bond as defined by Section 3(a)(29) of the Act:

[(k)] (o) "municipal securities broker" means a broker, except a bank or department or division of a bank, engaged in the business of effecting transactions in municipal securities for the account of others;

[(l)] (p) "municipal securities dealer" means any person, except a bank or department or division of a bank, engaged in the business of buying and selling municipal securities for his own account, through a broker or otherwise, but does not include any person insofar as he buys or sells securities for his own account either individually or in some fiduciary capacity but not as a part of a regular business:

[(m)] (q) "person associated with a member" or "associated person of a member" means every sole proprietor, partner, officer, director, or branch manager of any member, or any natural person occupying a similar status or performing similar functions, or any natural person engaged in the investment banking or securities business who is directly or indirectly controlling or controlled by such member, whether or not any such person is registered or exempt from registration with the Corporation pursuant to these By-Laws;

[(n)] (r) "registered broker, dealer, municipal securities broker or dealer, or government securities broker or dealer' means any broker, dealer, municipal securities broker or dealer, or government securities broker or dealer which is registered with the Commission under the Act;

[(o)] (s) "rules of the Corporation" means all rules of the Corporation including the Certificate of Incorporation, By-Laws, Rules of Fair Practice, Government Securities Rules, Code of Procedure, Uniform Practice Code, any other rules, and any interpretation thereunder.

Article III

Membership

Transfer and Termination of Membership

Sec. 7. (a) Except as provided hereinafter, no member of the Corporation may transfer its membership or any right arising therefrom and the membership of a corporation, partnership or any other business organization which is a member of the Corporation shall terminate upon its liquidation, dissolution or winding up, and the membership of a sole proprietor which is a member shall terminate at death,

provided that all obligations of the membership under the By-Laws and Rules [of Fair Practice] of the Corporation have been fulfilled.

District Committees' Right to Classify Branches

Sec. 10. A District Committee may classify any branch of a member not meeting the definition of Article [I(c)] *I(d)* of the By-Laws as a "branch office" if such Committee is satisfied that the definition of Article [I(c)] *I(d)* of the By-Laws is substantially met and that the business of said branch in the district is of sufficient importance to justify such a classification.

Article IV

Registered Representatives and Associated Persons

Retention of Jurisdiction

Sec. 4. A person whose association with a member has been terminated and is no longer associated with any member of the Corporation or a person whose registration has been revoked shall continue to be subject to the filing of a complaint under the Code of Procedure based upon conduct which commenced prior to the termination or revocation or upon such person's failure, while subject to the Corporation's jurisdiction as provided herein, to provide information requested by the Corporation pursuant to [Article IV. Section 5 of the NASD Rules of Fair Practice] Rule , but any such complaint shall be filed within:

- (a) two (2) years after the effective date of termination of registration pursuant to Section 3 above, provided, however, that any amendment to a notice of termination filed pursuant to Section [2(b)] *3(b)* that is filed within two years of the original notice which discloses that such person may have engaged in conduct actionable under any applicable statute, rule or regulation shall operate to recommence the running of the two-year period under this paragraph.
- (b) Two (2) years after the effective date of revocation of registration pursuant to [Article V, Section 2 of the Association's Rules of Fair Practice Rule ; or,
- (c) in the case of an unregistered person, within two (2) years after the date upon which such person ceased to be associated with the member.

Article V

Affiliates

Agreement of Affiliate

Sec. 3. No applicant may become an affiliate of the Corporation unless it agrees:

- (a) Unchanged.
- (b) Unchanged.
- (c) That, after affiliation, it will at all times keep its charter, by-laws, [rules of fair practice and code of procedure] and other rules so integrated with the corresponding Charter, By-Laws, [Rules of Fair Practice and Code of Procedure] and other rules of the Corporation as not to conflict in any way therewith; and
 - (d) Unchanged.

Conditions of Affiliation

Sec. 4. No applicant may become an affiliate of the Corporation unless it appears to the Board of Governors.

(a) Unchanged.

(b) That the charter, by-laws, [rules of fair practice and code of procedure] and other rules of the applicant are so integrated with the Corresponding Charter, By-Laws, [Rules of Fair Practice and Code of Procedure] and other rules of the Corporation as not to conflict in any way therewith.

Article VII

Board of Governors

Powers and Authority of Board of Governors

Sec. 1. (a) Unchanged.

(1) Unchanged.

- (2) adopt such Rules [of Fair Practice] and changes or additions thereto as it deems necessary or appropriate, provided, however, that the Board may at its option submit to the membership any such adoption, change or addition to the Rules [of Fair Practice];
- (3) (a) adopt such rules as the Board of Governors deems appropriate to implement the provisions of the Act as amended and the rules and regulations promulgated thereunder, and (b) make such regulations, issue such orders, resolutions, interpretations, including interpretations of the rules adopted pursuant to this Section, and directions, and make such decisions as it deems necessary or appropriate.

(4) 3) make such regulations, issue such orders, resolutions, interpretations, including interpretations of the Rules [of Fair Practice], and directions, and make such decisions as it deems necessary or appropriate;

[(5)](4) prescribe a code of arbitration procedure providing for the required or voluntary arbitration of controversies