

WAC 460-20C-030 Registration procedure. If you are applying to register as a broker-dealer or salesperson of a broker-dealer under RCW 21.20.040, you must follow the application procedures set forth in this section:

(1) **Broker-dealers.** If you are a broker-dealer applying for registration under RCW 21.20.040, you must follow the application procedures set forth in this subsection:

(a) **FINRA members.** If you are a broker-dealer that is a member of FINRA, you must submit the following through CRD:

(i) A Form BD completed in accordance with the instructions to the form. The Form BD must designate Washington as a state in which you request registration;

(ii) The required fee as set forth in WAC 460-05A-010 (1)(a);

(iii) An application for registration as a salesperson as set forth in subsection (2)(a) of this section for each officer, salesperson, employee, or other person who directly supervises, or will directly supervise, any registered salespersons associated with the broker-dealer in Washington; and

(iv) Such additional information as the director may require to complete an application in accordance with RCW 21.20.050(1).

(b) **Nonmembers of FINRA.** If you are a broker-dealer that is not a member of FINRA, you must submit the following to the director:

(i) A Form BD completed in accordance with the instructions to the form. The Form BD must designate Washington as a state in which you request registration;

(ii) An application for registration as a salesperson as set forth in subsection (2)(a) of this section for each officer, salesperson, employee, or other person who directly supervises, or will directly supervise, any registered salespersons associated with the broker-dealer in Washington; and

(iii) A check made out to "state treasurer" for the required fee as set forth in WAC 460-05A-010 (1)(a); and

(iv) A cover letter stating the following:

(A) The type of registration you seek (general securities or a limited registration);

(B) Why you are not required to register with the Securities and Exchange Commission and FINRA; and

(C) The name and CRD or Social Security number of each designated principal who has taken the examinations required by WAC 460-20C-040;

(v) A balance sheet as of a date not more than 120 days before the date of filing, and a computation of your net capital and your aggregate indebtedness ratio as of the same date as the balance sheet. If your net capital is not sufficient to meet the requirements set forth in WAC 460-20C-110, you may satisfy the net capital requirement with a surety bond;

(vi) A copy of any subordination agreement;

(vii) Proof of passage of qualifying examinations by the designated principals as required by WAC 460-20C-040; and

(viii) Such other information as the director may require to complete an application in accordance with RCW 21.20.050(1).

(c) **Withdrawal of pending application.** You may withdraw a pending application for broker-dealer registration by following the instructions for Form BDW and filing a completed Form BDW through CRD. If you are not a member of FINRA, you may file your Form BDW directly with the director.

(d) **Successor broker-dealer.** If you are a broker-dealer that is succeeding to and continuing the business of a broker-dealer currently

registered under RCW 21.20.040, both you and the predecessor broker-dealer must follow Securities and Exchange Commission Rule 15b1-3 (17 C.F.R. 240.15b1-3 as amended effective January 25, 1993) and file Form BD, an amendment to Form BD, or Form BDW, as applicable. The fee for the transfer of a broker-dealer registration to a successor broker-dealer is set forth in RCW 21.20.340 (9)(a) and is payable directly to the director.

(e) **Notification of branch office.**

(i) You must notify the director of each branch office in Washington by submitting Form BR through CRD for FINRA broker-dealers and directly to the director for non-FINRA broker-dealers.

(ii) You must promptly notify the director on Form BR if you engage a new person in charge at a branch office in Washington, acquire a branch office of another broker-dealer in Washington, or relocate a branch office to Washington.

(2) **Salespersons.**

(a) **Salespersons of members of FINRA.** If you are seeking to register under RCW 21.20.040 as a salesperson of a broker-dealer that is a member of FINRA, you must submit the following application materials through CRD:

(i) A completed Form U4 marking Washington as a jurisdiction in which you seek registration; and

(ii) The fee as set forth in WAC 460-05A-010 (1)(c).

(b) **Salespersons of broker-dealers that are not members of FINRA.** If you are seeking to register under RCW 21.20.040 as a salesperson of a broker-dealer that is not a member of FINRA, you must submit the following application materials directly to the director:

(i) A completed Form U4 marking Washington as a jurisdiction in which you seek registration;

(ii) The fee set forth in WAC 460-05A-010 (1)(c); and

(iii) Proof of passage of the examinations required by WAC 460-20C-040.

(c) The director may require the submission of additional information as necessary to complete an application in accordance with RCW 21.20.050(1).

[Statutory Authority: RCW 21.20.070 and 21.20.450. WSR 24-19-055, s 460-20C-030, filed 9/12/24, effective 10/13/24.]