



2017 FINRA Annual Conference

Washington, DC | May 16 – 18, 2017

Hiring and Supervising Registered Representatives in the Retail Space

Tuesday, May 16

1:45 p.m. – 2:45 p.m.

FINRA staff and industry practitioners discuss tips and useful practices for hiring and supervising registered representatives in the retail space.

Moderator: Thomas Drogan
Senior Vice President, Deputy
FINRA Member Regulation, Office of Sales Practice

Panelists: Michael Solomon
Senior Vice President and Senior Regional Director
FINRA Northeast Region

Paul Tolley
Chief Compliance Officer
Commonwealth Financial Network

Jeffrey Williams
Vice President and Chief Compliance Officer
Northwestern Mutual Investment Services & Northwestern Mutual Wealth
Management Company

Hiring and Supervising Registered Representatives in the Retail Space Panelist Bios:

Moderator:

Thomas Drogan is Senior Vice President, Deputy of FINRA Member Regulation, Sales Practice department and has been with FINRA for more than 19 years. Prior to the merger between NYSE Regulation and NASD, he spent four years in the Financial/Operational Department in the NYSE's Division of Member Firm Regulation before moving to the NYSE's Sales Practice Review Unit where he held multiple positions. In January 2008, following the merger, Mr. Drogan was promoted to Deputy Director in FINRA's New York office where he served until December 2008 when he was appointed Deputy Director of FINRA's Long Island office. In January 2013, Mr. Drogan was promoted to Vice President and in December 2013 was promoted to District Director for FINRA's New York Office where he was responsible for New York's examination and surveillance programs. In May of 2014, Mr. Drogan was appointed as Deputy in the Office of Sales Practice and in February 2016 was named Senior Vice President. In this role, Mr. Drogan provides strategic and tactical advice on how to achieve corporate and departmental goals and successfully implement regulatory programs. Specifically, Mr. Drogan assists the Executive Vice President in overseeing the national Sales Practice examination and surveillance programs to ensure work is completed in a quality and timely fashion. Mr. Drogan also ensures that the relationship with member firms results in meaningful dialogue between FINRA, Member Regulation and industry representatives and serves as a key contact with the SEC, state securities regulators, and other SROs. Mr. Drogan also has direct responsibility for FINRA's Membership Application Program, High Risk Registered Representative Program and Senior Helpline. Mr. Drogan received his Finance degree from St. John's University and his J.D. from Brooklyn Law School.

Panelists:

Michael Solomon joined FINRA in December 2011 as Senior Vice President and is the Senior Regional Director of FINRA's New York, Philadelphia, Boston and Woodbridge-NJ District Offices. Mr. Solomon has responsibility for the Examination and Surveillance Programs in the region. Prior to his tenure at FINRA, he served as a managing director and general counsel for litigation, regulatory and employment law at Jefferies & Co. Prior to joining Jefferies, Mr. Solomon managed the Regulatory Group at UBS Financial Services from 2004 to 2006. Before that, he managed the Regulatory Examinations and Inquiries Group at Merrill Lynch from 1999 to 2004, and has also served as an associate at Morgan, Lewis & Bockius, trial counsel in the NYSE Enforcement Division and NY County assistant district attorney. Mr. Solomon received his law degree in 1989 from New York University School of Law and received a bachelor's degree from Wesleyan University.

Paul Tolley has been Chief Compliance Officer at Commonwealth Financial Network since August 2006. As CCO, he is responsible for establishing, administering, and enforcing Commonwealth's broker/dealer and investment adviser supervisory and compliance policies and procedures. He is also responsible for the general management and leadership of the firm's Compliance and Licensing staff. Mr. Tolley has more than 25 years of compliance experience and a strong background in broker/dealer and investment adviser compliance best practices. Prior to joining Commonwealth, he was first vice president and CCO for National Planning Holdings where he oversaw compliance for the four independent broker/dealers within the NPH broker/dealer network. He has also held senior compliance positions at Cambridge Investment Research and LPL Financial. Mr. Tolley previously served as chair of the Financial Services Institute's Compliance Council and is a past member of FINRA's Continuing Education Committee. He is a current member of FINRA's Membership, District 11, and Regulatory Advisory committees and the National Society of Compliance Professionals. He earned his BS in business administration from Northeastern University and holds FINRA Series 4, 7, 24, 53, 63, and 65 securities registrations.

Jeffrey B. Williams is Vice President and Chief Compliance Officer (CCO) for Northwestern Mutual Investment Services, LLC, an SEC registered Broker Dealer and Investment Advisor, and a subsidiary of The Northwestern Mutual Life Insurance Company. The primary products offered by the firm through its 6,000 registered representatives are mutual funds, variable annuities, bonds and exchange traded products. Mr. Williams joined The Northwestern Mutual Life Insurance Company in 1991 as the corporate Risk Manager. In 2006 he became the CCO for Northwestern Mutual Investment Services. In

his capacity as the CCO, Mr. Williams is responsible for the firm's compliance program, including its policies, supervisory procedures and monitoring controls. Mr. Williams received a B.S. degree in Business Administration from the University of Illinois (Champaign) in 1977.



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■ Moderator

- **Thomas Drogan, Senior Vice President, Deputy, FINRA Member Regulation, Office of Sales Practice**

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- **Michael Solomon, Senior Vice President and Senior Regional Director, FINRA Northeast Region**
- **Paul Tolley, Chief Compliance Officer, Commonwealth Financial Network**
- **Jeffrey Williams, Vice President and Chief Compliance Officer, Northwestern Mutual Investment Services & Northwestern Mutual Wealth Management Company**



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Resources

FINRA Regulatory Notices

- FINRA Regulatory Notice 15-05, *Background Checks: SEC Approves Consolidated FINRA Rule Regarding Background Checks on Registration Applicants* (March 2015)
www.finra.org/sites/default/files/notice_doc_file_ref/Notice_Regulatory_15-05.pdf
- FINRA Regulatory Notice 12-03, *Complex Products: Heightened Supervision of Complex Products* (January 2012)
www.finra.org/sites/default/files/NoticeDocument/p125397.pdf
- FINRA Regulatory Notice 09-31, *Non-Traditional ETFs: FINRA Reminds Firms of Sales Practice Obligations Relating to Leveraged and Inverse Exchange-Traded Funds* (June 2009)
www.finra.org/sites/default/files/NoticeDocument/p118952.pdf
- FINRA Regulatory Notice 07-55, *Personnel Background Investigations: FINRA Reminds Member Firms of Their Obligations Regarding Background Investigations of Prospective Personnel* (November 2007)
www.finra.org/sites/default/files/NoticeDocument/p037480.pdf

Additional FINRA Resources

- A Few Minutes with FINRA – Nine Risks That Inform FINRA’s Examination and Surveillance Program (January 2017)
www.finra.org/industry/few-minutes-finra-nine-risks-inform-finras-examination-and-surveillance-program
- FINRA Report on Conflicts of Interest (October 2013)
www.finra.org/sites/default/files/Industry/p359971.pdf
- FINRA Report on the FINRA Securities Helpline for Seniors™ (December 2015)
www.finra.org/sites/default/files/Securities_Helpline_for_Seniors_Report.pdf

- FINRA Non-Traditional ETFs FAQ

www.finra.org/industry/non-traditional-etf-faq