



# **NYSE Amex and New York Stock Exchange (NYSE)**

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## ***Application for NYSE & NYSE Amex Only Equity Membership***

A registered broker or dealer that is a member of a registered securities exchange, but is not a FINRA member, is eligible to apply for NYSE and NYSE Amex equities membership with this application if the broker or dealer does not (1) transact business with public customers or (2) conduct business on the Floor of the Exchange. If a registered broker or dealer transacts business with public customers or conducts business on the Floor of the Exchange, FINRA membership is a prerequisite to NYSE and NYSE Amex equities membership. If you have any questions regarding your eligibility to apply for membership under this application, please contact Client Relationship Services at 212.656.2085 or [crs@nyx.com](mailto:crs@nyx.com).

**I. GENERAL INSTRUCTIONS**

**Please mail or deliver completed application to:**

NYSE Euronext  
Client Relationship Services  
Attn: Elizabeth Seiffer  
20 Broad Street, 10<sup>th</sup> Floor  
New York, NY 10005

Phone: 212-656-2085                      Email: crs@nyx.com

**New member organization application fees (non-refundable):**

Clearing Firm	\$20,000
Introducing Firm	\$ 7,500
Non-Public Firm	\$ 2,500

Kindly make check payable to "NYSE Market, Inc." and submit the check with your initial application.

**II. IMPORTANT INFORMATION**

**The Applicant Firm must address all information and questions contained in this application. To the extent the Applicant Firm believes a particular item or subject matter requested in the application is not relevant to its business, the Applicant Firm must so indicate.**

**NYSE and NYSE Amex have retained FINRA to perform certain regulatory services for a broker or dealer seeking membership with this application. Each Applicant Firm is required to update information submitted as part of this application process that becomes inaccurate or incomplete during the pendency of the application and may be required to provide additional information as requested by FINRA. Each Applicant Firm shall promptly notify their FINRA Regulatory Coordinator and NYSE Client Relationship Services in writing of any material change in business and, if applicable, reflect that change through any required filings with the FINRA Central Registration Depository ("Web CRD®").**

**III. APPLICANT FIRM DETAILS**

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

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

Mailing Address (if different): \_\_\_\_\_  
\_\_\_\_\_

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

Web Address, if any: \_\_\_\_\_

Applicant Firm's current Designated  
Examining Authority (DEA): \_\_\_\_\_

Broker-Dealer Tax ID: \_\_\_\_\_ Firm's CRD #: \_\_\_\_\_

**IV. QUESTIONS**

1. What is the name, address and telephone number of the person to contact regarding the membership application?

Contact Name: \_\_\_\_\_  
Address: \_\_\_\_\_  
Job Title / Position: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

2. Has the Applicant Firm ever operated under another name and/or had any predecessor organizations? If so, please specify.

Response:

3. If the Applicant Firm has any office locations that share space with another entity or business, please identify the name and type of business with which space is shared.

Response:

4. If the Applicant Firm has a direct parent corporation, what is the name and net worth of the direct parent corporation?

Response:

5. Exchange Memberships:

(a) List all Exchanges of which the Applicant Firm is an existing member \_\_\_\_\_  
\_\_\_\_\_  
(b) Identify other memberships being considered and the estimated cost of acquisition? \_\_\_\_\_  
\_\_\_\_\_  
(c) What source of funds will be utilized for the NYSE and any other memberships? \_\_\_\_\_  
\_\_\_\_\_

6. Does the Applicant Firm have registered principals as required by NYSE Rule 342.13? Yes  No

If the firm answered "no", please explain.

Response:

**IV. QUESTIONS (CONTINUED)**

**7.** Please indicate the type of business the Applicant Firm intends to perform as an NYSE and NYSE Amex Equities Member Organization (please check all that apply):

