



## **NYSE Arca, Inc.**

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**ALLIED PERSON / APPROVED PERSON  
APPLICATION**

*This application is to be used for persons required to be approved as Allied Persons or Approved Persons with the Exchange, and for whom the required disclosure information is not available on Web CRD®.*

## EXPLANATION OF TERMS

*For purposes of this application, the following terms shall have the following meanings:*

**Affiliate** – the ETP or OTP Firm or applicant ETP or OTP Firm for which the Applicant is applying as an Allied Person or Approved Person.

**Allied Person** – an individual who is: an employee of an ETP/ OTP Holder who controls such firm; an employee of an ETP/OTP Holder corporation who is a director or a principal executive officer of such corporation; an employee of an ETP/OTP Holder limited liability company who is a manager or principal executive officer of such limited liability company; or a general partner in an ETP/OTP Holder partnership. Allied Persons must be approved by the Corporation pursuant to NYSE Arca Equities, Inc. Rule 1.1(c) or NYSE Arca, Inc. Rule 1.1(b).

**Applicant** – the Person applying to be an Allied Person or Approved Person or amending this form.

**Approved Person** – a person who is not an ETP/OTP Holder, nor an employee or an Allied Person of an ETP/OTP Holder, and who: is a director of an ETP/OTP Holder; controls an ETP/OTP Holder; beneficially owns, directly or indirectly, 5% or more of the outstanding equity securities of an ETP/OTP Holder; or has contributed 5% or more of the partnership capital. Approved Persons must be approved by the Corporation pursuant to NYSE Arca Equities, Inc. Rule 1.1(d) or NYSE Arca, Inc. Rule 1.1(c).

**Associated Person** - a person who is a partner, officer, director, member of a Limited Liability Company, trustee of a Business Trust, or employee of an ETP/OTP Firm or any person directly or indirectly controlling, controlled by or under common control with an ETP/OTP Firm.

**Central Registration Depository (“Web CRD®”)** – a centralized electronic registration system maintained by NASD which provides information on registered representatives and principals for members of participant organizations. This database contains employment history, exam scores, licensing information, disciplinary actions, fingerprint results, and other related registration information. NYSE Arca, Inc. (designated on the system as “PCX”) is a participant of Web CRD®.

**Control** – the power, directly or indirectly, to direct the management or policies of a company, whether through ownership of securities, by contract or otherwise. A person shall be presumed to control another person if such person: (i) is a director, general partner or officer exercising executive responsibility (or having similar status or functions); (ii) directly or indirectly has the right to vote 25% or more of a class of a voting security or has the power to sell or direct the sale of 25% or more of a class of voting securities; or (iii) is entitled to receive 25% or more of the net profits; or (iv) in the case of a partnership, has the right to receive upon dissolution, or has contributed, 25% or more of the capital of the other person.

**Designated Examining Authority (“DEA”)** – the SEC will designate one SRO to be a broker-dealer’s examining authority, when the broker-dealer is a member of more than one SRO. Every broker-dealer is assigned a DEA, who will examine the broker-dealer for compliance with financial responsibility rules. The SEC will make the DEA assignment based on the SRO examination program and the broker-dealer’s primary business location.

**Direct Owners/Executive Officers** – Allied Persons and Approved Persons, as those terms are defined by NYSE Arca Rules 1.1(b) and 1.1(c), respectively, and generally refer to (1) a director, general partner or officer exercising executive responsibility (or having similar status or function); or (2) directly or indirectly has the right to vote 5% or more of a class of voting security or has the power to sell or direct the sale of 5% or more of a class of voting securities; (3) is entitled to receive 5% or more of the net profits; (4) in the case of a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution or have contributed, 5% or more of the capital; or (5) in the case of a LLC, those members that have the right to receive upon dissolution, or have contributed, 5% or more of the LLC’s capital, and if managed by elected managers, all elected managers.

**ETP** – an Equity Trading Permit issued by the Corporation for effecting approved securities transactions on the Corporation’s trading facilities. An ETP may be issued to a Sole Proprietor, Partnership, Corporation, LLC or other organization which is a registered Broker or Dealer, pursuant to Section 15 of the Securities Exchange Act of 1934, as amended, and which has been approved by the Corporation.

