

## MEMBERSHIP CONTINUANCE APPLICATION ("MC-400")

Application must be made by the member to Nasdaq, 9600 Blackwell Road, Rockville, MD 20850, Attn: Membership Department, and be accompanied by a copy of the electronically filed Form U4 for the prospective employee. If the prospective employee is not an applicant for registration under the Nasdaq Rule 1000 Series (Membership and Registration Rules) because his/her intended employment is in a category which would not require registration with Nasdaq, the Application for Registration should, nevertheless, be completed to the extent appropriate.

Complete and accurate answers to all questions listed will eliminate delay and assist in prompt handling. If there is not sufficient space to answer any question, please attach separate sheet noting the number of the questions being answered.

Application \_\_\_\_\_  
(Member Firm) (Firm's CRD #)

Address \_\_\_\_\_

For approval of continuance in membership in Nasdaq with

\_\_\_\_\_  
(Full Name of Employee) (Individual's CRD #)

as an employee pursuant to the Rule 9520 Series.

### PROSPECTIVE EMPLOYEE'S DISQUALIFICATION

1. Furnish a copy of any determination rendered by any disciplinary body or court which is the basis for the disqualification of the prospective employee from employment by the member. (See Section 3(a)(39) of the Securities Exchange Act of 1934.)

*Please Typewrite or Print*

2. a. Number of years applicant (member) has been in securities business. \_\_\_\_\_  
b. Effective date of membership in Nasdaq \_\_\_\_\_  
c. Number of Offices of Supervisory Jurisdiction. \_\_\_\_\_  
d. Number of branch offices. \_\_\_\_\_  
e. Number of employees. \_\_\_\_\_  
f. Number of registered principals. \_\_\_\_\_  
g. Number of registered representatives. \_\_\_\_\_  
h. Type(s) of business applicant is engaged in. \_\_\_\_\_

3. Securities exchange memberships of applicants and effective dates of memberships:  
 AMEX \_\_\_\_\_  BSE \_\_\_\_\_  CBOE \_\_\_\_\_  CHX \_\_\_\_\_  ISE \_\_\_\_\_  
 Nasdaq \_\_\_\_\_  NSX \_\_\_\_\_  NYSE \_\_\_\_\_  PCX \_\_\_\_\_  
 PHLX \_\_\_\_\_  OTHER \_\_\_\_\_

4. Does the applicant currently employ any individuals who are subject to a statutory disqualification?  Yes  No

If "yes" please identify those individuals.

5. Will the prospective employee\* be permitted to participate, directly or indirectly, in the ownership of applicant through stock purchases, capital contributions or otherwise?  Yes  No

If yes, supply complete facts. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\* The term "employee" as used in this form includes all individuals included within the definition of "associated person" contained in Nasdaq Rule 1011.

6. Does applicant, or any officer or partner of the applicant, have or contemplate loans from the prospective employee either directly or indirectly? Loans contemplated by this section include, but are not limited to those of fixed assets, cash, securities and subordinated loans.  Yes  No

If yes, supply complete facts. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

7. How long has applicant or any of its officers or partners known the prospective employee? \_\_\_\_\_

Describe acquaintanceship. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

8. a. In what capacity will the prospective employee be employed? \_\_\_\_\_  
\_\_\_\_\_

b. Fully describe the duties contemplated for the prospective employee as well as the limitations and restrictions which will be placed upon him. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

c. Describe the method of proposed compensation of the prospective employee. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

9. Will the prospective employee have any supervisory duties?  Yes  No

If yes, describe in detail. \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

10. a. State address of office of applicant in which the prospective employee will be employed. \_\_\_\_\_  
\_\_\_\_\_

b. Is this a  home office  branch office?

c. Is this an Office of Supervisory Jurisdiction? (See Nasdaq Rule 3010)  
 Yes  No If "yes" state name of person designated to carry out supervisory procedures. \_\_\_\_\_  
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d. If the prospective employee is not to be employed in an Office of Supervisory Jurisdiction, what Office of Supervisory Jurisdiction in your firm would have ultimate jurisdiction over him? State the name and title of the individual in that office designated to carry out supervisory procedures.

