

Election Notice

Notice of FINRA District Committee Elections and Ballots

Ballots Due: November 14, 2014

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 this election. Firms that are members of FINRA as of the close of business on Tuesday, October 14, 2014, 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 14, 2014.

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.

The elected committee members will take office in January 2015.

A list of the current District Committee members is available at 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; or
- ▶ Chip Jones, Senior Vice President, Member Relations and Education, at (240) 386-4797, or via email to chip.jones@finra.org.

October 15, 2014

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 three-year terms beginning on January 1, 2015.

Full-Term Vacancies

In this election, the District Committees for Districts 1, 2, 3, 4, 5, 6, 7, 8, 9 and 11 each have three full-term seats to fill: one representing a small firm seat, one representing a mid-size firm seat and one representing a large firm seat.¹ District 10 has five full-term seats to fill: two representing small firm seats, one representing a mid-sized firm seat, and two representing large firm seats.

The individuals elected to fill these vacancies will serve a term expiring December 31, 2017.

Partial-Term Vacancies

In addition to the vacancies listed above, District 2, District 5, District 7, District 8 and District 10 have additional vacancies to fill the terms of members who resigned prior to the completion of their term. District 2 has one partial-term vacancy for a small firm member. Districts 7, 8 and 10 each have one partial-term vacancy for a large firm member to fill. The individuals elected to fill these vacancies will serve a term expiring December 31, 2015. In addition, District 5 has one partial-term vacancy for a small firm member. The individual elected to fill this vacancy will serve a two-year term expiring December 31, 2016.

Firm size categories are:

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

Candidates

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

- ▶ District 1 Large Firm Seat
- ▶ District 2 Large Firm Seat
- ▶ District 3 Mid-Size Firm Seat
- ▶ District 3 Large Firm Seat
- ▶ District 6 Mid-Size Firm Seat
- ▶ District 6 Large Firm Seat
- ▶ District 7 Large Firm Seat
- ▶ District 9 Mid-Size Firm Seat
- ▶ District 10 Large Firm Seat⁵
- ▶ District 11 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 2015.

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

- ▶ District 1 Small Firm Seat
- ▶ District 2 Small Firm Seat
- ▶ District 4 Large Firm Seat
- ▶ District 5 Small Firm Seat
- ▶ District 5 Mid-Size Firm Seat
- ▶ District 7 Mid-Size Firm Seat
- ▶ District 8 Small Firm Seat
- ▶ District 8 Large Firm Seat⁶
- ▶ District 9 Small Firm Seat
- ▶ District 9 Large Firm Seat
- ▶ District 10 Small Firm Seat
- ▶ District 11 Mid-Size 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:⁷

- ▶ District 1 Mid-Size Firm Seat
- ▶ District 2 Mid-Size Firm Seat
- ▶ District 3 Small Firm Seat
- ▶ District 4 Small Firm Seat
- ▶ District 4 Mid-Size Firm Seat
- ▶ District 5 Large Firm Seat
- ▶ District 6 Small Firm Seat
- ▶ District 7 Small Firm Seat
- ▶ District 8 Mid-Size Firm Seat
- ▶ District 10 Mid-Size Firm Seat
- ▶ District 11 Small Firm Seat

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 14, 2014, 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 14, 2014.**

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.⁸

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.
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. As previously mentioned, there are two Large Firm Representative full-term vacancies on the District 10 Committee one will be filled by a candidate and one will be filled by appointment. One Large Firm Size Representative partial term vacancy will be filled by a candidate.
6. One Large Firm Size Representative partial term vacancy will be filled by a candidate.
7. *See* Article VIII, Sec. 8.8 of the FINRA Regulation By-Laws.
8. 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.

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

- Chris Charles, CEO/CCO, Wulff, Hansen & Co.
- Alan Carlisle, Chief Investment Officer, SCF Securities, Inc.
- Gregory B. Gilbert, President, Infinity Securities, Inc.

Mid-Size Firm Representative Candidates

- None

Large Firm Representative Candidates

- Kevin H. Smith, Market Manager, Wells Fargo Advisors, LLC
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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

- Rick Dahl, EVP, CCO, Sorrento Pacific Financial LLC
- Michelle Thomas, Chief Compliance Officer, WBB Securities, LLC
- Yvonne Yiu, CEO/FINOP, Key West Investments LLC

Mid-Size Firm Representative Candidates

- None

Large Firm Representative Candidate

- Aimee Blinder, VP, Compliance, National Planning Corporation

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

Small Firm Representative Candidates

- None

Mid-Size Firm Representative Candidate

- Joanne M. Salisbury, VP, Chief Compliance Officer, Signator Financial Services, Inc.