- |   |  |
|---|--|
| <input type="checkbox"/> Non-member broker/dealer executions        | <input type="checkbox"/> Engaging in business with other broker/dealers only |
| <input type="checkbox"/> Self Clears                                | <input type="checkbox"/> Commodities   |
| <input type="checkbox"/> Clears for others                          | <input type="checkbox"/> Clears on an omnibus basis through another b/d      |
| <input type="checkbox"/> Clears fully-disclosed through another b/d | <input type="checkbox"/> Corporate finance                                   |
| <input type="checkbox"/> Primary government securities dealer       | <input type="checkbox"/> Equities market maker                               |
| <input type="checkbox"/> Options market maker                       | <input type="checkbox"/> Issue research reports                              |
| <input type="checkbox"/> Stockloan/stock borrow                     | <input type="checkbox"/> Repos/reverse repos financing transactions          |
| <input type="checkbox"/> Joint Back Office (JBO) arrangements       | <input type="checkbox"/> Underwritings (best efforts)                        |
| <input type="checkbox"/> Underwritings (all or none basis)          |  |
| <input type="checkbox"/> Other (Please explain: _____)              |  |

**8.** Does the Applicant Firm engage or plan to engage in "Program Trading", as defined by NYSE Rule 132B.10(b)? (If the answer is "Yes", See NYSE Information Memo 09-31) Yes  No

**9.** Does the Applicant Firm currently (or does it plan to) consolidate computations of net capital & aggregate indebtedness for any subsidiary or affiliate, pursuant to Appendix C to SEA Rule 15c3-1? Yes  No

**10.** Does the Applicant Firm have any Approved Persons under NYSE Rule 2? Yes  No

If the answer is "Yes", has an AP-1 application been filed for any entity deemed an approved person of the Applicant Firm under Rule 304? (An AP-1 application is available on the NYSE's website at [www.nyse.com](http://www.nyse.com) under "Regulation – Information Memo # 00-21", and must be filed prior to the Exchange's consideration of the Applicant Firm for membership. Natural persons must file a U-4 application via Web CRD.) Yes  No

**11.** What types of NYSE Products & Services does the Applicant Firm intend to use? (Check all that apply)

MatchPoint  Trade Report Facility (TRF)  Bonds  NYBX

**12.** Has the Applicant Firm been examined by its current Designated Examining Authority (DEA)? Yes  No

**13.** Is the Applicant Firm a Futures Commission Merchant (FCM) as defined under the Commodities Exchange Act? Yes  No

**V. KEY PERSONNEL**

Please identify the key personnel that will be responsible for the business of the Applicant Firm on NYSE and NYSE Amex Equities:

**Chief Executive Officer**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Chief Financial Officer**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Chief Compliance Officer**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Head of Technology**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Head of Operations**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Head of Trading**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

**Primary Contact for Trading Issues**

Name: \_\_\_\_\_ CRD: \_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_

## VI. ORGANIZATIONAL DOCUMENTS

### Applicant Firm must provide, as applicable, the following:

Copies of any loans that are intended to qualify for inclusion as part of the firm's Net Capital and copies of any approvals of such loans from the Applicant Firm's DEA. (Note that these loans and the associated agreements must conform to Appendix D of SEA Rule 15c3-1.)

If the Applicant Firm is a Corporation, provide the following:

- (1) Charter or Certificate of Incorporation and Amendments (if any) which contain provisions pursuant to the following Rules:
  - a. 313.22
  - b. 313.23 (Required for corporations not organized under the laws of New York State.)
- (2) By-Laws, as per Rule 313(b)
- (3) Specimen certificate for each class of stock authorized to be issued. Each certificate shall carry a full summary of the provisions of Rule 313.22.
- (4) Certified List(s) of Officers, Directors & Stockholders
- (5) Opinions of Counsel addressing the following Rules:
  - a. 313(d)
  - b. 313.20
  - c. 313.23 (May be covered in the same opinion as 313.20)

If the Applicant Firm is a Partnership, provide the following:

- (1) Partnership Agreement and all Amendments (if any) which contain provisions pursuant to the following Rules:
  - a. 313.11
  - b. 326 (Required if the partnership agreement contains a stated termination date.)
- (2) Certified List of general and limited partners (natural and non-natural persons)
- (3) Opinion of Counsel addressing the requirements of Rule 313(d)

If the Applicant Firm is a Limited Liability Company ("LLC") provide the following:

- (1) Operating Agreement and all Amendments (if any) which contain provisions pursuant to the following Rules:
  - a. 313.11
  - b. 313.23
  - c. 326 (Required if the operating agreement contains a stated termination date.)
- (2) State filing certificate.
- (3) Certified List(s) of current members as well as Officers and Directors and/or Managing Member(s)
- (4) Statement showing the dollar value of all capital contributions as of the date of this application.
- (5) Opinions of Counsel addressing the following Rules:
  - a. 313(d)
  - b. 313.20
  - c. 313.23 (May be covered in the same opinion as 313.20)