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11. State name and title of individual(s) who will provide direct supervision over the prospective employee.

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b. Are the prospective employee and proposed supervisor related by blood or marriage?  
 Yes  No  
If "yes" describe the nature of the relationship. \_\_\_\_\_

c. Describe in detail the manner in which such supervision will be exercised including work proximity of supervisors (attach details, if necessary). \_\_\_\_\_

d. Is the supervisor a partner or officer of applicant?  Yes  No

e. If supervisor is not a partner or officer, describe manner in which a partner or officer will ultimately review the prospective employee's work. \_\_\_\_\_

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f. Is the supervisor a registered principal?  Yes  No

g. Describe the business experience of the supervisor and any other duties for which he is responsible. \_\_\_\_\_

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12. a. Has the applicant, its registered principals in the office where the prospective employee will work, including the supervisor in question 9(a), ever been the subject of any proceeding which has resulted in the imposition of disciplinary sanctions by the National Association of Securities- Dealers, Inc., The Nasdaq Stock Market LLC, any other registered securities exchange, the Securities And Exchange Commission or any court or state agency?  Yes  No

If "yes", describe fully including, but not limited to, the following: nature of such action; taken by whom; date of action and penalties imposed. Attach a copy of any order, decisions or document issued by the court or agency involved, if available.

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b. Are any such proceedings presently pending against applicant?  Yes  No

If yes, describe fully. \_\_\_\_\_

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13. Is applicant presently involved in any litigation connected with the securities business or are there any unsatisfied judgments outstanding against it arising out of the securities business?

Yes  No

If yes, state details. \_\_\_\_\_

14. Furnish duplicate copies of applicant's balance sheet or trial balance as of a date within thirty days of the date on which this application is filed.

15. If the applicant has any person associated with it, regardless of status of employment, who has been the subject of any disciplinary action by any regulatory agency, or has been convicted of a felony or misdemeanor involving the purchase or sale of any security or which arose out of the conduct of the business of a broker, dealer or investment adviser; or which involved embezzlement, fraudulent conversion, or misappropriation of funds or securities, or which involved mail fraud, or fraud by wire, radio or television; or, is permanently or temporarily enjoined by order, judgment, or decree of any court of competent jurisdiction from acting as an investment adviser, underwriter, broker, or dealer, or an affiliated person or employee of any investment company, bank or insurance company, or from engaging in or continuing any conduct or practice in connection with such activity, or in connection with the purchase or sale of any security, set forth on a separate attached sheet, in reasonable detail, the facts in respect thereto or supply copies of any applicable decisions or orders or a citation thereof.

16. State steps applicant has taken to investigate activities of the prospective employee prior to this application. \_\_\_\_\_

17. Why does applicant believe the prospective employee should be permitted to become or remain associated with it in the capacity requested. Briefly present reasons on an attached sheet.

18. Submit with this application a statement by the disqualified employee outlining his experience in the investment banking or securities business and why he believes he should be approved in the capacity(s) requested.

#### APPLICANT'S CERTIFICATION

I hereby certify on behalf of the above-named member firm that I have read and understand the questions and statements contained in this application and that each of the responses hereto is true and complete. I further certify that if this application is approved the Firm will amend its Form BD and any state securities applications, as required.

I understand that the Firm and I are subject to the imposition of sanctions under Nasdaq rules or Section 32 of the Securities Exchange Act of 1934, as amended, in the event false information is given on this application or there are omissions of material facts. I further certify that I will at all times keep the information called for herein accurate and up-to-date by supplementary written notices to Nasdaq.

Date \_\_\_\_\_

\_\_\_\_\_  
(Signature of Executive Representative or Registered Principal  
of Applicant as Authorized Signatory))