Large Firm Representative Candidates

- Vincent Madden, Market Manager, Wells Fargo Advisors, LLC

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

Small Firm Representative Candidates

- None

Mid-Size Firm Representative Candidates

- None

Large Firm Representative Candidate

- Kenneth M. Cherrier, Chief Supervisory Officer, Waddell & Reed
- Mark A. Gherity, Complex Manager, Morgan Stanley
- Craig Wallenta, Vice President – Risk Mitigation, Ameriprise Financial

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

Small Firm Representative Candidate

- Sidney E. Banks, Director of UIT Sales, St Bernard Financial
- William E. Hopkins II, CEO/CCO, Silver Oak Securities, Inc.
- Mary Ellen Williams, VP/Chief Compliance Officer, Lieblong & Associates, Inc.

Mid-Size Firm Representative Candidates

- Gary W. Chambers, Senior Vice President - Compliance, Crews & Associates, Inc.
- Nancy Johnson Jones, CFP®, CSCP™, Chief Compliance Officer, Vice President, BOSC, Inc.

Large Firm Representative Candidate

- None

District 6: *Texas*

Small Firm Representative Candidates

- None

Mid-Size Firm Representative Candidate

- Tim Edwards, Executive Vice President, Prospera Financial Services, Inc.

Large Firm Representative Candidates

- William A. Lee, Complex Manager, Wells Fargo Advisors, LLC

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

Small Firm Representative Candidates

- None

Mid-Size Firm Representative Candidate

- Beth E. Burns, Director of Compliance, Synovus Securities, Inc.
- Steven M. Greenbaum, Vice President, General Counsel, TradeStation Securities, Inc.

Large Firm Representative Candidates

- Charles Lambert White III, Managing Director/Complex Director, Morgan Stanley

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

Small Firm Representative Candidates

- Stephen W. Mack, President, Mack Investment Securities
- Matthew Reynolds, Chief Operating Officer, David A. Noyes & Co.
- Dock David Treece, Vice President, Chief Compliance Officer, Treece Financial Services

Mid-Size Firm Representative Candidates

- None

Large Firm Representative Candidates

- Jeffrey “Jay” Bley, Chief Operating Officer, The O.N. Equity Sales Company
- Donald E. Merrifield, Director of Taxable Fixed Income, SVP, JJB Hilliard, WL Lyons, LLC
- Patrick O’Donovan, Managing Director WM, Complex Manager, Morgan Stanley

District 9: *Delaware, the District of Columbia, Maryland, New Jersey and 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 Candidate

- Catherine A. Cucharale, Chief Operating Officer/Chief Compliance Officer, M. Griffith Investment Services, Inc.
- Steven D. Trigili, Chief Compliance Officer, Garden State Securities, Inc.
- Rose L. Wilson, VP/Chief Compliance Officer, United Brokerage Services, Inc.

Mid-Size Firm Representative Candidates

- Douglas A. Wright, Chief Compliance Officer, The Investment Center, Inc.

Large Firm Representative Candidates

- Stephanie Peters Mumford, Vice President & Chief Compliance Officer, T. Rowe Price Investment Services, Inc.
- Jed P. Woelfle, Managing Director/Complex Manager, Morgan Stanley

District 10: *New York (Nassau and Suffolk Counties, Bronx, Brooklyn, New York County, Queens and Staten Island)*

Small Firm Representative Candidates

- Erin Baskett, Managing Partner – CFO/CCO, Autonomous Research US LP
- Barry Champney, Chief Compliance Officer, Vanderbilt Securities, LLC
- Stephen Hart, Chief Compliance Officer, Robotti & Company, LLC
- John Parmigiani, Managing Director/Business Development, EJ Sterling, LLC
- Caitlin M. Smith, Chief Compliance Officer, Norfolk Markets, LLC

Mid-Sized Firm Representative Candidates

- None

Large Firm Representative Candidates

- Patrick Langone, Executive Director, Morgan Stanley

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

Small Firm Representative Candidates

- None

Mid-Size Firm Representative Candidates

- Jay Lanstein, Chief Executive Officer, Cantella & Co., Inc.
- Anthony Loureiro, Chief Compliance Officer, NGAM Distribution, L.P.
- Michael J. Mahoney, Chief Compliance Officer, John Hancock Funds, LLC

Large Firm Representative Candidate

- David P. Swartz, Complex Manager, Executive Director, Morgan Stanley

