

# Election Notice

## Notice of Election and Ballots for FINRA Small Firm NAC Member Seat

**Ballots Due: November 20, 2017**

### Executive Summary

The purpose of this *Election Notice* is to: (1) notify small firms of a contested election for the open National Adjudicatory Council (NAC) Small Firm seat, and (2) distribute voting ballots to eligible FINRA small firm members. The open Large Firm NAC Member seat is not contested. Therefore, FINRA is not distributing ballots for the open Large Firm seat.

To be considered valid, a ballot must be signed by the executive representative of the small firm eligible to vote in the election. Small firms that are members of FINRA as of the close of business on October 19, 2017, will be eligible to vote.

Ballots must be returned no later than November 20, 2017.

**Note:** This *Notice* was distributed electronically to the executive representative of each FINRA member firm and it is posted on FINRA's website at [www.finra.org/notices/NACElection/102017](http://www.finra.org/notices/NACElection/102017). Executive representatives should circulate this *Notice* to their firms' branch managers.

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

- ▶ Marcia E. Asquith, Executive Vice President, Board and External Relations, at (202) 728-8949; or
- ▶ Jennifer Piorko Mitchell, Vice President, Corporate Governance, at (202) 728-8949.

**October 20, 2017**

### Suggested Routing

- ▶ Executive Representatives
- ▶ Senior Management

## Background

The NAC is appointed by the FINRA Board of Governors to review all disciplinary decisions issued by FINRA hearing panels and to preside over disciplinary matters that have been appealed to or called for review by the NAC. The NAC also reviews statutory disqualification matters and considers appeals of membership proceedings and exemption requests.

## Composition of the NAC

The NAC comprises fifteen members—seven industry members and eight non-industry members. The seven industry members of the NAC include two Small Firm, one Mid-Size Firm, two Large Firm and two at-large Industry Members. Of the eight Non-Industry NAC Members, at least three are Public Members.

Pursuant to Article V, Section 5.3 of the FINRA Regulation By-Laws, the FINRA Board appoints all members of the NAC. The FINRA Board appoints the at-large Industry and Non-Industry Members of the NAC from candidates recommended by the Nominating Committee. The FINRA Board also appoints the Small Firm, Mid-Size Firm and Large Firm Members of the NAC from candidates recommended by the Nominating Committee. In the event of a contested election, the candidate who receives the largest number of qualified votes is declared the nominee, and the Nominating Committee sends a written certification of the results to the FINRA Board, nominating such candidate for appointment to the NAC.

## Candidates for Small Firm NAC Member

FINRA's Nominating Committee nominated the following individual to fill the vacant Small Firm NAC Member seat:

- **Timothy Henahan**, President and Chief Executive Officer, Baker & Co., Incorporated

The following two individuals submitted the requisite number of valid petitions for inclusion on the ballot as Small Firm NAC Member candidates:<sup>1</sup>

- **Paige Pierce**, Senior Vice President, Larimer Capital Corporation
- **Michelle Thomas**, Chief Compliance Officer, WBB Securities, LLC

Profiles of each of the candidates are included in Attachment A.

## Nominee for Large Firm Member

FINRA's Nominating Committee nominated the following individual to fill the vacant Large Firm NAC Member seat:

- **Belinda Blaine**, Managing Director, Morgan Stanley & Co. LLC

No individual petitioned to contest the Large Firm NAC Member seat.

The profile of the nominee is included in Attachment A.

## Term of Office

NAC members hold office for three-year terms. The FINRA Board will appoint the elected Small Firm NAC Member and the uncontested Large Firm Nominating Committee nominee<sup>2</sup> to three-year terms on the NAC beginning January 1, 2018.

## Voting Eligibility

In a contested election, firms are eligible to cast one vote for an industry candidate who is running for a seat that is in the same size category as their own firm. Therefore, small firms may vote for a Small Firm NAC candidate. The size classification of each FINRA member firm will be verified on the day the ballots are mailed. All eligible firms will receive a ballot containing the candidates for the appropriate vacant seat.

## 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 FINRA's records. This will ensure that important mailings, such as election information, will be properly directed. A firm's failure to keep this information accurate may jeopardize the firm's ability to participate in elections.<sup>3</sup>

To update an executive representative's name, mailing address and email address, firms may access the FINRA Contact System, via the Firm Gateway at: <https://firms.finra.org/fcs>.

## Voting Methods

Firms will be able to submit ballots using any of the following methods:

- ▶ Telephone;
- ▶ U.S. mail; or
- ▶ Internet

Ballots are due by November 20, 2017.

## Endnotes

1. Pursuant to Section 6.2 of the FINRA Regulation By-Laws, a person who has not been nominated by the Nominating and Governance Committee may be included on a ballot if he or she is eligible to hold an open seat and obtains the requisite number of petitions in support of his or her nomination from members entitled to vote (based on firm size classification) for such nominee's election.
2. Pursuant to Sec. 6.4 of the FINRA Regulation By-Laws, if the Nominating and Governance Committee proposes a candidate for nomination and no additional candidate successfully petitions pursuant to Section 6.2, the Nominating and Governance Committee shall nominate its candidate to the FINRA Board for appointment.
3. Pursuant to NASD Rule 1160, firms must update their contact information promptly, but in any event not later than 30 days following any change in such information, as well as 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 that may be agreed to by FINRA staff. *See* NASD Rule 1160 and *FINRA Regulatory Notice 07-42* (September 2007).

