

Interpretation Memo

NYSE

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

Member Firm Regulation

Number 96-3
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TO: MEMBERS, MEMBER ORGANIZATIONS, AND HANDBOOK SUBSCRIBERS

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 clarifications of existing rules as well as new interpretations. These interpretations should be carefully reviewed before insertion into the handbook.

The following is a list of new interpretations which are being added:

SEA Rule 15c3-1

<u>Page & Reference</u>	<u>Subject</u>
176, (c)(2)(vi)/11	Haircut Treatment For Baskets of Securities Hedged With Broad-based Index Futures or Options
191, (c)(2)(vi)(E)/013	Concentration Charge on Money Market Instruments - Greater than 30% of Tentative Net Capital
219, (c)(2)(vi)(M)/08	Basket Securities Hedged by Futures or Options
220, (c)(2)(vi)(M)/09	Nonconvertible Debt Securities Which are Not Highly Rated
220, (c)(2)(vi)(M)/10	Concentration Charge on Money Market Instruments - Greater than 30% of Tentative Net Capital
239, (c)(2)(vii)/11	Marketability of Restricted Securities

SEA Rule 15c3-3

<u>Page(s) & Reference</u>	<u>Subject</u>
480, (a)(1)/021	Non-Conforming Subordination Agreements with Non Broker-Dealer Affiliates
543, (e)(1)/011	Time Deposits
547, (e)(1)/07	Foreign Currency Deposits
605, (Exh A)(Note E)/01	Netting of Same Customer's Balances (Short vs. Box)
660, (Exh A)(Item 10)/09	Credit Extended Upon the Exercise of Employee Stock Options

Questions regarding this interpretation memo should be directed to your finance coordinator.

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