(1) For deliveries by U.S. postal service:

Bureau of Export Administration, U.S. Department of Commerce, P.O. Box 273, Washington, D.C. 20044, Attn: HPC Team.

(2) For courier deliveries:

U.S. Department of Commerce, Office of the Assistant Secretary, For Export Enforcement, Room H3721, 14th Street and Constitution Ave. NW, Washington, DC 20230, Attn: HPC Team

* * * * *

PART 742—[AMENDED]

3. The authority citation for part 742 is revised to read as follows:

Authority: 50 U.S.C. app. 2401 *et seq.*; 50 U.S.C. 1701 *et seq.*; 18 U.S.C. 2510 *et seq.*; 22 U.S.C. 3201 *et seq.*; 42 U.S.C. 2139a; E.O. 12058, 43 FR 20947, 3 CFR, 1978 Comp., p. 179 (1979); E.O. 12851, 58 FR 33181, 3 CFR 1993 Comp., p. 608 (1994); E.O. 12924, 59 FR 43437, 3 CFR, 1994 Comp., p. 917 (1995); E.O. 12938, 59 FR 59099, 3 CFR, 1994 Comp., p. 950 (1995); E.O. 13026, 61 FR 58767, 3 CFR, 1996 Comp., p. 228 (1997); Notice of August 15, 1995, 3 CFR, 1995 Comp. 501 (1996); Notice of August 14, 1996, 61 FR 42527, 3 CFR 1996 Comp., p. 298 (1997); Notice of August 13, 1997 62 FR 43629, 3 CFR, 1997 Comp., p. 306 (1998); Notice of August 13, 1998 (63 FR 44121, August 17, 1998); and P.L. 105–85, 111 Stat. 1629.

4. Section 742.12 is amended by revising paragraph (b)(3)(iv) to read as follows:

§ 742.12 High performance computers.

* * * * *

(b) * * *

(3) * * *

(iv) *Post-shipment verification.* * * *

(A) *Information that must be included in each post-shipment report.* No later than the last day of the month following the month in which the export takes place, the exporter must submit the following information to BXA at the address listed in paragraph (b)(3)(iv)(B) of this section:

(*1*) Exporter name, address, and telephone number;

(*2*) License number;

(*3*) Date of export;

(*4*) End-user name, point of contact, address, telephone number;

(*5*) Carrier;

(*6*) Air waybill or bill of lading number;

(*7*) Commodity description, quantities—listed by model numbers, serial numbers, and CTP level in MTOPS; and

(*8*) Certification line for exporters to sign and date. The exporter must certify that the information contained in the report is accurate to the best of his or her knowledge.

(B) *Mailing address.* A copy of the post-shipment report[s] required under paragraph (b)(3)(vi)(A) of this section shall be delivered to one of the following addresses. Note that BXA will not accept reports sent C.O.D.

(1) For deliveries by U.S. postal service:

Bureau of Export Administration, U.S. Department of Commerce, P.O. Box 273, Washington, D.C. 20044, Attn: HPC Team.

(2) For courier deliveries:

U.S. Department of Commerce, Office of the Assistant Secretary For Export Enforcement, Room H3721, 14th Street and Constitution Ave. NW, Washington, DC 20230, Attn: HPC Team.

* * * * *

Dated: November 4, 1998.

R. Roger Majak,

Assistant Secretary for Export Administration.

[FR Doc. 98–30250 Filed 11–10–98; 8:45 am]

BILLING CODE 3510–33–P

SECURITIES AND EXCHANGE COMMISSION

17 CFR Parts 200, 240, 249

[Release No. 34–40594A; File No. S7–30–97]

RIN 3235–AH16

OTC Derivatives Dealers; Correction

AGENCY: Securities and Exchange Commission.

ACTION: Correction to final regulation.

SUMMARY: This document contains a correction to final regulations (34–40594), which were published Tuesday, November 3, 1998, (63 FR 59362). The regulations establish a new regulatory framework under the Securities Exchange Act of 1934 that tailor capital, margin, and other broker-dealer regulatory requirements to a class of registered dealers, called OTC derivatives dealers, that are active in over-the-counter derivatives markets.

EFFECTIVE DATE: January 4, 1999.

FOR FURTHER INFORMATION CONTACT: Michael Macchiaroli, Associate Director, at (202) 942–0132, Thomas K. McGowan, Assistant Director, at (202) 942–0177, or Christopher M. Salter, Attorney, at (202) 942–0148, Division of Market Regulation, Securities and Exchange Commission, 450 Fifth Street, N.W., Mail Stop 10–1, Washington, DC 20549.

SUPPLEMENTARY INFORMATION:

I. Background

The final regulations that are the subject of these corrections supersede Part IIB of Form X–17A–5 on the effective date and effect OTC derivatives dealers required to file Part IIB of Form X–17A–5 pursuant to Securities Exchange Act Rule 17a–12 (17 CFR 240.17a–12).

II. Need for Correction

As published the final regulations contain errors which may prove to be misleading and are in need of clarification.

III. Correction of Publication

Accordingly, the publication on November 3, 1998 of final regulations (34–40594), which were the subject of FR Doc. 98–29007, is corrected as follows:

Part IIB of Form X–17A–5 (referenced in § 249.617) which was published beginning on page 59407 and ending on page 59434 is corrected to read as follows:

* * * * *

Dated: November 5, 1998.

By the Commission.

Jonathan G. Katz,

Secretary.

