

Interpretation Memo

Member Firm Regulation

New York Stock Exchange, Inc.
20 Broad Street
New York, NY 10005



Number 01-03
March 30, 2001

TO: MEMBER, MEMBER ORGANIZATIONS AND HANDBOOK SUBSCRIBERS

**SUBJECT: UPDATE OF INTERPRETATION HANDBOOK -SEA RULE 15C3-1 and
SEA RULE 15C3-3**

The accompanying updated Interpretation Handbook pages are being distributed as replacements for existing pages. The update includes clarification of existing rules and new interpretations. These interpretations should be carefully reviewed before insertion into the handbook.

SEA Rule 15c3-1

Page & Reference

Subject

58, (a)(2)(iii)/02,03
67, (a)(2)(vi)(B)/04,05
151, (c)(2)(iv)(E)/029,030

Sole Proprietor Accounts

113, (c)(2)(i)(E)/01

Add-Back of Deferred Tax Liabilities Directly
Related to Certain Capitalized Costs and
Prepaid Expenses

118, (c)(2)(iv)/07

DTC Preferred Stock

121, (c)(2)(iv)(A)/02

Prepaid Non-Allowable Assets – Add-Back of
Tax Liability

207, (c)(2)(vi)(J)/03
239 & 240, (c)(2)(vii)/11
287, (c)(11)(i)/02

Updated text to reflect FTSE World Index

SEA Rule 15c3-3
Page & Reference

Subject

608 (Exhibit A)/011

Netting of Customer Balances

Questions regarding this interpretation memo should be directed to your Finance Coordinator.

Remove Pages

57-58

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605-610

Add Pages

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RETAIN ALL INTERPRETATION/INFORMATION MEMOS FOR FUTURE REFERENCE