



WHEREAS, the Commissioner desires to establish specific guidelines that provide registered dealers with an alternative means of satisfying the annual report of condition requirement in HAR §16-38-5.3; and

WHEREAS, the Commissioner has determined that this Interpretative Order is in the public's interest, appropriate for the protection of investors, and consistent with the purposes of the Act and HAR chapter 16-38.

INTERPRETIVE ORDER

NOW THEREFORE, PURSUANT TO HRS § 485-2(c), IT IS HEREBY ORDERED THAT:

Dealers registered in the State, who are registered with the SEC and are members of the NASD, may satisfy the annual report of condition requirement provided in HAR § 16-38-5.3 by making its annual audited financial report filing with the NASD and complying with the following (i.e., the annual report of condition shall be waived if the dealer complies with the following requirements):

1. The dealer files annual audited financial reports with the NASD;
2. The dealer's NASD annual audited financial reports are current;
3. The dealer notifies the Commissioner in writing within twenty-four (24) hours if the dealer's net capital fails to meet the minimum amount set forth in HAR § 16-38-5.3;
4. The dealer responds in writing and provides the Commissioner with financial information within twenty-four (24) hours following a request from the Commissioner; and
5. The dealer properly executes the "Waiver Eligibility Certification" attached to this Interpretive Order.

DATED: December 31, 2003.

/s/ Ryan Ushijima  
Ryan S. Ushijima  
Commissioner of Securities

WAIVER ELIGIBILITY CERTIFICATION  
FOR FILING OF ANNUAL REPORT OF CONDITION  
BY DEALERS REGISTERED IN HAWAII

The undersigned dealer ("**Registrant**"), being duly registered under the Hawaii Uniform Securities Act ("**Act**") in Hawaii Revised Statutes chapter 485, hereby elects to satisfy the annual report of condition requirement in Hawaii Administrative Rules ("**HAR**") §16-38-5.3 by making its annual audited financial report filing with the Financial Industry Regulatory Authority ("**FINRA**") and certifying that:

1. Registrant is and continues to be a member of the FINRA;
2. Registrant files annual audited financial reports with the FINRA;
3. Registrant is current in filing its annual audited financial reports with the FINRA, and all other financial reports required by the FINRA;
4. Registrant shall notify the Commissioner in writing within twenty-four (24) hours if the Registrant's net capital fails to meet the minimum amount set forth in HAR § 16-38-5.3;
5. Registrant shall provide to the Commissioner all financial reports, statements, and information within twenty-four (24) hours following a request from the Commissioner;
6. Registrant shall immediately notify the Commissioner in writing if there is any change in any of the information described in or required under this Waiver;
7. Registrant understands that this Waiver does not relieve the Registrant from compliance with all of the other provisions of the Act or the HAR promulgated thereunder; and
8. This election shall remain in effect while this order is in force provided that the Registrant is otherwise in compliance with the Act and the HAR thereunder.

Print Name of Dealer: \_\_\_\_\_ CRD No.: \_\_\_\_\_

Signature of CFO or other authorized individual: \_\_\_\_\_

Title of Signatory: \_\_\_\_\_ Date: \_\_\_\_\_

This waiver eligibility form may be:

1. Faxed to: (808) 587-7559 or
2. Mailed to: 335 Merchant Street, Room 203  
Honolulu, HI 96813

Note: No acknowledgement of this filing will be made unless one additional copy of this form and a self-addressed stamped envelope are provided.