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM X-17A-5

OMB APPROVAL
OMB Number: 3235-0498
Expires: March 31, 2001
Estimated average burden hours per response: 20

FOCUS REPORT

(Financial and Operational Combined Uniform Single Report)

PART IIB [11]

OTC DERIVATIVES DEALER

(PLEASE READ INSTRUCTIONS BEFORE PREPARING FORM.)

THIS REPORT IS BEING FILED PURSUANT TO (Check Applicable Block(s)):

1) Rule 17a-12 [ ] |16| 2) Rule 17a-11 [ ] |18| 3) Other [ ] |26|

_____ |13|
(Name of Dealer)

_____ |14|
(SEC File No.)

_____ |20|
(Address of Principal Place of Business (DO NOT USE P. O. Box No.))

_____ |15|
(Firm I.D. No.)

|21| _____ |22| _____ |23|
(City)   (State)   (Zip Code)

_____ |24|
(For Period Beginning (MM/DD/YYYY))

_____ |25|
(For Period Ending (MM/DD/YYYY))

NAME AND TELEPHONE NO. OF PERSON TO CONTACT IN REGARD TO THIS REPORT:

_____ |30|
(Name)

_____ |31|
((Area Code) - Telephone No.)

NAME(s) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

_____ |32|
_____ |34|
_____ |36|
_____ |38|

_____ |33|
_____ |35|
_____ |37|
_____ |39|

[Does respondent carry its own customer accounts?]   Yes [ ] |40| No [ ] |41|

Check here if respondent is filing an audited report: [ ] |42|

EXECUTION:

The registrant/dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the _____ day of _____ 19 _____

MANUAL SIGNATURES OF:

1) _____
   (Principal Executive Officer or Managing Partner)

2) _____
   (Principal Financial Officer or Partner)

3) _____
   (Principal Operations Officer or Partner)

ATTENTION -- Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78:f(a))

FOR SEC USE ONLY

TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

CERTIFIED PUBLIC ACCOUNTANT whose opinion is contained in this report:

|70|

((Name) If Individual, give last, first, middle name)

|71|

((Address) DO NOT USE P. O. Box No.)

|72| |73| |74|

(City)   (State)   (Zip Code)

DO NOT WRITE UNDER THIS LINE

FOR SEC USE ONLY

| WORK LOCATION |50| | REPORT DATE (MM/DD/YYYY) |51| | DOC. SEQ. NO. |52| | CARD |53| |

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

```
                                                    N 2                          100
_____
         (Name of Dealer)
```

STATEMENT OF FINANCIAL CONDITION FOR OTC DERIVATIVES DEALERS

Consolidated ☐ 198

Unconsolidated ☐ 199

	99		98
	As of (MM/DD/YYYY)		(SEC File No.)

ASSETS

Assets	Allowable	Non - Allowable	Total
1. Cash	$ _____ 200		$ _____ 750
2. Cash segregated in compliance with federal and other regulations	_____ 210		_____ 760
3. Receivable from brokers/dealers and clearing organizations:			
A. Failed to deliver	_____ 230		_____ 770
B. Securities borrowed	_____ 250		_____ 780
C. Omnibus accounts	_____ 270		_____ 790
D. Clearing organization	_____ 290		_____ 800
E. Contracts:			
1. Interest Rate	_____ 291		_____ 801
2. Currency & Foreign Exchange	_____ 292		_____ 802
3. Equity	_____ 293		_____ 803
4. Commodity	_____ 294		_____ 804
5. Other	_____ 295		_____ 805
F. Other	_____ 300	$ _____ 550	_____ 810
4. Receivable from customers:			
A. Securities accounts:			
1. Cash and fully secured accounts	_____ 310		
2. Partly secured accounts	_____ 320	_____ 560	
3. Unsecured accounts		_____ 570	
B. Commodity accounts	_____ 330	_____ 580	
C. Allowance for doubtful accounts	(_____) 335	(_____) 590	_____ 820

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

STATEMENT OF FINANCIAL CONDITION FOR OTC DERIVATIVES DEALERS

ASSETS (continued)

Assets	Allowable	Non - Allowable	Total
5. Receivables from non-customers:			
A. Cash and fully secured accounts	$ _____ 340		
B. Partly secured and unsecured accounts	_____ 350	$ _____ 600	$ _____ 830
6. Securities purchased under agreements to resale	_____ 360	_____ 605	_____ 840
7. Securities and spot commodities owned at market value:			
A. Bankers acceptances, certificates of deposit and commercial paper	_____ 370		
B. U.S. and Canadian government obligations	_____ 380		
C. State and municipal government obligations	_____ 390		
D. Corporate obligations	_____ 400		
E. Stocks and warrants	_____ 410		
F. Options	_____ 420		
G. Arbitrage	_____ 422		
H. Other securities	_____ 424		
I. Spot commodities	_____ 430		_____ 850
8. Securities owned not readily marketable:			
A. At cost $ _____ 130	_____ 440	_____ 610	_____ 860
9. Other Investments not readily marketable:			
A. At cost $ _____ 140			
B. At estimated fair value	_____ 450	_____ 620	_____ 870
10. Securities borrowed under subordination agreements and partners' individual and capital securities accounts at market value:			
A. Exempted securities $ _____ 150			
B. Other $ _____ 160	_____ 460	_____ 630	_____ 880

OMIT PENNIES

SEC 2430 (12/1997) Page 4 of 28

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

STATEMENT OF FINANCIAL CONDITION FOR OTC DERIVATIVES DEALERS

ASSETS (continued)