## Attachment A

### Small Firm NAC Member Candidates Nominating Committee Nominee

#### **Timothy Henahan - Baker & Co., Inc.**

Mr. Henahan is President and Chief Executive Officer of the Rocky River, Ohio-based securities firm of Baker & Co., Incorporated. Baker & Co. is a general securities dealer offering a wide variety of financial products and services, including financial planning, investment advisory and brokerage.

Mr. Henahan has been an active volunteer in the financial industry since 1992. His participation in the regulatory process includes service to NASD and FINRA. He served as a member of the NASD District 8 Business Conduct and Nominating Committees and the Small Firm Rules Impact Task Force. He served on the NAC in 1999 and from 2005 to 2008; and as Chairman of the Statutory Disqualification Committee from 2007 to 2008. He has served as a member of numerous NAC and SD subcommittees since his NAC term ended. His activities also include participation in SIFMA, where he was a long standing member of the Small Firms Committee. Other associations have included the Securities Traders Association, Bond Club of Cleveland, and the Cleveland Association for Business Economics.

Mr. Henahan holds a Bachelor of Arts degree in Economics from Roanoke College. He is also a graduate of the Securities Industry Institute program, sponsored by SIFMA and the University of Pennsylvania, Wharton School of Business.

## Petition Candidates

- ▶ **Paige Pierce** – Senior Vice President, Larimer Capital Corporation
- ▶ **Michelle Thomas** – Chief Compliance Officer, WBB Securities, LLC

### **Paige Pierce**

#### **Senior Vice President, Larimer Capital Corporation**

Paige Pierce brings over 25 years of senior level investment industry experience with small firms and major corporate entities in the North American capital markets to her positions. She specializes in start-ups and turnaround operations in fast paced environments, as well as regulatory and legislative affairs in the investment industry. Paige has significant regulatory and legislative experience lobbying for the interests of small firms. Driven by purpose and the desire to make a difference, while consistently and strategically innovating to drive performance, she challenges norms and conventions to forge new paths and create value at every level.

Paige was the first Interdealer Broker executive to be elected to represent the interests of small firms on both the FINRA Small Firm Advisory Board (Chair 2017) and FINRA's National Adjudicatory Council. She was elected in 2008 and 2015 to serve 3-year terms on the FINRA District 3 Committee (Chair 2010) and was honored to have been the first IDB chosen for the FINRA Fixed Income Committee. She has worked extensively with SIFMA through their committee structure and was a co-founder of the PSA Women in the Investment Industry group, the SIFMA Municipal Securities Broker's Broker Committee, and the Bond Dealers of America Small Firm Division.

### **Michelle Thomas**

#### **Chief Compliance Officer, WBB Securities, LLC**

Michelle Thomas serves as the Chief Compliance Officer for WBB Securities. Ms. Thomas brings over two decades' experience as a former business owner and member of senior management at WBB, Jack White & Co., TD Waterhouse and Allstate Financial Services. Beginning her career in 1991, Ms. Thomas has served in a quality control capacity and has been instrumental in creating solutions and enhancing written procedures mitigating both regulatory and financial risk.

Ms. Thomas holds Series 7, 66, and 24 licenses and the California Life, Health, and Disability Insurance license. She is a graduate of the Certified Regulatory and Compliance Professional Program (CRCP) through the FINRA Institute at Wharton School of Business. She is a current member of the District 2 Committee (term ending Dec. 2017).

## Large Firm NAC Member Nominee Nominating Committee Nominee

### **Belinda Blaine - Morgan Stanley & Co. LLC**

Ms. Blaine is a Managing Director and the Chief Compliance Officer of Morgan Stanley's U.S. swap dealers. She is also Head of Compliance Regulatory Policy and Strategy for Morgan Stanley's Americas institutional securities business, covering Dodd-Frank Compliance, Policies and Procedures, Canada Compliance, Regulatory Counsel, Culture and Conduct and related areas.

Before joining Morgan Stanley's London office in 2002 as Executive Director in the Legal Division, Ms. Blaine held several positions at the SEC, including Counsel to Chairman Levitt and Associate Director of the Division of Trading and Markets. As Associate Director, she oversaw an office responsible for developing regulations governing the U.S. National Market System and served on the Steering Committee of the President's Working Group on Financial Markets. She is a recipient of the SEC Capital Markets and Government Senior Executive Service Distinguished Service Awards.

Ms. Blaine served on the FINRA Market Regulation Committee from 2014-2017 and is currently a member of the SIFMA Compliance and Regulatory Policy Committee. She is a member of the California bar and previously served as an Adjunct Professor at Georgetown University School of Law's LLM program. She is a graduate of UCLA School of Law and Pomona College.

