

MODEL SPECIAL TRANSFER AGREEMENT

AGREEMENT, dated as of _____ between _____
 (“Lessor”) and _____ (“Lessee”) and _____
 (“Lessee’s Member Organization,” if applicable).

Subject to the terms and conditions hereinafter set forth and the Constitution and Rules of the American Stock Exchange, LLC (“Constitution,” “Rules,” and the “Exchange”), Lessor hereby transfers to Lessee the use of Lessor’s regular/options principal membership in the Exchange (the “membership”).

1. Lessor shall transfer the membership for a term of _____ commencing on _____ and terminating on _____. In the event that Lessor shall not have arranged for transfer of the membership to a qualified person on the termination date, Lessee shall retain Lessee’s rights hereunder until Lessor shall have arranged for such transfer, but Lessee shall not be obligated to make any payments required under Section 3, 5 or 6 hereof attributable to the period following such termination date.

2. This Agreement shall terminate in the event Lessee ceases to be an employee of _____ (member organization with which Lessee is associated). In such event, _____ (member organization with which Lessee is associated) shall nominate another employee who shall simultaneously enter into a new lease with Lessor for the unexpired portion of, and under the same terms and conditions as, this Agreement.

3. (a) In consideration for the transfer of the membership, Lessee shall pay to Lessor the sum of _____ payable as follows: _____

(b). Failure by Lessee to make such payments by _____ shall at the option of Lessor _____

4. Lessee/Lessee’s Member Organization may use an interim member at any time during the term of the special transfer agreement.

Lessee/Lessee’s Member Organization and Lessor understand that contracts made on the Trading Floor of the Exchange by an interim member will be considered contracts made by the active member. The active member will also be responsible for all obligations to the Exchange and all obligations to other members resulting from Exchange transactions or transactions in other securities transacted by the interim member.

The owner of the membership and/or active member, rather than an interim member, shall be the “Participant,” as defined in Article IX of the Exchange Constitution, in the Gratuity Fund, and entitled to the benefits described therein.

5. Under the Constitution, the Lessee shall exercise all voting rights with respect to the membership, unless otherwise negotiated between the Lessor and Lessee. To grant Lessor the right to exercise voting rights with respect to the membership, Lessee must initial this box and complete the attached irrevocable proxy. (Unless both the box is initialed and the proxy executed, the Lessee shall have the vote.)

6. Lessor Lessee agrees to pay to the Exchange all Gratuity Fund assessments on behalf of Lessor.
 Lessor Lessee agrees to pay to the Exchange all Gratuity Fund assessments on behalf of Lessee.
 No one is eligible. Lessor Lessee agrees to pay to the Exchange all Gratuity Fund assessments.

7. Lessor Lessee agrees to pay to the Exchange all dues, fees and other charges payable in connection with the leased membership.

8. Lessee agrees to file with the Exchange all required application forms for qualification and approval as a member, and to take all further steps required to satisfy any Securities and Exchange Commission ("SEC") or Exchange requirements for admission to the class of membership transferred hereunder.

9. Lessee agrees to be subject to and bound by the Constitution and Rules as amended from time to time and to execute all documents required by the Exchange relating to the membership.

10. Lessee agrees to complete all action required to be taken under Sections 7 and 8 hereof no later than ____ days from the date of this Agreement. Failure by Lessee to satisfy the obligations set forth in said Sections shall

11. Lessee agrees that, prior to or concurrent with the effective date of the transfer of the membership, the organization with which the Lessee is associated, if any, shall qualify as a member organization of the Exchange.

12. Lessee agrees to maintain the necessary minimum net capital required of members of the class of membership transferred to comply with the appropriate rules and regulations of the Exchange and of the SEC regarding the financial responsibility of brokers and dealers.

13. This Agreement shall terminate if either Lessor or Lessee is suspended pursuant to Article V, Section 3 of the Exchange Constitution for failure to pay his or its dues, fines, assessments, charges or contributions to the Gratuity Fund.