**Financial Arrangement** - 1) the direct financing of a Member’s dealings upon the Exchange, or 2) any direct equity investment or profit sharing arrangement, or 3) any consideration over the amount of \$5,000.00 including, but not limited to, gifts, loans, annual salaries or bonuses.

**NYSE Arca, Inc. (“NYSE Arca”, the “Exchange”, or the “Corporation”)** – a Delaware corporation as described in the company’s Certificate of Incorporation and Bylaws. The NYSE Arca, Inc. is a national securities exchange as that term is defined by Section 6 of the Securities Exchange Act of 1934, as amended. NYSE Arca, Inc. is also a Self-Regulatory Organization.

**NYSE Arca, LLC** – the equities marketplace and a trading facility of NYSE Arca, Inc.

**NYSE Arca Equities** – NYSE Arca Equities, Inc. (a wholly owned subsidiary of the NYSE Arca, Inc.).

**OTP** – an Options Trading Permit issued by the Corporation for effecting approved securities transactions on the Corporation’s trading facilities. An OTP may be issued to a Sole Proprietor, Partnership, Corporation, LLC or other organization which is a registered Broker or Dealer, pursuant to Section 15 of the Securities Exchange Act of 1934, as amended, and which has been approved by the Corporation.

**Person** – a natural person, corporation, partnership, limited liability company, association, joint stock company, trustee of a trust fund, or any organized group of persons whether incorporated or not.

**Self-Regulatory Organization (“SRO”)** - each exchange or national securities association is an SRO. Each SRO must have rules that provide for the expulsion, suspension and other discipline of member Broker-Dealers for conduct inconsistent with just and equitable principles of trade.

## APPROVED PERSON APPLICATION PROCESS

### Checklist

Applicant Allied Persons and Approved Persons must complete and submit all materials addressed in the Application Checklist and pay all applicable fees.\*

### Application Process

- Following submission of the Allied Person / Approved Person Application, fees and supporting documents to the Client Services Department, the application will be reviewed for accuracy and regulatory or other disclosures. For NYSE Arca-DEA applicants, an investigation may be conducted by an independent entity.
- If review of Statutory Disqualification Disclosure information and/or the background investigation indicates that the applicant has a possible statutory disqualification, the Client Services Department will contact the applicant to discuss the statutory disqualification process. Client Services will consult with NYSE Arca Legal Department regarding matters involving statutory disqualification.
- If it appears that the Applicant has outstanding debt, civil judgment actions and/or regulatory disciplinary actions, the applicant will be contacted by the Client Services Department for further information.
- Applicants who have completed and returned all documents to the Client Services Department without indication of a statutory disqualification, outstanding debt, civil judgment actions and/or regulatory disciplinary actions will be reviewed by NYSE Arca staff.
- The Applicant will be notified promptly of the Exchange's decision.
- In the event an Applicant is disapproved by the Exchange, the applicant will have an opportunity to be heard upon the specific grounds for the disapproval, in accordance with the provisions of NYSE Arca and NYSE Arca Equities rules. A disapproved applicant desiring to be heard must, within thirty calendar days of the applicant's receipt of notice of disapproval, notify NYSE Arca by certified mail and file with NYSE Arca a Petition for Review of such disapproval.

## ALLIED PERSON / APPROVED PERSON APPLICATION CHECKLIST

- Completed Allied Person / Approved Person Application.
  - Section 1 – Applicant Profile
  - Section 2 – Financial Disclosure
  - Section 3 – Organizational Ownership Structure (this section is required only for Applicants that do not have this information available on Web CRD®)
  - Section 4 – Disclosure Questions (this section is required only for Applicants that do not have this information available on Web CRD®)
  - Section 5 – Acknowledgement
- Fingerprint Cards and payment for applicable processing fees have been submitted to Web CRD® for each natural person Applicant, if applicable, or Form BD has been submitted to Web CRD® for each Applicant that is a U.S. registered broker or dealer.

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\* Direct Owners/Executive Officers/Control Persons of an entity, or natural persons applying as an Allied Person or Approved Person must have fingerprint information available on Web CRD®, if required under SEC Rule 17f-2, or be able to provide such information if requested by the Exchange. Fees related to processing or posting of this information by Web CRD® will be collected by NASD through the Applicant's or Affiliate's Web CRD® Daily Account. Individuals who are not registered persons and do not have the required information available on Web CRD® may be required to submit a fingerprint card to the NASD.