Assets	Allowable	Non - Allowable	Total
11. Secured demand notes - market value of collateral:			
A. Exempted securities $ [170]			
B. Other $ [180]	[470]	[640]	[890]
12. Investment in and receivables from affiliates, subsidiaries and associated partnerships	[480]	[670]	[910]
13. Property, furniture, equipment, lease-hold improvements and rights under lease agreements:			
At cost (net of accumulated depreciation and amortization) $	[490] $	[680] $	[920]
14. Other Assets:			
A. Dividends and interest receivable	[500]	[690]	
B. Free shipments	[510]	[700]	
C. Loans and advances	[520]	[710]	
D. Miscellaneous	[530]	[720]	[930]
15. TOTAL ASSETS $	[540] $	[740] $	[940]

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

STATEMENT OF FINANCIAL CONDITION FOR OTC DERIVATIVES DEALERS

LIABILITIES AND OWNERSHIP EQUITY

Liabilities	Total

16. Bank loans payable: .... $ _____ | 1470 |

17. Securities sold under repurchase
agreement .... _____ | 1480 |

18. Payable to brokers/dealers and clearing
organizations:

   A. Failed to receive: .... _____ | 1500 |

   B. Securities loaned: .... _____ | 1520 |

   C. Omnibus accounts: .... _____ | 1540 |

   D. Clearing organization: .... _____ | 1560 |

   E. Other .... _____ | 1570 |

19. Payable to customers:

   A. Securities accounts-including

     excess collateral of $ _____ | 950 | .... _____ | 1580 |

   B. Commodities accounts .... _____ | 1590 |

20. Payable to non - customers:

   A. Securities accounts .... _____ | 1600 |

     B. Commodities accounts .... _____ | 1610 |

21. Securities sold not yet
purchased at market value-

   including arbitrage of $ _____ | 960 | .... $ _____ | 1620 |

22. Accounts payable and accured liabilities
and expenses:

   A. Drafts payable .... _____ | 1630 |

   B. Accounts payable .... _____ | 1640 |

   C. Income taxes payable .... _____ | 1650 |

   D. Deferred income taxes .... _____ | 1660 |

   E. Accured expenses and other liabilities .... _____ | 1670 |

   F. Other .... _____ | 1680 |

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

STATEMENT OF FINANCIAL CONDITION FOR OTC DERIVATIVES DEALERS

LIABILITIES AND OWNERSHIP EQUITY (continued)

Liabilities	Total

23. Notes and mortgages payable:

A. Unsecured .... _____ [1690]

B. Secured .... _____ [1700]

24. Liabilities subordinated to claims of general creditors:

A. Cash borrowings: .... _____ [1710]

     1. from outsiders $ _____ [970]

     2. Includes equity subordination
     (15c3-1d) of $ _____ [980]

B. Securities borrowings, at market value .... _____ [1720]

     1. from outsiders $ _____ [990]

C. Pursuant to secured demand note collateral
agreements: .... _____ [1730]

     1. from outsiders $ _____ [1000]

     2. Includes equity subordination
     (15c3-1d) of $ _____ [1010]

D. Accounts and other borrowings not qualified
for net capital purposes .... _____ [1750]

25.   **TOTAL LIABILITIES** .... $ _____ [1760]

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

STATEMENT OF FINANCIAL CONDITION FOR OTC DERIVATIVES DEALERS

LIABILITIES AND OWNERSHIP EQUITY (continued)

<u>Ownership Equity</u>   <u>Total</u>

26. Sole proprietorship .... $ _____ 1770

27. Partnership-limited partners .... _____ 1780

28. Corporation:
     A. Preferred stock .... _____ 1791

     B. Common Stock .... _____ 1792

     C. Additional paid-in capital .... _____ 1793

     D. Retained earnings .... _____ 1794

     E. Total .... _____ 1795

     F. Less capital stock in treasury .... (_____) 1796

29.   TOTAL OWNERSHIP EQUITY .... $ _____ 1800

30.   TOTAL LIABILITIES AND OWNERSHIP EQUITY .... $ _____ 1810

| OMIT PENNIES |

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

_____	_____
(Name of Dealer)	As of (MM/DD/YYYY)

COMPUTATION OF NET CAPITAL AND NET CAPITAL REQUIRED
(Electing 15c3-1 Appendix F)

CAPITAL

Capital

1. Total Ownership Equity .... $ _____ [3480]

2. Deduct: Ownership Equity not Allowable for Net Capital .... (_____) [3490]

3. Total Ownership Equity Qualified for Net Capital .... _____ [3500]

4. Add: Subordinated Liabilities Approved for Net Capital .... _____ [3520]

5. Other Allowable Credits or Deductions .... _____ [3525]

6. Total Capital and Approved Subordinations .... _____ [3530]

7. Non-Allowable Assets .... $ _____ [3540]

8. Secured demand note deficiency .... _____ [3590]

9. Other Deductions and Charges .... _____ [3610]

10. Total Non-Allowable Assets, Other Deductions, and Charges (add lines 7 - 9) .... (_____) [3620]

11. Tentative Net Capital (Must equal or exceed $100,000,000) .... $ _____ [3640]

Computation of Net Capital Requirements and Excess Net Capital

12. Market Risk Exposure:
 A. Total Value At Risk .... $ _____ [3635]
   Value At Risk Components:
   1. Fixed Income (VaR) .... $ _____ [3636]

   2. Currency (VaR) .... _____ [3637]

   3. Commodities (VaR) .... _____ [3638]

   4. Equities (VaR) .... _____ [3639]

   NOTE: The sum of the value at risk components may not equal total value at risk.

