

# Interpretation Memo

**NYSE**

New York  
Stock Exchange, Inc.

Member Firm Regulation

20 Broad Street  
New York, NY 10005

Number 94-5  
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PLEASE ROUTE TO FINANCIAL AND OPERATIONS OFFICER/PARTNERS AND  
COMPLIANCE DEPARTMENT

TO: MEMBERS AND MEMBER ORGANIZATIONS

SUBJECT: UPDATE OF INTERPRETATION HANDBOOK - SEA RULES  
15c3-1 AND 15c3-3

The accompanying updated Interpretation Handbook pages are being distributed as replacements for existing pages. The update includes new interpretations and interpretations which were previously published without revised pages. These interpretations should be carefully reviewed before insertion into the handbook.

The following is a list of interpretations which are being added as a result of SEC no-action letters:

SEA Rule 15c3-1

Subject

Page and Rule Reference

56, (a)(2)(i)/03

Prime Broker Capital Requirements

199, (c)(2)(vi)(F)(6)/10

Marketability of Nonconvertible Debt Securities -  
Not Highly Rated - (Effective July 1, 1994)

235, (c)(2)(vii)/10

Marketability of Nonconvertible Debt Securities -  
Not Highly Rated - (Effective July 1, 1994)

SEA Rule 15c3-3SubjectPage and Rule Reference

482, (a)(1)/05	Customer/Non-Customer - Prime Broker
533, (d)(1)/101	Securities Loan Recalls - Elective Procedures
628, (Exhibit A-Item 1)/18	Requirements for Including the Receipt of Customer Checks

The following is a list of interpretations which were previously published in Interpretation Memos 88-5 and 92-2, but not included in the handbook:

SEA Rule 15c3-3SubjectPage and Rule Reference

482,(a)(1)/06	Treatment of Parent, Affiliate or Sister Corporation Securities Accounts
534, (d)(1)/102	Securities Borrowed and Loaned "Conduit" Business

In addition, the Interpretation Handbook has been revised to reflect the net capital (15c3-1) rule changes outlined in Interpretation Memo 94-1 (Specialist Exemptions).

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