

Interpretation Memo

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

Member Firm Regulation



Number 05-2
January 6, 2005

**PLEASE ROUTE TO FINANCIAL AND OPERATIONS OFFICER/PARTNER
AND COMPLIANCE DEPARTMENT**

**TO: MEMBERS, MEMBER ORGANIZATIONS AND INTERPRETATION
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/or new interpretations. These interpretations should be carefully reviewed before insertion into the Interpretation Handbook.

March 31, 2005 is the effective date for interpretation /093 of SEA Rule 15c3-1(c)(2)(iv)(B) ("Non-Purpose Equity Securities Borrowed Transactions"). This grace period is provided to allow broker-dealers the necessary time to properly implement procedures and to establish the appropriate regulatory systems that will be needed to monitor and comprehend the applicable capital charges.

SEA Rule 15c3-1
Page & Reference

Subject

129, (c)(2)(iv)(B)/093	Non-Purpose Equity Securities Borrowed Transactions
171, (c)(2)(vi)/06	Intercompany Securities Holding (RESCINDED)
171-172, (c)(2)(vi)/061	Intercompany Securities Holding – Redeemable Debt Instruments

SEA Rule 15c3-3
Page & Reference

Subject

485, (a)(6)/0121	Certificates of Deposit – Aggregate Concentration Calculation
541, (e)(1)/010	Money Market Deposits – Aggregate Concentration Calculation
542, (e)(1)/012	Time Deposits – Aggregate Concentration Calculation
606, (Exhibit A)(Note G)(a)/01	Customer Security Accounts Holding Security Futures Products

Questions regarding this Interpretation Memo should be directed to your Finance Coordinator.

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RETAIN ALL INTERPRETATION/INFORMATION MEMOS FOR FUTURE REFERENCE