## VII. REQUIRED DOCUMENTATION

1. Provide an organizational chart showing all related entities of the Applicant Firm and indicate the percentage ownership of the Applicant firm by each direct and indirect parent. Additionally, provide a description of the principal activities of each affiliate (including parent and subsidiary organizations), the nature of the affiliation with the Applicant Firm, and identify any business relationships between the Applicant Firm and the affiliate.
2. Submit copies of the two most recent examination reports of the Applicant Firm from any Self Regulatory Organization (SRO), together with the Applicant Firm's written response regarding any deficiencies cited in the reports.
3. Provide a copy of the most recent 12 months of FOCUS Reports, a pro-forma balance sheet and a 15c3-1 computation as of the anticipated date of NYSE and NYSE Amex Equity Membership approval.
4. If applicable, provide the name of the service bureau used by the Applicant Firm to process data and clearly identify what services are utilized by the Applicant Firm.
5. Based on the Applicant Firm's business, provide the Name and CRD#s for the registered principals and registered options principals for the firm.
6. Provide a schedule indicating the Name and CRD# for any persons acting as a Securities Lending Representative or Securities Lending Supervisor.
7. Provide a copy of the Audit Agreement and a copy of the most recent Audit Report between the Applicant Firm and the firm's public accounting firm.
8. Provide copies of audited financial statements for the most recent three years.
9. Provide a copy of the Applicant Firm's Training Plan for complying with the Continuing Education Firm Element Requirement of NYSE Rule 345A (b).
10. Provide a copy of the Applicant Firm's Written Supervisory Procedures (WSPs).
11. Identify all clearing corporations of which the Applicant Firm is a current member.
12. Identify the Applicant Firm's current clearing arrangement: a) If introducing, please provide the name of the clearing firm and a copy of the clearing arrangement; b) If self-clearing, please provide a full description of the back office operations and facilities to be used to conduct this aspect of the firm's business, as well as the names, positions and experience of the key personnel in this area
13. If the Applicant Firm prepares research reports for external distribution, please provide a description of the research facilities and a list of the key personnel, including the Supervisory Analyst(s) and indicate their background and experience. (See NYSE Rules 344 & 472)

## VIII. APPLICANT FIRM ACKNOWLEDGEMENTS

Applicant Firm agrees to abide by the Bylaws and Rules of the New York Stock Exchange LLC and NYSE Amex LLC, as well as federal securities laws and the rules and regulations thereunder, as may be amended from time to time, and all circulars, notices, interpretations, directives, decisions or Information Memos published by the New York Stock Exchange LLC or NYSE Amex LLC.

Applicant Firm acknowledges its obligation to update any and all information contained in any part of this application, including termination of membership with another Self Regulatory Organization (SRO), which may cause a change in the Applicant Firm's Designated Examining Authority (DEA). It is understood that in that event, additional information may be required by the New York Stock Exchange LLC and NYSE Amex LLC.

Applicant Firm acknowledges that it must separately purchase an NYSE Trading License in order to have trading rights directly with NYSE and NYSE Amex Equity systems. If the Applicant Firm chooses not to purchase an NYSE Trading License, it will have no direct access to NYSE and NYSE Amex trading systems, but will be deemed a Regulated Only Member Organization of the NYSE and NYSE Amex Equities and must be in full compliance with the rules and regulations of the New York Stock Exchange LLC and NYSE Amex LLC.

Applicant Firm acknowledges that it is a member of a registered securities exchange, is not a FINRA member, and is eligible to apply for NYSE and NYSE Amex Equity Membership with this application. The Applicant Firm conducts a proprietary business and does not transact business with public customers nor conducts business on the Floor of the Exchange. If the registered broker or dealer transacts business with public customers or conducts business on the Floor of the NYSE, FINRA membership is a prerequisite to NYSE and NYSE Amex Equities membership.

The New York Stock Exchange LLC or NYSE Amex LLC reserves the right to request additional information and documentation from the Applicant Firm in addition to what is noted in and during the application review process.

By signing below, Applicant Firm certifies and acknowledges the foregoing statements.