 B. Multiplication Factor .... X $ _____ [3645]

 C. Subtotal (If Line 12A is positive, multiply Line 12A by 12B) .... _____ [3655]

 D. Alternative Method for Equities under Appendix A of Rule 15c3-1
   (if applicable) .... _____ [3665]

 E. Non - Marketable Securities .... _____ [3675]

 F. Residual Positions .... _____ [3676]

13. Subtotal Market Risk Exposure (add Lines 12C and 12D) .... $ _____ [3677]

OMIT PENNIES

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

COMPUTATION OF NET CAPITAL AND NET CAPITAL REQUIRED
(Electing 15c3-1 Appendix F)

CAPITAL (continued)

<u>Capital</u>

14. Credit Risk Exposure:

A. Credit Risk Charge (Counterparty) .... _____ | 3678 |

B. Concentration Charge .... _____ | 3650 |

15. Subtotal Credit Risk Exposure (add Lines 14A and 14B) .... $ _____ | 3679 |

16. Net Capital (Line 11 less Lines 13 and 15) .... _____ | 3750 |

17. Minimum Capital Requirement .... **2 0 , 0 0 0 , 0 0 0** | 3758 |

18. Excess Net Capital (Line 16 less Line 17) .... $ _____ | 3770 |

| OMIT PENNIES |

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

_____   _____
(Name of Dealer)   As of (MM/DD/YYYY)

COMPUTATION OF NET CAPITAL AND NET CAPITAL REQUIRED
(Under (c)(3)(vi) of Rule 15c3-1)

<u>Capital</u>

1. Total Ownership Equity (from Statement of Financial Condition - Item 1800) .... $ _____ `3480`

2. Deduct: Ownership Equity not allowable for Net Capital .... (_____) `3490`

3. Total Ownership Equity Qualified for Net Capital .... _____ `3500`

4. Add: Subordinated Liabilities Approved for Net Capital .... _____ `3520`

5. Other Allowable Credits or Deductions .... _____ `3525`

6. Total Capital and Approved Subordinations .... $ _____ `3530`

7. Non-Allowable Assets .... (_____) `3540`

8. Other Deductions and/or Charges: .... (_____) `4000`

9. Secured demand note deficiency .... (_____) `3590`

10. Commodity futures contracts and spot commodities proprietrary capital charges .... (_____) `3600`

11. Other additions and/or allowable credits
    A. Credit add backs under 15c3-1(c)(15) .... _____ `3631`

    B. Other .... _____ `3632`

12. Tentative Net Capital (must equal or exceed $100,000,000) .... $ _____ `3640`

13. Haircuts On Securities (computed pursuant to 15c3-1(c)(2)(vi)):
    A. Fixed Income .... $ _____ `3636`

    B. Currency .... _____ `3637`

    C. Commodities .... _____ `3638`

    D. Equities .... _____ `3639`

14. Total deductions and/or charges .... (_____) `4040`

15. Undue Concentration .... (_____) `3650`

16. Other (List) .... (_____) `3736`

17. Credit Risk .... (_____) `4051`

18. Net Capital .... $ _____ `4750`

19. Minimum Net Capital .... $ 20,000,000 `3758`

20. Excess Net Capital .... $ _____ `3770`

| OMIT PENNIES |

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

For the Period (MM/DD/YYYY)   from _____ | 3932 | to _____ | 3933 |

| (Name of Dealer) | Number of months included in this statement | 3931 |

STATEMENT OF INCOME (LOSS)

REVENUE

1. Contracts:
   A. Interest Rate/Fixed Income Products $ _____ | 3921 |

   B. Over-the-counter currency and foreign exchange products for Net Capital _____ | 3922 |

   C. Equity products _____ | 3923 |

   D. Commodity Products _____ | 3924 |

   E. All other securities commissions _____ | 3925 |

   F. Total securities commissions $ _____ | 3940 |

2. Gains or Losses on Firm Securities Trading Accounts:
   A. From market making in over-the-counter equity securities $ _____ | 3941 |
      1. Includes gains or (losses) OTC market making in exchange
         listed equity securties $ _____ | 3943 |

   B. From trading in debt securities _____ | 3944 |

   C. From market making in options on a national securities exchange _____ | 3945 |

   D. From all other trading _____ | 3949 |

   E. Total gains or (losses) $ _____ | 3950 |

3. Gains or Losses on Firm Securities Investment Accounts:
   A. Includes realized gains (losses) $ _____ | 4235 |

   B. Includes unrealized gains (losses) _____ | 4236 |

   C. Total realized and unrealised gains (losses) $ _____ | 3952 |

4. Other Interest _____ | 3953 |

5. Fees for account supervision, Investment advisory and administrative services _____ | 3975 |

6. Revenue from research services _____ | 3980 |

7. Commodities revenue _____ | 3990 |

8. Other revenue _____ | 3995 |

9. Total Revenue $ _____ | 4030 |

EXPENSES

10. Compensation $ _____ | 4110 |

11. Clerical and administrative employees' expenses _____ | 4040 |

| OMIT PENNIES |

SEC 2430 (12/1997) Page 12 of 28

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

For the Period (MM/DD/YYYY)   from _____ | 3932 | to _____ | 3933 |

_____

(Name of Dealer)

