large Firm Representative Candidate**

- Christopher Barton, Executive Director/Complex Manager, Morgan Stanley

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**District 7:** *Florida, Georgia, North Carolina, Puerto Rico, Panama, South Carolina, and the Virgin Islands*

**Small Firm Representative Candidates**

- David Weinberger, President/CFO/FINOP, CBG Financial Group, Inc.

**Large Firm Representative Candidates**

- Ken Bell, Vice President, Audit, Cetera Advisor Networks, LLC
- David G. Pittinos, Financial Advisor/Financial Planning, 1st Global Capital Corp.
- Charles Lambert White III, Complex Manager, Morgan Stanley

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**District 8:** *Illinois, Indiana, Kentucky, Michigan, Ohio and Wisconsin*

**Small Firm Representative Candidates**

- Ross M. Langill, Senior Managing Director—Syndicate, Regal Securities, Inc.
- Lisa L. Lauria, Co-CCO & Operations Manager, Thurston Springer Miller Herd & Titak, Inc.

**Large Firm Representative Candidates**

- Jeffery 'Jay' Bley, Chief Operating Officer, The O.N. Equity Sales Company
- Timothy P. Byrnes, Complex Manager, Morgan Stanley
- William Hayden, Chief Compliance Officer, Keybank Capital Markets Inc.
- Donald E. Merrifield, Senior V. P./Director of Taxable Fixed Income, J.J.B.Hilliard, W.L.Lyons, LLC

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**District 9:** *Delaware, the District of Columbia, Maryland, New Jersey, New York (except for the counties of Nassau and Suffolk, and the five boroughs of New York City), Pennsylvania, Virginia and West Virginia*

**Small Firm Representative Candidates**

- Peter M. Elish, President, Peter Elish Investments Securities
- Dale A. Pope, President, MerCap Securities, LLC
- Terri F. Rumans, Chief Compliance Officer, Sage Ruddy & Co., Inc.
- Steven D. Trigili, CAMS, Chief Compliance Officer, Garden State Securities, Inc.
- Rose L. Wilson, VP/Chief Compliance Officer, United Brokerage Services, Inc.

**Large Firm Representative Candidate**

- Michael J. Carroll, Regional President, Wells Fargo Advisors, LLC

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**District 10:** *New York (the counties of Nassau and Suffolk, and the five boroughs of New York City)*

**Small Firm Representative Candidates**

- Lew Breckenridge, Chief Compliance Officer, KKR Capital Markets
- Gordon Charlop, Ph.D., Managing Director, Rosenblatt Securities Inc.
- Chia Shin (Justin) Chen, Chief Compliance Officer, Banorte-Ixe Securities International, Ltd.
- Nina J. Ihnken, Vice President—Compliance, Abel/Noser Corp.
- Moses Silver, CEO, Kensington Capital Corp.
- Francis Treglia, CCO/Fin Op, SIG Brokerage LP

**Large Firm Representative Candidates**

- None

**Large Firm Representative Candidates (two-year term)**

- None

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**District 11:** *Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island and Vermont*

**Small Firm Representative Candidates**

- Mark Censale, President, Chief Compliance Officer, Mackie Research USA Inc.
- Lou D'Souza, Chief Compliance Officer, Cormark Securities (USA) Ltd.
- Earle F. Hollister, Compliance Manager, St. Germain Securites, Inc.
- Jennifer Hoopes, General Counsel, Funds Distributor, LLC
- Margaret S.C. Johns, Founder, Chairman, BLP Advisors, LLC
- Victoria Olson, Chief Compliance Officer, Forethought Distributors, LLC
- Jim Wallace, President, Advisor Direct

**Large Firm Representative Candidates**

- Norman L. Ashkenas, SVP, Chief Compliance Officer, Fidelity Brokerage Services, LLC
- John Cataldo, Chief Compliance Officer and Counsel, Investors Capital Corporation
- Steven Dean, VP, Senior Compliance Manager, CCO Investment Services Corp.