14. (a) Lessee intends to use the membership during the term of this Agreement to engage in the following business activity/activities on the Trading Floor of the Exchange: _____
 Lessee agrees to obtain the written consent of Lessor before engaging in any activity which materially differs from the type of activity/activities specified above, and to furnish the Exchange with a copy of such written consent before engaging in such activity/activities.

(b) During the term of this Agreement, Lessee/Lessee's member organization will clear all of Lessee's securities and/or options transactions through _____
 Lessee agrees to obtain the written consent of Lessor before opening any additional clearing accounts or transferring his and/or his member organization's clearing account to a different clearing firm, and to furnish the Exchange with a copy of such written consent before engaging in such arrangement.

15. Lessee acknowledges that the Exchange has the right to notify Lessor of any information regarding Lessee which the Exchange, in its sole discretion, deems to have a material effect upon the terms of this Agreement, and Lessee further consents to the Exchange's release of any such information. Lessor and Lessee agree that the Exchange shall not be liable for any loss, damages or expenses resulting from or claimed to have resulted from any such release of information, or from any failure to release such information.

16. Lessor and _____ (member organization with which Lessor is associated, if applicable) agree to make application to the Exchange as approved persons, unless Lessor qualifies as an allied member of the Exchange, and to take all further steps required to satisfy any SEC or Exchange requirements in connection therewith.

17. (a) Lessor represents and warrants that there are no outstanding claims of any nature against the membership.

(b) Lessee agrees not to encumber the membership nor to sell or transfer any interest therein.

18. (a) LESSOR AGREES THAT LESSOR’S INTEREST IN THE MEMBERSHIP SHALL BE SUBORDINATED TO THE CLAIMS OF ALL CREDITORS OF LESSEE AND OF ANY MEMBER ORGANIZATION WITH WHICH LESSEE MAY BECOME ASSOCIATED ARISING OUT OF THE BUSINESS TRANSACTED BY THE LESSEE DURING THE TERM OF THIS AGREEMENT. IN THE EVENT THE MEMBERSHIP IS SOLD, WHETHER VOLUNTARILY OR BY THE BOARD OF GOVERNORS OF THE EXCHANGE (THE “BOARD”) PURSUANT TO THE PROVISIONS OF THE CONSTITUTION, THE PROCEEDS FROM SUCH SALE SHALL BE APPLIED TO THE PAYMENT OF SUCH CREDITOR CLAIMS IN ACCORDANCE WITH THE PRIORITIES SET FORTH IN THE CONSTITUTION.

(b) LESSOR AGREES TO EXECUTE AND FILE WITH THE EXCHANGE, IN SUCH FORM AS MAY BE REQUIRED BY THE EXCHANGE, A SUBORDINATION AGREEMENT AND AUTHORIZATION TO SELL THE MEMBERSHIP IN THE EVENT IT BECOMES NECESSARY TO DO SO TO SATISFY THE CLAIMS OF CREDITORS OF LESSEE OR OF A MEMBER ORGANIZATION WITH WHICH HE/SHE IS ASSOCIATED, OR IF THE MEMBERSHIP IS SOLD BY THE BOARD PURSUANT TO THE PROVISIONS OF THE CONSTITUTION FOR NON-PAYMENT OF FINES, DUES, FEES OR OTHER CHARGES.

(c) IN CONSIDERATION OF THE SUBORDINATION OF LESSOR’S MEMBERSHIP AS SET FORTH IN PARAGRAPH 17(a), _____ (MEMBER ORGANIZATION WITH WHICH LESSEE IS ASSOCIATED) AGREES TO INDEMNIFY AND HOLD LESSOR HARMLESS AGAINST ANY CLAIMS OR LOSSES WHICH MAY BE INCURRED IN CONNECTION WITH TRANSACTIONS EFFECTED BY LESSEE UNDER THE TERMS OF THIS AGREEMENT.