Number of months included
in this statement [ ] | 3931 |

STATEMENT OF INCOME (LOSS)

EXPENSES (continued)

12. Salaries and other employment costs for general partners, and voting stockholder officers .... $ _____ | 4120 |

   A. Includes interest credited to General and Limited Partners capital
accounts .... $ _____ | 4130 |

13. Floor brokerage paid to certain brokers (see definition) .... _____ | 4050 |

14. Commissions and clearance paid to all other brokers (see definition) .... _____ | 4145 |

15. Clearance paid to non-brokers (see definition) .... _____ | 4135 |

16. Communications .... _____ | 4060 |

17. Occupancy and equipment costs .... _____ | 4080 |

18. Promotional costs .... _____ | 4150 |

19. Interest expense .... _____ | 4075 |

   A. Includes interest on accounts subject to subordination agreements .... _____ | 4070 |

20. Losses in error account and bad debts .... _____ | 4170 |

21. Data processing costs (including service bureau service charges) .... _____ | 4186 |

22. Non-recurring charges .... _____ | 4190 |

23. Regulatory fees and expenses .... _____ | 4195 |

24. Other expenses .... _____ | 4100 |

25. Total expenses .... $ _____ | 4200 |

NET INCOME

26. Income (loss) before Federal income taxes and items below (Item 10 less Item 26) .... $ _____ | 4210 |

27. Provision for Federal income taxes (for parent only) .... _____ | 4220 |

28. Equity in earnings (losses) of unconsolidated subsidiaries not included above .... _____ | 4222 |

   A. After Federal income taxes of .... _____ | 4338 |

29. Extraordinary gains (losses) .... _____ | 4224 |

   A. After Federal income taxes of .... _____ | 4239 |

30. Cumulative effect of changes in accounting principles .... _____ | 4225 |

31. Net income (loss) after Federal income taxes and extraordinary items .... _____ | 4230 |

MONTHLY INCOME

32. Income (current month only) before provision for Federal income taxes and extraordinary items .... $ _____ | 4211 |

OMIT PENNIES

SEC 2430 (12/1997) Page 13 of 28

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.

Type of Proposed Withdrawal or Accrual (see below for code to enter)	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	Withdrawal or Maturity Date (MM/DD/YYYY)	Expect to Renew (Yes or No)
4600	4601	4602	$ 4603	4604	4605
4610	4611	4612	4613	4614	4615
4620	4621	4622	4623	4624	4625
4630	4631	4632	4633	4634	4635
4640	4641	4642	4643	4644	4645
4650	4651	4652	4653	4654	4655
4660	4661	4662	4663	4664	4665
4670	4671	4672	4673	4674	4675
4680	4681	4682	4683	4684	4685
4690	4691	4692	4693	4694	4695

Total $ _____ 4699*

* To agree with the total on Recap (Item No. 4880)

OMIT PENNIES

WITHDRAWAL CODE:	DESCRIPTIONS
1	Equity Capital
2	Subordinated Liabilities
3	Accruals
4	15c3-1(c)(2)(iv) Liabilities

INSTRUCTIONS: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and payments of liabilities secured by fixed assets (which are considered allowable assets in the capital computation pursuant to Rule 15c-3-1(c)(2)(iv)), which could be required by the lender on demand or in less than six months.

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

CAPITAL WITHDRAWALS

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, which have not been deducted in the computation of net capital.

RECAP

1. Equity Capital

  A. Partnership Capital:

    1. General Partners $ _____ 4700

    2. Limited   _____ 4710

    3. Undistributed Profits   _____ 4720

    4. Other (describe below)   _____ 4730

    5. Sole Proprietorship   _____ 4735

  B. Corporation Capital:

    1. Common Stock $ _____ 4740

    2. Preferred Stock   _____ 4750

    3. Retained Earings (Dividends and Other)   _____ 4760

    4. Other (describe below)   _____ 4770

2. Subordinated Liabilities

  A. Secured Demand Notes $ _____ 4780

  B. Cash Subordinates   _____ 4790

  C. Debentures   _____ 4800

  D. Other (describe below)   _____ 4810

3. Other Anticipated Withdrawals

  A. Bonuses $ _____ 4820

  B. Voluntary Contributions to Pension or Profit Sharing Plans   _____ 4860

  D. Other (describe below)   _____ 4870

4. Description of Other

5. TOTAL   _____ 4880

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

CAPITAL WITHDRAWALS

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

STATEMENT OF CHANGES IN OWNERSHIP EQUITY
(SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .... $ _____ 4240

   A. Net Income (loss) .... _____ 4250

   B. Additions (includes non-conforming capital of .... $ _____ 4262 _____ 4260

   C. Deductions .... _____ 4272 _____ 4270

2. Balance, end of period (From item 1800) .... $ _____ 4290

STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED
TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .... $ _____ 4300

   A. Increases .... _____ 4310

   B. Decreases .... (_____) 4320

4. Balance, end of period (From item 3520) .... $ _____ 4330

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

FINANCIAL AND OPERATIONAL DATA

	VALUATION	NUMBER

1. Month end total number of stock record breaks unresolved over three business days

   A. Breaks long .... $ _____ | 4890 | _____ | 4900 |

   B. Breaks short .... $ _____ | 4910 | _____ | 4920 |

2. Is the firm in compliance with Rule 17a-13 regarding periodic count and verification of securities positions and locations at least once in each calendar quarter? (Check one)   Yes [| 4930]   No [| 4940]