**SECTION 1 – APPLICANT PROFILE**Date: \_\_\_\_\_ SEC No: \_\_\_\_\_ CRD No.: \_\_\_\_\_  
(if applicable) (if applicable) APPLICATION  AMENDMENTTHE APPLICANT REQUESTS APPROVAL AS AN:  Allied Person  Approved Person

CRD NUMBER OF THE ETP/OTP FIRM WITH WHICH THE APPLICANT IS AFFILIATED: \_\_\_\_\_

**GENERAL INFORMATION – Corporation, Partnership, LLC, or Other Business Entity Applicant**

Name of Applicant Entity: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Title: \_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email Address: \_\_\_\_\_

The Applicant Entity (check one):

- Controls the Affiliate
- Beneficially owns, directly or indirectly, 5% or more of the outstanding equity securities of the Affiliate
- Has contributed 5% or more of the partnership capital of the Affiliate

The Applicant Entity is (check one):

- A U.S. registered Broker-Dealer and has information available on Web CRD®
- NOT a U.S. registered Broker-Dealer (please complete Sections 3 and 4 of this application)

**GENERAL INFORMATION – Individual Applicant**

Name of Applicant: \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Business Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

Email Address: \_\_\_\_\_

The Applicant person is (check one):

- An employee of the Affiliate and controls such firm
- An employee of the Affiliate corporation who is a director or a principal executive officer of such corporation
- An employee of the Affiliate limited liability company who is a manager or a principal executive officer of such limited liability company
- A general partner in the Affiliate's partnership
- NOT an employee of the Affiliate but is a director of such firm
- NOT an employee of the Affiliate but is, directly or indirectly, a control person of such firm
- NOT an employee of the Affiliate but beneficially owns, directly or indirectly, 5% or more of the outstanding equity securities of such firm
- NOT an Employee of the Member but has contributed 5% or more of the partnership capital of such firm

The Applicant person is (check one):

- A registered person and has information available on Web CRD®
- A registered person and does NOT have information available on Web CRD®\*
- NOT a registered person\*

\*Persons for whom information is not available on Web CRD® must submit a Form U4 and fingerprint card, if applicable, to Web CRD® requesting the AM category with ARCA in order to complete the approval process.

## SECTION 2 – FINANCIAL DISCLOSURE

### FINANCIAL OR CONTROLLING INTERESTS

Does the Applicant have a financial or controlling interest (through direct or indirect stocks, bond, outstanding loans, or otherwise) in any organization, other than the Affiliate, engaged in a securities, financial or related business?

Yes (Explain below)       No

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### FINANCIAL ARRANGEMENT

Does the Applicant have a financial arrangement with a current NYSE Arca ETP or OTP Firm or Holder?

Yes (Explain below)       No

Type of Arrangement:       Direct Equity Investment       Any consideration over \$5,000       Profit Sharing  
 Direct Financing       Other: \_\_\_\_\_

Terms of Arrangement (include the names of all participants and the nature and terms of the arrangement):

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### SUBORDINATED LOANS

Does the Applicant (or will the Applicant) make a subordinated loan to the broker-dealer with which you will be affiliated?

Yes (Explain below)       No

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Does the Applicant (or will the Applicant) be a contributor to a Secured Demand Note?       Yes (Explain below)       No

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### OUTSTANDING DEBT (Check all that apply)

Does the Applicant owe funds to any of the following?

- Any NYSE Arca ETP or OTP Firm or OTP Holder
- Any other national securities or commodities exchange or national securities association
- A member of any other national securities or commodities exchange or national securities association

Explain to whom funds are owed and the dollar amount. Attach a copy of arrangements made for repayment of this debt and evidence of an agreement of repayment.

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No, the Applicant does not owe funds to any of the above referenced persons or entities.



