

Election Notice

FINRA Small Firm Advisory Board Election

Nomination Deadline: October 7, 2016

Executive Summary

The purpose of this *Notice* is to inform FINRA Small Firm members¹ of the upcoming Small Firm Advisory Board (SFAB) election. One seat on the SFAB is up for election: a New York Region seat (District 10).

The SFAB provides guidance to FINRA staff, particularly regarding the potential impact of proposed regulatory initiatives on FINRA's small firms, and meets five times a year primarily in Washington, DC, prior to each FINRA Board of Governors meeting. SFAB members are expected to attend SFAB meetings in-person, and may be requested to attend certain regional, district and other FINRA meetings. Potential candidates should ensure that their other commitments will allow for their in-person attendance at all SFAB meetings.

Any eligible candidate wishing to have his or her name added to the ballot must submit the relevant information via the candidate profile form to the Corporate Secretary of FINRA no later than Friday, October 7, 2016. The candidate profile form is available online at www.finra.org/notices/SFABElection/090716 and as an attachment to this *Notice*.

On or about Wednesday, October 19, 2016, FINRA will mail the official *Election Notice* and ballots to the executive representatives of small firms in the New York Region to elect its regional representative on the SFAB. Voting will conclude in November 2016 and new members will take office in January 2017.

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

- ▶ Marcia E. Asquith, Senior Vice President and Corporate Secretary, FINRA, at (202) 728-8949;
- ▶ Jennifer Piorko Mitchell, Deputy Corporate Secretary, FINRA, at (202) 728-8949; or
- ▶ Chip Jones, Senior Vice President, Member Relations, FINRA, at (240) 386-4797.

September 7, 2016

Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

Composition of the FINRA Small Firm Advisory Board

The SFAB comprises 10 members, as follows:

- ▶ five regional members elected by small firms in the five FINRA regions (one from each region); and
- ▶ five at-large members appointed by FINRA.

Additionally, the FINRA Board's Small Firm Governors² serve as ex-officio members of the SFAB.

The five regional members represent the following geographic regions:

- ▶ **Midwest Region:** Illinois, Indiana, Iowa, Kansas, Kentucky, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin (Districts 4 and 8)
- ▶ **New York Region:** New York (Nassau and Suffolk Counties, Bronx, Brooklyn, New York County, Queens and Staten Island) (District 10)
- ▶ **North Region:** Connecticut, Delaware, the District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York (except for the counties of Nassau and Suffolk, and the five boroughs of New York City), Pennsylvania, Rhode Island, Vermont, Virginia and West Virginia (Districts 9 and 11)
- ▶ **South Region:** Alabama, Arkansas, Florida, Georgia, Louisiana, Mississippi, North Carolina, Oklahoma, Puerto Rico, Panama, South Carolina, Tennessee, Texas, and the Virgin Islands (Districts 5, 6 and 7)
- ▶ **West Region:** Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, Wyoming and the former U.S. Trust Territories (Districts 1, 2 and 3)

As mentioned above, one seat on the SFAB is up for election, a New York Region seat. Elections for the seats available in the Midwest and South will be held in 2017, and elections for seats available in the North and West Regions will be held in 2018.

Candidate Eligibility

Any senior member of a small firm whose primary place of business and whose firm has its main office (as indicated in FINRA records) in the New York Region is eligible to have his or her name placed on the SFAB ballot for that region. Senior members of firms include owners, chief executive officers, presidents, chief compliance officers, chief operating officers, the firm's FINOP or individuals of comparable status. There may be only one candidate per firm on the ballot.

Eligible individuals must complete the attached SFAB candidate profile form³ and submit it, through their firm's Executive Representative, to FINRA's Corporate Secretary. SFAB candidate profiles must be received by FINRA's Corporate Secretary no later than **Friday, October 7, 2016**.

FINRA's Corporate Secretary will confirm the firm's status as a small firm and the candidate's eligibility, and include certified candidates on the ballot. Individuals have a continuing obligation to satisfy the eligibility requirements, including the firm-size requirement on the date the candidacy is certified by the Corporate Secretary and the date the ballots are mailed. Individuals who fail to meet the eligibility requirements will be disqualified from election.

SFAB members must also continue to meet their qualifications for election at all times during their terms of office.

Voting Eligibility

FINRA small firms are eligible to vote for candidates running for the SFAB seat representing the region corresponding to the district to which they are assigned in the Central Registration Depository. Only those firms eligible to vote for the New York Region seats will receive ballots. The size of each firm and the location of each firm's main office will be verified on the day the ballots are mailed.

Firms may vote for only one candidate listed on the ballot.

Terms of SFAB Members

The successful candidate will be the individual who receives the most votes and will be elected to serve a three-year term.

The term of an SFAB member shall terminate immediately upon a determination by the SFAB, by a majority vote of the remaining members, that the member no longer satisfies the eligibility criteria. Additionally, the FINRA Board may remove from the SFAB, a member who is unable or fails to discharge the member's duties or violates SFAB policies.

Once an individual has completed a full three-year elected term on the SFAB, he or she is ineligible to run for re-election to the SFAB for another three years.

Endnotes

1. A small firm is defined as a firm that employs at least one and no more than 150 registered persons. See Article I (ww) of the FINRA By-Laws.
2. A Small Firm Governor is defined as a member of the FINRA Board elected by small firm members. In order to be eligible to serve, a Small Firm Governor must be registered with a member that is a small firm and must be an Industry Governor. See Article I (xx) of the FINRA By-Laws.
3. The SFAB candidate profile form is also available at www.finra.org/notices/SFABElection/090716.

ATTACHMENT A

Candidate Nomination and Profile Form — SFAB Election

Please complete all sections on both pages and email this document to CorporateSecretary@finra.org. Please note the second page will be made available publicly on our website. An electronic version of this form is also available at www.finra.org/notices/SFABElection/090716.

Current Registration

Name: _____ Individual CRD # _____

(As you would like it to appear on official correspondence)

Firm Name: _____ Firm CRD#: _____

FINRA District No.: _____ Number of Registered Reps. at Firm: _____

Title/Primary Responsibility: _____

Address

Street Address: _____ Suite/Floor: _____

City: _____ State: _____

Email: _____

Phone: _____

SFAB Seat Sought

New York Region

- New York (Nassau and Suffolk Counties, Bronx, Brooklyn, New York County, Queens and Staten Island)

Eligibility Checklist (must meet all three)

1. Senior member of a small firm.
 - Senior members include owners, chief executive officers, presidents, chief compliance officers, chief operating officers, the firm's FINOP or individuals of comparable status.
2. Firm's main office is in the New York Region.
 - Location of firm's main office: _____
3. Your primary place of business is in the same region as the firm's main office.

INSTRUCTIONS FOR PAGE 2

The information on the following page will be displayed on FINRA's election website as submitted. Please carefully review the information before submission.

Provide a brief biography or summary of your qualifications to serve as an SFAB member. You may want to consider including your employment experience, service on other industry-related boards and committees, etc. Provide a statement of why you are running for an SFAB seat and why firms should vote for you. (No more than 500 words.)

Candidate Profile Form — SFAB Election

Candidate Name: _____

Title: _____ Firm: _____

Candidate Biography and Personal Statement

Optional Links:

Link to personal website, resume or CV: _____

Link to YouTube video: _____