

Revised 8/01

Website Address:

[www.ag.ny.gov](http://www.ag.ny.gov)

Click on Investors

(212) 416-8222

**BROKER-DEALER AND SECURITIES  
REGISTRATION INFORMATION SHEET\***

Statutory Authority General Business Law,  
Article 23-A, § 359-e and § 359-f and  
Supplementing Department Regulations  
New York Codes, Rules and Regulations  
Title 13 Part 10 Brokers, Dealers and Salespersons

**I. ISSUERS OF SECURITIES\***

- A. All issuers of securities shall register as Broker-Dealers by filing:
1. M-11 Issuer Statement (Securities offerings) or Form 99 (SEC Regulation D offerings) (\$300.00 for total offerings \$500,000 or less, \$1,200.00 for total offerings over \$500,000.) The Form 99 is available in another section of this website.
  2. State Notice and Further State Notice (\$75.00 fee each).\*\*
  3. Consent to Service of Process or U-2 for non-resident issuer (total fee \$35.00).\*\*
- B. All issuers of Open End Investment companies shall register as Broker-Dealers by filing:
1. Form NF  
(Total fee \$1,200.00)
  2. State Notice and Further State Notice  
(\$75.00) fee each)\*\*
  3. Consent to Service of Process or U-2 for non-resident issuers (Total fee \$35.00)\*\*
- C. If the issue is being sold by a registered Broker-Dealer on a Best Efforts basis, the issuer must register as in A. above.
- D. If the issue is being sold by a registered Broker-Dealer on a Firm Commitment basis, only a Further State Notice need be filed by either the issuer or the underwriter.
- E. Issuers selling securities pursuant to SEC Regulation D must either register as in A. above or file for an exemption as described in Section II of this instruction sheet which follows.
- F. Offering literature must be included with the M-11 and the Form 99. There is no N.Y. requirement for any prospectus or offering literature to be specifically prepared. If there is none, none need be submitted. However, you are required to refer to the absence of any offering literature in your cover letter. There are no legend requirements.
- G. No offers or sales of securities may be made until the registration statement is accepted for filing.

1. Pursuant to § 359e(9), the Issuer Statement is filed when received, if complete.
2. The Department of Law will notify you or return the filing if it is incomplete.
3. The fee receipt is the only tangible evidence of registration that you will receive.
  - a. Keep this for renewal purposes.
  - b. Refer to it and your file number on any correspondence with the Department of Law.
4. The Issuer Statement must be renewed every four years, if securities are to be issued.
5. The renewal date and file number appear on the fee receipt received after the application is fully processed.

H. The Issuer statement is good for four years. During that time additional securities issues require only the filing of a Further State Notice.

## II. EXEMPTIONS FROM REGISTRATION\*\*\*

A. Issuers seeking an exemption shall file pursuant to §359f(2)a, b, c, d, or e. (See statute for available grounds for exemptions.)

1. Only Issuers qualify to file for an exemption.
2. § 359f(2)d applies only to securities offered to fewer than 40 offerees (not purchasers) both within and without the State of New York.

B. Filing Requirements for Exemption Application

1. Verified petition or affidavit as prescribed by the Issuer Exemption Instruction Sheet (\$300.00 fee).
2. Further State Notice unless exempt under §359f(1) (\$75.00 fee).\*\*
3. If you are filing the Further State Notice, the State Notice must be filled in as follows: the issuer has applied to the Attorney General for a State Notice exemption. (no fee).
4. Consent to Service of Process or U-2 for non-resident issuers (total fee \$35.00).\*\*
5. RI-1 forms for exemption applications made pursuant to § 359f(2)d (no fee).

C. All exemptions are subject to review.

1. No offers or sales may be made within or from the State of New York unless and until the application for exemption has been granted.
2. Upon completion of review period you will receive a letter of notification.
3. Each additional offering of securities by the issuer requires a new application for exemption or registration as described in Section IA of this information sheet.

## III. BROKER DEALERS (Excluding Issuers)

A. Non FINRA Broker-Dealers shall file:

1. Form M-1 (\$1,200.00 fee for 4 years).
2. State Notice (\$75.00 fee).\*\*
3. Consent to Service of Process or U-2 for non-resident issuers or brokerage firms (total fee \$35.00).\*\*

4. Latest financial statement.
- B. Registration for FINRA Broker-Dealers
1. .Must register through the Central Registration Depository (CRD) Public Disclosure Department, P.O. Box 9401, Gaithersburg, MD 20898-9401. All pertinent information is received through the CRD by the New York State Department of Law.
- C. No offers or sales can take place until the Brokers-Dealer Statement is accepted for filing.
1. See Section I.G. of this instruction sheet for details on acceptance.
  2. Non FINRA Broker-Dealer Registration is renewed four years after the effective date on the fee receipt.
  3. FINRA Member Broker-Dealers renew every year at year end through the CRD.
- D. Fingerprinting Requirements for Broker-Dealers and Salespersons.
1. If fingerprints are on file with the FINRA or the SEC, or any of the major exchanges they need not be filed with N.Y.
  2. N.Y. Fingerprint cards are available from the New York State Department of Law.
  3. For information call (212) 416-8222.
- E. Officers, directors, principals or partners may offer and sell securities within or from the State of New York when they are listed on the form M-1 or B-D. They do not have to register separately as salespersons.
- F. There are no test requirements for officers, directors, principals or partners of Broker-Dealers in New York.