**SECTION 4 – DISCLOSURE QUESTIONNAIRE (to be completed by Applicants who do not currently have this required information on file with the Exchange or available through Web CRD®)**

**CRIMINAL DISCLOSURE**

**1. In the past ten years, has the Applicant or a control affiliate listed within Section 3:**

- (a) Been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign, or military court to any felony?  Yes  No
- (b) Been charged with any felony?  Yes  No

**2. In the past ten years has the Applicant or a control affiliate listed within Section 3:**

- (a) Been convicted of or pled guilty or nolo contendere (“no contest”) in a domestic, foreign, or military court to a misdemeanor involving: investments or an investment-related business or any fraud, false statements or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?  Yes  No
- (b) Been charged with a misdemeanor specified in 2(a)?  Yes  No

**REGULATORY ACTION DISCLOSURE**

**3. Has the U.S. Securities and Exchange Commission or the Commodity Futures Trading Commission ever:**

- (a) Found the Applicant or a control affiliate to have made a false statement or omission?  Yes  No
- (b) Found the Applicant or a control affiliate to have been involved in a violation of its regulations or statutes?  Yes  No
- (c) Found the Applicant or a control affiliate to have been a cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?  Yes  No
- (d) Entered an order against the Applicant or a control affiliate in connection with investment-related activity?  Yes  No
- (e) Imposed a civil money penalty on the Applicant or a control affiliate, or ordered the Applicant or a control affiliate to cease and desist from any activity?  Yes  No

**4. Has any other Federal regulatory agency or any state regulatory agency or foreign financial regulatory authority ever:**

- (a) Found the Applicant or a control affiliate to have made a false statement or omission or been dishonest, unfair or unethical?  Yes  No
- (b) Found the Applicant or a control affiliate to have been involved in a violation of investment-related regulation(s) or statute(s)?  Yes  No
- (c) Found the Applicant or a control affiliate to have been a cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?  Yes  No
- (d) Entered an order against the Applicant or a control affiliate in connection with an investment-related activity?  Yes  No
- (e) Denied, suspended, or revoked the Applicant’s or a control affiliate’s registration or license or otherwise, by order, prevented the Applicant or a control affiliate from associated with an investment-related business or restricted your activities?  Yes  No

**5. Has any self-regulatory organization or commodities exchange ever:**

- (a) Found the Applicant or a control affiliate to have made a false statement or omission?  Yes  No
- (b) Found the Applicant or a control affiliate to have been involved in a violation of its rules (other than a violation designated as a “minor rule violation” under a plan approved by the U.S. Securities and Exchange Commission)?  Yes  No
- (c) Found the Applicant or a control affiliate to have been the cause of an investment-related business having its authorization to do business denied, suspended, revoked, or restricted?  Yes  No
- (d) Disciplined the Applicant or a control affiliate by expelling or suspending you from membership, barring or suspending the Applicant’s or a control affiliate’s association with its members, or restricting your activities?  Yes  No

**6. Has the Applicant’s or a control affiliate’s authorization to act as an attorney, accountant or federal contractor ever been revoked or suspended?**

Yes  No

**SECTION 4 –DISCLOSURE QUESTIONNAIRE (continued)****REGULATORY DISCLOSURE (CONTINUED)****7. Has the Applicant or a control affiliate been notified, in writing, that you are now the subject of any:**

- (a) Regulatory complaint or proceeding that could result in a “yes” answer to any part of questions 3, 4, 5 or 6? (If “yes”, please submit any relevant documentation relating to such regulatory complaint or proceeding with this application.)  Yes  No
- (b) Investigation that could result in a “yes” answer to any part of questions 1, 2, 3, 4, 5, or 6? (If “yes”, please submit any relevant documentation relating to such investigation with this application.)  Yes  No

**CIVIL JUDICIAL DISCLOSURE****8. Has any domestic or foreign court:**

- (a) In the past ten years, enjoined the Applicant or a control affiliate in connection with any investment-related activity?  Yes  No
- (b) Ever found the Applicant or a control affiliate was involved in a violation of any investment-related statute(s) or regulation(s)?  Yes  No
- (c) Ever dismissed, pursuant to a settlement agreement, an investment-related civil action brought against the Applicant or a control affiliate by a state or foreign financial regulatory authority?  Yes  No