19. Any notice herein required or permitted to be given by either party shall be deemed sufficient if personally delivered or mailed, by certified or registered mail, to Lessor or Lessee at the respective addresses indicated below:

Lessor:		Phone #:	
Lessee:		Phone #:	

20. Any controversy arising out of or pertaining to this Agreement shall be submitted to and settled by arbitration pursuant to the Constitution and Rules.

21. This Agreement embodies the entire agreement between Lessor and Lessee and _____ (member organization with which Lessee is associated, if applicable) and no other evidence of this Agreement has been or will be executed without prior written consent of the Exchange.

22. This Agreement shall be deemed to have been made in the State of New York and shall be governed by the Constitution and Rules of the Exchange as amended from time to time and, to the extent not inconsistent therewith, New York law.

IN WITNESS WHEREOF, the parties hereto have signed and acknowledged the foregoing Agreement.

[If Lessor is an individual, sign below and print name:]

[Lessee should sign below and print name:]

By: _____

By: _____

Print Name: _____

Print Name: _____

[If Lessor is an organization, authorized signatory should sign below and print his/her name and title and the name of the organization:]

[If Lessee has a member organization, authorized signatory should sign below and print his/her name and title and the name of the organization:]

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Organization: _____

Organization: _____

STATE OF _____

ss.:

COUNTY OF _____

On this _____ day of _____, 20 __, before me personally appeared _____

Lessee

to me known and known to me to be the individual described in, and who executed the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose named.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name, and affixed my seal of office, the day and year last above written.

Notary Public

STATE OF _____

ss.:

COUNTY OF _____

On this _____ day of _____, 20 __, before me personally appeared _____

Lessor or Lessor's Representative

to me known and known to me to be the individual described in, and who executed the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose named.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name, and affixed my seal of office, the day and year last above written.

Notary Public

STATE OF _____

ss.:

COUNTY OF _____

On this _____ day of _____, 20 __, before me personally appeared _____

Name and Position

of _____
Lessee's Member Organization to me known and known to me to be the individual described in, and who executed the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose named.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name, and affixed my seal of office, the day and year last above written.

Notary Public

“When this Special Transfer Agreement is used with respect to a Limited Trading Permit (LTP), the following provisions shall apply:

1. Each reference to the member or his/her membership shall be deemed to refer to the LTP holder or his/her Limited Trading Permit, respectively.
2. Notwithstanding the provisions of Sections 4 and 5, LTP holders are not entitled to participate in the Gratuity Fund or to vote on any matter on which the membership of the Exchange is entitled to vote.
3. The parties understand that each LTP expires annually on May 14 unless renewed.”

IRREVOCABLE PROXY

Lessee hereby constitutes and appoints Lessor/member organization with which Lessor is associated, and his/her/its designee or designees from time to time, the attorney-in-fact and attorneys-in-fact of Lessee to represent and act for Lessee as a regular/options principal member of the Exchange in voting at any annual or special meeting of the regular or options principal members of the Exchange, or in expressing consent or dissent without a meeting, in elections and on any and all other matters whatsoever, ordinary or extraordinary, and in any and all things incidental thereto. The power and authority hereby conferred shall, without limitation, include full and unrestricted discretionary power and authority for and on behalf of Lessee as a regular/options principal member of the Exchange:

(1) To request the call of or to call special meetings of members of the Exchange in accordance with the Constitution or any provision of the law;

(2) To propose by petition nominees for offices or positions to be filled at elections of the Exchange;

(3) To propose amendments to the Constitution; and

(4) At any meeting of regular or options principal members to vote for or against, or to abstain from voting upon, or without a meeting to express consent to or dissent from, any proposed amendments of the Certificate of Incorporation or the Constitution of the Exchange for any purpose whatsoever, or any proposal for a reorganization, reincorporation or reconstitution of the Exchange of any nature whatsoever, or any proposal for the merger or consolidation of the Exchange into or with any other corporation or corporations, association or associations, or other legal entity or entities, of any type or kind, domestic or foreign, public or private, or any proposal for any purchase, sale, mortgage or lease of real property of the Exchange, or any proposal for a sale, lease, exchange or other disposition of all or substantially all the assets of the Exchange, or any proposal for the dissolution of the Exchange and the distribution or other disposition of its assets, or any other ordinary or extraordinary matter of any nature whatsoever.