3. Personnel employed at end of reporting period:

   A. Income producing personnel .... _____ | 4950 |

   B. Non-Income producing personnel (all other) .... _____ | 4960 |

   C. Total .... _____ | 4970 |

4. Actual number of tickets executed during current month of reporting period .... _____ | 4980 |

5. Number of corrected customer confirmations mailed after settlement date .... _____ | 4990 |

	NO. OF ITEMS	DEBIT (Short Value)	NO. OF ITEMS	Credit (Long Value)
6. Money differences	__	5000	$ __	5010	__	5020	$ __	5030
7. Security suspense accounts	__	5040	$ __	5050	__	5060	$ __	5070
8. Security difference accounts	__	5080	$ __	5090	__	5100	$ __	5110
9. Commodity suspense accounts	__	5120	$ __	5130	__	5140	$ __	5150
10. Open transactions with correspondents, other brokers, clearing organizations, depositories and interoffice and inter-company accounts which could result in a charge -- unresolved amounts over 30 calendar days	__	5160	$ __	5170	__	5180	$ __	5190
11. Bank account reconciliations -- un-resolved amounts over 30 calendar days	__	5200	$ __	5210	__	5220	$ __	5230
12. Open transfers over 40 calendar days, not confirmed	__	5240	$ __	5250	__	5260	$ __	5270
13. Transactions in reorganization accounts -- over 60 calendar days	__	5280	$ __	5290	__	5300	$ __	5310
14. Total	__	5320	$ __	5330	__	5340	$ __	5350

OMIT PENNIES

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

_____	_____
(Name of Dealer)	As of (MM/DD/YYYY)

FINANCIAL AND OPERATIONAL DATA (continued)

	NO. OF ITEMS	Leger Amount	Market Value
15. Failed to deliver 11 business days or longer (21 business days or longer in the case of Municipal Securities)	5360 $	5361 $	5362
16. Failed to receive 11 business days or longer (21 business days or longer in the case of Municipal Securities)	5363 $	5364 $	5365
17. Security concentrations (See instructions in Part I): A. Proprietary positions		$	5370
18. Total of personal capital borrowings due within six months		$	5378
19. Maximum haircuts on underwriting commitments during the period		$	5380
20. Planned capital expenditures for business expansion during next six months		$	5382
21. Liabilities of other individuals or organizations guaranteed by respondent		$	5384
22. Lease and rentals payable within one year		$	5386
23. Aggregated lease and rental commitments payable for entire term of the lease A. Gross		$	5388
B. Net		$	5390

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIB

OTC Derivatives Dealer: _____ as of _____

SCHEDULE I

CREDIT-CONCENTRATION REPORT FOR TWENTY LARGEST CURRENT NET EXPOSURES

Counterparty Identifier (1)	Country (2)	Industry Segment (3)	Rating (4)	Gross Replacement Value (5)		Net Replacement Value (6)	Current Net Exposure (7)	Total Credit Exposure (8)	Comments (9)
				Receivable (Gross Gain)	Payable (Gross Loss)				
Totals									

(1) Identify counterparty by counterparty's corporate name.

(2) Identify country exposures by residence of main operating company.

(3) Report on a counterparty-by-counterparty basis by type of entity in accordance with ISDA guidelines (i.e., Primary ISDA Members, Non-Primary ISDA Members: Corporates, Financial Institutions, Government/Supranationals, or Other).

(4) Ratings are Nationally Recognized Statistical Rating Organization ("NRSRO") ratings or internal credit ratings as assigned by the firm. See Schedule IV for conversion of firm ratings into NRSRO equivalent ratings.

(5) Report gross replacement value (receivable and payable), excluding the effect of legally enforceable netting agreements and excluding the application of collateral.

(6) Report net replacement value, including the effect of legally enforceable netting agreements but excluding the application of collateral.

(7) Report current net exposure, including the effect of legally enforceable netting agreements and the application of collateral.

(8) Report the sum of the current net exposure and the potential additional credit exposure (calculated as the maximum credit exposure expected to be exceeded with a probability of one percent over a two-week period, less current net exposure).

(9) Provide additional relevant information (e.g., details on credit enhancements, type of contract, maturity, offsetting, significant additional exposures in affiliated entities, etc.).

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIB

OTC Derivatives Dealer: _____

as of _____

SCHEDULE II
PORTFOLIO SUMMARY OF OTC DERIVATIVES EXPOSURES

Credit Rating Category (1)	Industry Segment (2)	Current Net Exposure (3)	Net Replacement Value (4)	Gross Replacement Value (5) Receivable	Payable
XXX	Primary ISDA Member				
	Corporate				
	Financial Institutions				
	Government				
	Other				
	TOTAL				
XX	Primary ISDA Member				
	Corporate				
	Financial Institutions				
	Government				
	Other				
	TOTAL				
X	Primary ISDA Member				
	Corporate				
	Financial Institutions				
	Government				
	Other				
	TOTAL				
	GRAND TOTAL				

(1) See Note (4) on Schedule I.

(2) See Note (3) on Schedule I.

(3) See Note (7) on Schedule I.

(4) See Note (6) on Schedule I.

(5) See Note (5) on Schedule I.