**9. Is the Applicant or a control affiliate named in any pending investment related civil action that could result in a “yes” answer to any part of question 8?** Yes  No**FINANCIAL DISCLOSURE****10. In the past ten years, has the Applicant or a control affiliate of the Applicant ever been a securities firm or a control affiliate of a securities firm that:**

- (a) Has been the subject of a bankruptcy petition?  Yes  No
- (b) Has had a trustee appointed or a direct payment procedure initiated under the Securities Investor Protection Act?  Yes  No

**11. Has a bonding company ever denied, paid out on, or revoked a bond for the Applicant?** Yes  No**12. Does the Applicant have any unsatisfied judgments or liens against it?** Yes  No

**ANY ITEM THAT RESULTED IN A “YES” ANSWER TO QUESTIONS 1 THROUGH 12 ABOVE MAY REQUIRE ADDITIONAL MATERIALS OR DISCLOSURE TO THE EXCHANGE IN ORDER TO COMPLETE THE PROCESS OF THE APPROVED PERSON/ALLIED PERSON APPLICATION.**

## SECTION 5 – ACKNOWLEDGEMENT AND CONSENT

By this application, the undersigned parties agree to the following:

Applicant has read, understands and agrees to abide by and be subject to the Bylaws and Rules of NYSE Arca and NYSE Arca Equities (collectively, “NYSE Arca”) as they now exist and may from time to time be amended, and all circulars, notices, interpretations, directives or decisions adopted by NYSE Arca. Applicant also agrees to comply with the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

Applicant authorizes any SRO, commodities exchange, governmental agency or similar entity to furnish to NYSE Arca, upon its request, any information that such person may have concerning the character, ability, business activities and reputation of the Applicant, and releases such person or entity from any and all liability in furnishing such information. Applicant authorizes NYSE Arca to make available to any governmental agency, SRO, commodities exchange or similar entity, any information it may have concerning the Applicant and releases NYSE Arca from any and all liability in furnishing such information. Applicant authorizes NYSE Arca to make available to the Applicant’s prospective Affiliate information relating to processed fingerprint cards and/or such other records.

Applicant acknowledges his/her obligation to update any and all information contained in any part of this application, including amending any and all disclosures listed within this application and/or on Form U4 that may arise during Applicant’s active status with NYSE Arca. In such cases, Applicant understands that NYSE Arca may require additional information.

Applicant understands and agrees that if he/she is found to be in violation of a NYSE Arca rule (other than a minor rule violation), the Applicant will be required to file an amendment to Form U4 listing such violation(s).

Applicant agrees that at any time, upon request of any committee or department of NYSE Arca, he/she will appear before such committee or department and give evidence upon any subject under investigation by such committee or department and that the applicant will produce, upon request of NYSE Arca, all records or documents relative to any inquiry being made by NYSE Arca.

Applicant agrees to immediately notify NYSE Arca if he/she becomes subject to any of the following:

- Investigation or proceeding by any governmental, or securities or commodities industry self-regulatory body;
- Litigation or arbitration alleging violations of any provisions of any securities or commodities industry self-regulatory body’s constitution, by-laws, or rules or any securities or commodities law or regulation;
- Material allegation that the applicant has acted in a way which may be inconsistent with a just and equitable principle or established practice of NYSE Arca;
- Violations of NYSE Arca Bylaws, any rule adopted by NYSE Arca’s Board of Directors, any securities law or regulation, or any agreement with NYSE Arca;
- Refusal of registration, or injunction, censure, suspension, expulsion or other disciplinary action by any governmental, or securities or commodities industry self-regulatory body;
- Major complaint by a customer of an ETP or OTP Firm or by a broker-dealer in securities or commodities;
- Bankruptcy or contempt proceeding, cease and desist order, injunction or civil judgment; or
- Conviction for criminal offenses by Applicant.

**The undersigned swears that the materials contained within this application are true and complete to the best of their knowledge and that they are subject to administrative, civil or criminal penalties if they give false or misleading answers.**

### Individual Applicant or Authorized Representative of Applicant Firm

\_\_\_\_\_

Name

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

\_\_\_\_\_

Title (if signed by Authorized Representative)

### Authorized Representative of the Affiliate

\_\_\_\_\_

Name

\_\_\_\_\_

Date

\_\_\_\_\_

Signature

\_\_\_\_\_

Title