Lessee further authorizes Lessor/member organization with which Lessor is associated, as attorney-in-fact for and on behalf of Lessee, to execute waivers of notice of meetings of members of the Exchange or of the taking of any corporate action by the Exchange, and at any time and from time to time to execute and deliver, rescind and revoke, proxies delegating authority, including discretionary authority, to act for and in place of Lessor as attorney-in-fact for Lessee, at any meeting of regular or options principal members of the Exchange or otherwise.

Lessor/member organization with which the Lessor is associated, may at any time and from time to time by written notice filed with the Secretary of the Exchange ("Secretary") designate one or more of its general partners or principal executive officers as its designee or designees to exercise any and all authority hereby conferred, and may revoke or change any such designation at any time by written notice filed with the Secretary. Lessee hereby agrees that the Exchange, its directors, officers, employees and agents, and all other persons whosoever, shall be fully protected in relying upon any waiver, proxy, consent, ballot, vote or other instrument or act of any kind whatsoever executed or done by any such designee of Lessor/member organization with which the Lessor is associated, as attorney-in-fact or attorneys-in-fact for Lessee.

Lessor and Lessee agree that this proxy is irrevocable as long as Lessee's membership is subject to this Agreement.

Date

(lessee)



APPROVED PERSON APPLICATION

Instructions: Complete Part I if you are a Lessor who is not associated with an organization; complete Parts I and II if you are associated with an organization.

Name of Lessor: _____

Name of Lessor's Organization: _____
(if applicable)

Lessor's Phone Number: _____

Business Address: _____

* * *

I. Lessor hereby applies for approval by the Exchange as an Approved Person, and agrees to be subject to and bound by the Constitution and Rules of the Exchange as amended from time to time.

[If Applicant is an individual, sign and print name below:]

By: _____

Print Name: _____

[If Applicant is an organization, authorized signatory should sign and print his/her name and title and the name of the organization below:]

By: _____

Print Name: _____

Title: _____

Organization: _____

Date: _____

II. As _____ of Lessor's organization, I hereby apply for approval of

Title

_____ as an Approved Person.

Lessor's Organization

_____ agrees to be subject to and bound by the Constitution

Lessor's Organization

and Rules of the Exchange as amended from time to time.

Date: _____

By: _____

Print Name: _____

Title: _____

Organization: _____



LESSOR’S AUTHORIZATION TO SELL AND SUBORDINATION AGREEMENT

The undersigned, _____ (“Lessor”), in accordance with the terms of the Special Transfer Agreement dated _____, by which the undersigned agrees to lease his/her/its regular/options principal membership in the American Stock Exchange, LLC (the “Exchange”) to _____ (“Lessee”), hereby authorizes the Board of Governors of the American Stock Exchange, LLC to sell said membership (1) in the event it becomes necessary to satisfy the claims of creditors of the Lessee during the term of the lease or (2) pursuant to the provisions of the Exchange Constitution for non-payment by Lessee of fines, dues, fees or other charges.

The undersigned hereby agrees that, insofar as it is necessary for the protection of said creditors of the Lessee and of any member organization with which Lessee is associated, subject to the Constitution and Rules of the Exchange, the proceeds of the sale of said membership shall be an asset of the Lessee.

Date: _____

[If Lessor is an individual, sign below and print name:]

By: _____

Print Name: _____

[If Lessor is an organization, authorized signatory should sign below and print his/her name and title and the name of the organization:]

By: _____

Print Name: _____

Title: _____

Organization: _____