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OTC Derivatives Dealer:

as of _____

FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIB

SCHEDULE III
GEOGRAPHIC DISTRIBUTION (1) OF OTC DERIVATIVES EXPOSURES

Country	Credit Rating Category (2)	Current Net Exposure (3)	Net Replacement Value (4)	Gross Replacement Value (5) Receivable	Payable
A	XXX				
	XX				
	X				
	YYY				
	YY				
	Y				
	Country A TOTAL				
B	XXX				
	XX				
	X				
	YYY				
	YY				
	Y				
	Country B TOTAL				
	GRAND TOTAL				

(1) Top 10 country exposures (by residence of main operating company).

(2) See Note (4) on Schedule I.

(3) See Note (7) on Schedule I.

(4) See Note (6) on Schedule I.

(5) See Note (5) on Schedule I.

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OTC Derivatives Dealer: as of _____

SCHEDULE IV
INTERNAL CREDIT RATING CONVERSION

| | **Equivalent Ratings** | |
Internal Credit Rating	**NRSRO 1**	**NRSRO 2**
	Aaa	AAA
	Aa1	AA+
	Aa2	AA
	Aa3	AA-
	A1	A+
	A2	A
	A3	A-
	Baa1	BBB+
	Baa2	BBB
	Baa3	BBB-
	Ba1	BB+
	Ba2	BB
	Ba3	BB-
	B3	B+
	B2	B
	B1	B-
	CCC	CCC

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT
PART IIB

OTC Derivatives Dealer: _____ as of _____

SCHEDULE V
NET REVENUES (1) FROM OTC DERIVATIVES AND RELATED ACTIVITIES

Product Category (2)	Quarter Ended [DATE]	Month Ended [MONTH 3]	[MONTH 2]	[MONTH 1]
Fixed Income Products				
OTC Options				
Swaps				
Dollar				
Non-Dollar				
Currency & Foreign Exchange Products				
Equity Products				
Commodity Products				
Other Products (specify)				
Total All Products				

(1) Report net revenues from OTC derivatives activities in the specified product category after taking into account related positions (including those that are not OTC derivatives), with net revenues defined as trading gains/losses plus interest and dividend income less dividend and interest expense (excluding all other expenses and allocable overhead).

(2) Product types should be organized by one or more principle market categories.

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

SCHEDULE VI
AGGREGATE SECURITIES AND OTC DERIVATIVE POSITIONS

I. AGGREGATE SECURITIES AND COMMODITIES POSITIONS

Aggregate Securities and Commodities Positions	LONG		SHORT	
1. U.S. Treasury securities	$	6200	$	6201
2. U.S. Government agency	$	6210	$	6211
3. Securities issued by states and political subdivisions in the U.S.	$	6220	$	6021
4. Foreign securities:				
A. Debt securities	$	6230	$	6231
B. Equity securities	$	6235	$	6236
5. Banker's acceptances	$	6240	$	6241
6. Certificates of deposit	$	6250	$	6251
7. Commercial paper	$	6260	$	6261
8. Corporate obligations	$	6270	$	6271
9. Stocks and warrants (other than arbitrage positions)	$	6280	$	6281
10. Arbitrage:				
A. Index arbitrage and program trading	$	6290	$	6291
B. Risk arbitrage	$	6295	$	6296
C. Other arbitrage	$	6300	$	6301
11. Options:				
A. Market value of put options:				
1. Listed	$	6310	$	6311
2. Unlisted	$	6315	$	6316
B. Market value of call options:				
1. Listed	$	6320	$	6321
2. Unlisted	$	6325	$	6326
12. Spot commodities	$	6330	$	6331
13. Investments with no ready market:				
A. Equity	$	6340	$	6341
B. Debt	$	6345	$	6346
C. Other (include limited partnership interests)	$	6350	$	6351
14. Other securites or commodities	$	6360	$	6361

15. Summary of delta or similar analysis (if available) (attach analysis)

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

II. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND WITH CONCENTRATION OF CREDIT RISK
(Provide notional or contractual amounts where appropriate, or in the case of options, the values of the underlying instrument.)

A. Securities **LONG** **SHORT**

1. When-issued securities:

A. Gross commitments to purchase $ _____ | 6400 | $ _____ | 6401 |

B. Gross commitments to sell $ _____ | 6405 | $ _____ | 6402 |

2. Written stock option contracts:

A. Market value, and the value of the underlying securities, of call contracts:

   1. Listed

      a. Market value $ _____ | 6410 | $ _____ | 6411 |

      b. Value of underlying securities $ _____ | 6415 | $ _____ | 6416 |

   2. Unlisted

      a. Market value $ _____ | 6420 | $ _____ | 6421 |

      b. Value of underlying securities $ _____ | 6425 | $ _____ | 6426 |

B. Market value, and the value of the underlying securities, of put contracts:

   1. Listed

      a. Market value $ _____ | 6430 | $ _____ | 6431 |

      b. Value of underlying securities $ _____ | 6435 | $ _____ | 6436 |

   2. Unlisted

      a. Market value $ _____ | 6440 | $ _____ | 6441 |

      b. Value of underlying securities $ _____ | 6445 | $ _____ | 6446 |

C. Market value, and the value of the underlying securities, of naked call contracts:

   1. Listed

      a. Market value $ _____ | 6450 | $ _____ | 6451 |

      b. Value of underlying securities $ _____ | 6455 | $ _____ | 6456 |

   2. Unlisted

      a. Market value $ _____ | 6460 | $ _____ | 6461 |

      b. Value of underlying securities $ _____ | 6465 | $ _____ | 6466 |

D. Market value, and the value of the underlying securities, of naked put contracts:

   1. Listed

      a. Market value $ _____ | 6470 | $ _____ | 6471 |

      b. Value of underlying securities $ _____ | 6475 | $ _____ | 6476 |

   2. Unlisted

      a. Market value $ _____ | 6480 | $ _____ | 6481 |

      b. Value of underlying securities $ _____ | 6485 | $ _____ | 6486 |

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)	As of (MM/DD/YYYY)

II. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND WITH CONCENTRATION OF CREDIT RISK
(Provide notional or contractual amounts where appropriate, or in the case of options, the values of the underlying instrument.)