#### IV. SALESPERSONS

- A. Salespersons of Non-FINRA member firms must:
1. File the forms M-2 (\$150.00 fee for 4 years) or M-4 (\$30.00 fee) with the Department of Law.
  2. Amend their registration with an M-4 for the following changes:
    - a. Address.
    - b. Name.
    - c. Employment.
    - d. Disciplinary actions.
  3. Must take the Series 63 Exam (U.S.A.S.L.E.) or Series 66 Exam.
    - a. if salesperson was registered as an officer, director, principal or partner, or salesperson in New York between the dates of September 26, 1981 and September 26, 1983, that person may be exempt from the exam.
    - b. Contact the Financial Industry Regulatory Authority (FINRA), (212) 858-4000, for a test booklet and application form.

4. For specific information consult Part 10 to Title 13 NYCRR Brokers, Dealers and Salespersons.

**B. Salespersons of FINRA member firms:**

1. Must register through the Central Registration Depository (CRD) Public Disclosure Department, P.O. Box 9401, Gaithersburg, MD 20898-9401. All pertinent information is received through the CRD by the New York State Department of Law.
2. Must take Series 63 or Series 66 exam unless they are exempt because they were registered as an officer, director, principal or partner of a New York registered Broker-Dealer between the dates of September 26, 1981 and September 26, 1983.
3. For specific information consult Part 10 to Title 13 NYCRR Brokers, Dealers and Salesperson.

**V. AMENDING THE REGISTRATION STATEMENT**

- A. The Supplemental Broker-Dealer Statement (M-3) must be filed within 30 days, by Issuers and Non FINRA Broker-Dealers when the following changes occur: (Filing fee \$30.00)
1. Address of company.
  2. Name of company.
  3. Officers, directors, or principals added or terminated.
  4. Addition or subtraction of salespersons for non-FINRA member firms.
  5. Termination of dealership.
  6. Report of disciplinary proceedings.
- B. Changes occurring within 30 days of each other may be filed on one M-3 with one \$30.00 fee.
- C. FINRA Member Broker-Dealers amend directly and solely through the CRD on an amended form B-D (no fee).

**VI. OBTAINING FORMS**

- A. Call for forms (212) 416-8222.
- B. Write for forms: Attention: Registration Section, New York State Department of Law, Bureau of Investor Protection and Securities, 120 Broadway, 23rd Floor, New York, New York 10271.

**PLEASE CONTACT THE REAL ESTATE FINANCE BUREAU REGARDING REAL ESTATE BROKER-DEALERS FILINGS.**

- Issuers of Real Estate or Mortgage securities (including corporate stock, bonds and debentures if the corporation is in a real estate business) must also comply with § 352-e of the General Business Law. Such issuers must submit a filing and obtain an exemption letter upon written application from the Bureau of Real Estate Financing.
- Issuers making intrastate (only in New York) offerings of securities (where the business is not primarily real estate) must comply with § 359ff of the General Business Law by filing a

prospectus and obtaining a filing letter or by obtaining an exemption letter on written application pursuant to the Intrastate Financing Act Regulations, from the Bureau of Real Estate Financing.

- Appropriate instruction and forms for an offering of real estate or mortgage securities are: §352-g Exemption Instructions; Regulation D Exemption Instruction; Part 16, Syndication Regulation; copies of Form RI-1; the Further State Notice; and the Designation Form. Appropriate instructions and forms for an intrastate offering of securities are: The Intrastate Financing Act Regulations; Form Intrastate 1; Form M-11; and the State Notice and Further State Notice Form.
- Information, forms and instruction for the above offerings can be obtained by calling (212) 416-8123; or by writing to:

Public Information Office  
Bureau of Real Estate Financing  
Department of Law  
120 Broadway, 23rd Floor  
New York, NY 10271

---

\* Issuers of Real Estate or Mortgage securities, or Intrastate Issuers, see page 6.

\*\* Must be filed with Secretary of State, Miscellaneous Records Unit, 41 State Street, Albany, New York 12231-0001 for State Notice and Further State Notice; Secretary of State, Corporations Records, 41 State Street, 2nd Floor, Albany, New York 12231-0001 for the Consent to Service of Process or U-2.

\*\*\* The granting of an exemption herein only exempts the Issuer from filing the M-11, State Notice, and renewal procedures as described in I. Above.

---