Effective Date

Sec. 2. The Rules shall become effective as provided in Section 1 of Article [VII] *XII* of the By-Laws.

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Applicability

Sec. 5. (a) These Rules [of Fair Practice] shall apply to all members and persons associated with a member, other than those members registered with the Securities and Exchange Commission solely under the provisions of Section 15C of the Act and persons associated with such members. Persons associated with a member shall have the same duties and obligations as a member under these Rules [of Fair Practice].

(b) Unchanged.

(c) A member or person associated with a member who has been suspended from membership or from registration shall be considered as a non-member during the period of suspension for purposes of applying the provisions of these Rules [of Fair Practice of the Corporation] which govern dealings between members and non-members. However, such member or person associated with a member shall have all of the obligations imposed by the [By-Laws, Rules of Fair practice and other regulations] *rules* of the Corporation.

Article II

Definitions

Definitions in Rules

Sec. 1. When used in these Rules, unless the context otherwise requires—(a)–(c) Unchanged.

"Rules"

(d) The term "Rules" means [the] Rules [of Fair Practice] as adopted and approved pursuant to Article VII of the By-Laws, or as the same may be hereafter amended or supplemented, as provided in the By-Laws.

"Code of Procedure"

(e) The term "Code of Procedure" means the [Code of Procedure for Handling Trade Practice Complaints prescribed by the Board of Governors pursuant to Article VII of the By-Laws] procedural rules contained in the Rule series.

(f) through (m) Unchanged.

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Article III

Rules [of Fair Practice]

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The Corporate Financing Rule Underwriting Terms and Arrangements Sec. 44. (a)-(c) Unchanged.

[(d) Power of the Board of Governors The Board of Governors shall have the power to alter, amend, supplement or modify the provisions of Subsection (b) of this Section from time to time without recourse to the membership for approval as would otherwise be required by Article III of the By-Laws.]

Article IV

Complaints

Availability to Customers of [Certificate, By-Laws, Rules and Code of Procedure] Rules of the Corporation

Sec. 1. Every member of the Corporation shall keep in each branch office maintained by him, in the form to be supplied by the Board of Governors, a copy of the [Certificate of Incorporation, By-Laws, Rules of Fair Practice, and Code of Procedure] *rules* of the Corporation, and of all additions and amendments from time to time made thereto, and of all published interpretive rulings made by the Board of Governors, all of which shall be available for the examination of any customer who makes requests therefor.

Complaints by Public Against Members for Violations of Rules

Sec. 2. Any person feeling aggrieved by any act, practice or omission of any member or any person associated with a member of the Corporation, which such person believes to be in violation of any of the Rules [of Fair Practice] of the Corporation, may, on the form to be supplied by the Board of Governors, file a complaint against such member or such persons associated with a member in regard thereto with any District **Business Conduct Committee of the** Corporation, and any such complaint shall be handled in accordance with the Code of Procedure of the Corporation as set forth in the Rule series.

Complaints by District Business Conduct Committees

Sec. 3. Any District Business Conduct Committee which, on information and belief, is of the opinion that any act, practice, or omission of any member of the Corporation or any person associated with a member is in violation of any of the Rules [of Fair Practice] of the Corporation, may, on the form to be supplied by the Board of Governors, file a complaint against such member or such person associated with a member in regard thereto with itself or with any other District Business Conduct Committee of the Corporation, as the necessities of the complaint may require, and any such complaint shall

be handled in accordance with the Code of Procedure as set forth in the Rule series and in the same manner as if it had been filed by an individual or member.

Complaints by the Board of Governors

Sec. 4. The Board of Governors shall have authority when on the basis of information and belief it is of the opinion that any act, practice or omission of any member of the Corporation or of any person associated with a member is in violation of any [rule of fair practice] Rule of the Corporation to file a complaint against such member or such person associated with a member in respect thereto or to instruct any District Business Conduct Committee to do so, and any such complaint shall be handled in accordance with the Code of Procedure as set forth in the Rule series.

Reports and Inspection of Books for Purpose of Investigating Complaints

Sec. 5. For the purpose of any investigation, or determination as to filing of a complaint or any hearing of any complaint against any member of the Corporation or any person associated with a member made or held in accordance with the Code of Procedure as set forth in the Rule series, any Local Business Conduct Committee, any District Business Conduct Committee, or the Board of Governors, or any duly authorized member or members of any such Committees or Boards or any duly authorized agent or agents of any such Committee or Board shall have the right (1) to require any member of the Corporation, person associated with a member, or person no longer associated with a member when such person is subject to the Corporation's jurisdiction to report, either informally or on the record, orally or in writing with regard to any matter involved in any such investigation or hearing, and (2) to investigate the books, records and accounts of any such member or person with relation to any matter involved in any such investigation or hearing. No such member or person shall fail to make any report as required in this Section, or fail to permit any inspection of books, records and accounts as may be validly called for under this Section. Any notice requiring an oral or written report or calling for an inspection of books, records and accounts pursuant to this Section shall be deemed to have been received by the member or person to whom it is directed by the mailing thereof to the last known address of