	LONG	SHORT
3. Futures:		
A. U.S. Treasury and mortgage-backed securities futures	$ `6500`	$ `6501`
B. Other futures (specify)	$ `6505`	$ `6506`
4. Forwards:		
A. U.S. Treasury and mortgage-backed securities	$ `6510`	$ `6511`
1. Aggregate current cost of replacing contracts by counter-party.	$ `6512`	$ `6513`
2. Per counterparty breakdown where credit risk exceeds the (attach schedule)		
B. Other forwards (specify)	$ `6515`	$ `6516`
1. Aggregate current cost of replacing contracts by counter-party.	$ `6517`	$ `6518`
2. Per counterparty breakdown where credit risk exceeds the (attach schedule)		
B. Interest Rate Swaps		
1. U.S. dollar denominated swaps:		
A. Total notional or contractual amount	$ `6520`	$ `6521`
B. Aggregate current cost of replacing contracts by counter-party.	$ `6525`	$ `6525`
C. Per counterparty breakdown. (attach schedule)		
2. Cross currency swaps:		
A. Total notional or contractual amount	$ `6530`	$ `6531`
B. Aggregate current cost of replacing contracts.	$ `6535`	$ `6536`
C. Per counterparty breakdown. (attach schedule)		
C. Foreign exchange		
1. Swaps:		
A. Total notional or contractual amount	$ `6540`	$ `6541`
B. Aggregate cost of replacing contracts by counterparty.	$ `6545`	$ `6546`
C. Per counterparty breakdown. (attach schedule)		
2. Notional or contractual amounts of commitments to purchase foreign currencies and U.S. dollar exchange:		
A. Futures	$ `6550`	$ `6551`

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

(Name of Dealer)   As of (MM/DD/YYYY)

II. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND WITH CONCENTRATION OF CREDIT RISK
(Provide notional or contractual amounts where appropriate, or in the case of options, the values of the underlying instrument.)

	LONG	SHORT
B. Forwards	$ _____ 6560	$ _____ 6561
1. Aggregate current cost of replacing contracts by counter-party.	$ _____ 6562	$ _____ 6563
2. Per counterparty breakdown. (attach schedule).		

3. Naked written option contracts:

	LONG	SHORT
A. Contractual value	$ _____ 6570	$ _____ 6571
B. Value of the underlying instruments	$ _____ 6575	$ _____ 6576

D. All other swap agreements (specify type) (attach schedule if necessary)

	LONG	SHORT
1. Total notional or contractual amount	$ _____ 6580	$ _____ 6581
2. Aggregate current cost of replacing contracts by counterparty.	$ _____ 6585	$ _____ 6586
3. Per counterparty breakdown. (attach schedule)		

E. Commodities

	LONG	SHORT
1. Futures	$ _____ 6590	$ _____ 6591
2. Forwards	$ _____ 6595	$ _____ 6596
1. Aggregate current cost of replacing contracts by counter-party.	$ _____ 6600	$ _____ 6601
2. Per counterparty breakdown. (attach schedule).		

3. Sold option contracts (e.g., options on individual commodities and commodities indexes)

    A. Market value, and the value of the underlying instruments, of call contracts:

	LONG	SHORT
1. Listed		
a. Market value	$ _____ 6610	$ _____ 6611
b. Value of underlying instruments	$ _____ 6612	$ _____ 6613
2. Unlisted		
a. Market value	$ _____ 6615	$ _____ 6616
b. Value of underlying instruments	$ _____ 6617	$ _____ 6618

B. Market value, and the value of the underlying instruments, of put contracts:

	LONG	SHORT
1. Listed		
a. Market value	$ _____ 6620	$ _____ 6621
b. Value of underlying instruments	$ _____ 6622	$ _____ 6623

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FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

PART IIB

_____ (Name of Dealer)	_____ As of (MM/DD/YYYY)

II. FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND WITH CONCENTRATION OF CREDIT RISK
(Provide notional or contractual amounts where appropriate, or in the case of options, the values of the underlying instrument.)

	LONG	SHORT
2. Unlisted		
a. Market value	$ _____ 6625	$ _____ 6626
b. Value of underlying instruments	$ _____ 6627	$ _____ 6628
C. Market value, and the value of the underlying instruments, of naked call contracts:		
1. Listed		
a. Market value	$ _____ 6630	$ _____ 6631
b. Value of underlying instruments	$ _____ 6632	$ _____ 6633
2. Unlisted		
a. Market value	$ _____ 6635	$ _____ 6636
b. Value of underlying instruments	$ _____ 6637	$ _____ 6638
D. Market value, and the value of the underlying instruments, of naked put contracts:		
1. Listed		
a. Market value	$ _____ 6640	$ _____ 6641
b. Value of underlying instruments	$ _____ 6642	$ _____ 6643
2. Unlisted		
a. Market value	$ _____ 6645	$ _____ 6646
b. Value of underlying instruments	$ _____ 6647	$ _____ 6648

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