Firm Name: \_\_\_\_\_

Authorized Officer (Print Name): \_\_\_\_\_

Authorized Officer (Signature): \_\_\_\_\_

Title: \_\_\_\_\_

Individual CRD#: \_\_\_\_\_

Date: \_\_\_\_\_

## IX. FURTHER INFORMATION AND RESOURCES

NYSE Rules & Interpretations:

<http://www.nyse.com/rulesandinterpretations>

NYSE Rules:

<http://www.nyse.com/nyserules>

NYSE Amex Rules & Interpretations:

<http://www.nyse.com/nyseamexreg>

NYSE Rule Changes:

<http://www.nyse.com/nyserulechanges>

NYSE Rule Filings:

<http://www.nyse.com/rulefilings>

NYSE Rule Interpretations:

<http://www.nyse.com/nyseruleinterpretations>

NYSE Information Memos :

<http://www.nyse.com/infomemos>

NYSE and NYSE Amex Equity Membership:

<http://www.nyse.com/nysemembership>

## X. ATTACHED FORMS & REFERENCES INDEX

### Required Documents

- Designation of Accountant

### Organizational Document Related Submissions

- Form of Opinion under Rule 313(d)
- Rule 313.11 – Withdrawal of Capital (“Lock-In Language”)
- Rule 313.20 – Opinion of Counsel
- Rule 313.22 – Provisions concerning redemption or conversion
- Rule 313.23 – Restrictions on corporations (“Dividend Restriction”)
- Rule 326 – Capital Requirements (“Termination Language”)

### NYSE and NYSE Amex Trading License Application

- <http://www.nyse.com/pdfs/MembershipServicesProgramLicenses.pdf>

### Form AP-1

- <http://www.nyse.com/pdfs/FormAP-1v2.pdf>

Please note that these forms and references may not incorporate all forms necessary to complete this application. Please determine which forms and references are applicable to your submission and note those that must be completed by all applicants. FINRA reserves the right to request additional documentation to complete the review of the application. If you have any questions, please contact:

Diana Gregory  
FINRA  
[diana.gregory@finra.org](mailto:diana.gregory@finra.org)  
646-315-8476

Client Relationship Services  
NYSE Euronext  
[crs@nyx.com](mailto:crs@nyx.com)  
212-656-2085

**Designation of Accountant**  
**Notice Pursuant to Rule 17a-5(f)(2)**

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1. Broker or Dealer

Contact Name: \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone Number \_\_\_\_\_  
Email \_\_\_\_\_

2. Accounting Firm

Contact Name: \_\_\_\_\_  
Address \_\_\_\_\_  
Telephone Number \_\_\_\_\_  
Email \_\_\_\_\_

3. Audit date covered by the Agreement

\_\_\_\_\_

4. The contractual commitment to conduct the broker's or dealer's annual audit. (check one)

- is for the annual audit during the fiscal year \_\_\_\_\_
- is of a continuing nature, providing for successive yearly audits.

Signature: \_\_\_\_\_ Signature: \_\_\_\_\_

Title: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_ Date: \_\_\_\_\_

## Form of Opinion under Rule 313(d) for Offering Not Registered Under the Securities Act of 1933

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Address to: New York Stock Exchange, LLC  
20 Broad Street  
New York, NY 10005

We have acted as counsel for [member organization] in connection with the offering and sale by [member organization] of [describe securities] (the "Securities") for [dollar value] to [describe offerees and purchasers] for the purpose of raising capital under Rules 325 and 326 of the New York Stock Exchange, LLC and NYSE Amex LLC. For the purpose of complying with your Rule 313(d), [member organization] has requested us to furnish you with our opinion with respect to the applicability of the registration requirements of the Securities Act of 1933, as amended (the "Act"), to such offers and sales.

As such counsel, we are familiar with the action taken by [member organization] in connection with the above mentioned offers and sales. We have examined such corporate records and other documents, including documents executed by all persons to whom [member organization] has sold the securities, as we have deemed necessary for the opinions hereinafter expressed and have considered other transactions pursuant to which [member organization] has raised capital in the past, or expects to do so in the future, the disclosure of material information regarding [member organization] to the offerees and purchasers and their representations by the purchasers as to their intention to hold the securities for investment and not with a view to the distribution thereof.

Based upon the foregoing, and having regard to legal considerations to which we deem relevant, we are of the opinion that the above mentioned offers and sales of the securities by [member organization] did not involve any public offering of securities within the meaning of Section 4(2) of the Act, and accordingly the registration provisions of the Act are inapplicable to such transaction.

In respect of those jurisdictions the "blue sky" laws of which we consider applicable to the above transactions, we have examined such laws and are of the view that no action need be taken by [member organization] in respect of such transactions under such laws, except [specify necessary actions, if any and state that they have been accomplished]. This statement is based upon an examination of such laws and of the published rules and regulations (if any) of the authorities administering such laws, as reported in standard compilations and communications with such authorities in certain instances, and our statements are subject to the broad discretionary powers of the authorities administering such laws, authorizing them, among other things, to withdraw exemptions accorded by statute, to impose additional requirements, to refuse registrations and to issue stop orders.

Language to be used when a rule 313(d) opinion restricts  
the use of the opinion solely to the NYSE

This opinion is furnished by us as counsel to the Company, is solely for your benefit, and may not be relied upon by, or delivered or quoted to any other person without our prior written consent; provided, however, that nothing contained herein shall prohibit you or any regulatory or self regulatory authority from using this opinion in connection with or arising out of its regulatory or self-regulatory activities.

### **Rule 313.11 Withdrawal of Capital (Lock-In Language for Firm's Subject to SEC Rule 15c3-1)**

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Notwithstanding any provision to the contrary contained herein, without the prior written approval of the New York Stock Exchange, LLC. (Exchange), the capital contribution of any [partner or member] may not be withdrawn on less than six months written notice, given no sooner than six months after such contribution was first made.

Such capital contribution may not be withdrawn nor may any unsecured loan or advance be made by the firm to a [partner or member] or employee at any time when such withdrawal, loan or advance would be prohibited by the provisions of any rule or regulation of the Exchange or the Securities and Exchange Commission (SEC) to which the firm is subject, including, without limitation, the provisions of SEC Rule 15c3-1.

### **Rule 313.20 Opinion of Counsel**

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There shall also be submitted an opinion of counsel in form and substance satisfactory to the Exchange stating, among other things, that the [company or corporation] is duly organized and existing and that the restrictions and provisions required by the Exchange on the transfer, issuance, conversion and redemption of its [limited liability company interests or stock] have been made legally effective.

### **Rule 313.22 Provisions concerning redemption or conversion**

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Each certificate of incorporation of a member corporation shall contain provisions authorizing the corporation to redeem or convert to a fixed income security acceptable to the New York Stock Exchange, LLC. (Exchange) for all or any part of the outstanding shares of voting stock of such member corporation owned by any person required to be approved by the Exchange as a member or approved person who fails or ceases to be so approved as may be necessary to reduce such party's ownership of voting stock in the member corporation below that level which enables such party to exercise controlling influence over the management or policies of such member corporation.

### **Rule 313.23 Restrictions on corporations ("Dividend Restriction")**

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No dividend shall be declared or paid which shall impair the capital of the corporation nor shall any distribution of assets be made to any stockholder unless the value of the assets of the corporation remaining after such payment or distribution is at least equal to the aggregate of its debts and liabilities, including capital.

## Rule 326 Capital Requirements (“Termination Language “)

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In order for a Limited Liability Company (LLC) or a Partnership to avoid having its capital considered as a scheduled withdrawal under Rule 326 during the six month period prior to a termination of the agreement the following language must be included in the agreement:

“Notwithstanding anything to the contrary herein contained, in the event of the termination of the [LLC or Partnership] on the expiration of the term of this agreement, or any dissolution of the [LLC or Partnership], each member agrees that if withdrawal of its capital on any such termination would cause:

1. the [LLC or Partnership]’s ‘Aggregate Indebtedness’ to exceed the percentages specified in Rules 326(a) and 326(b) of the Rules of the New York Stock Exchange LLC; or
2. the [LLC of Partnership]’s ‘Alternative Net Capital Requirement Percentage’ under SEC Rule 15c3-1 to fall below the percentages specified in Rules 326(a) and 326(b) of the New York Stock Exchange LLC during the six months immediately preceding the date of termination;

such withdrawal of capital may be postponed for a period of up to six (6) months of the date of termination, as the members may deem necessary to ensure compliance with said rules; and any such capital so retained by the [LLC or Partnership] after the date of termination shall continue to be subject to all debts and obligations of the [LLC or Partnership].”