

3. Certified financial statements as set forth in N.J.A.C. 13:47A-1.3 and 1.5;

4. Any additional information requested by the Bureau Chief.

(b) The applicant shall submit to the Bureau of Securities as part of the application an identification photograph of each partner, officer or director, unless the applicant is a member of the NASD or is a member of and has current photographs on file with the New York Stock Exchange, American Stock Exchange, or another major stock exchange, and has granted written permission to the Bureau Chief, or his or her duly designated representative, to examine without notice any filings made by the applicant with such exchange or association.

(c) If the applicant is a natural person and is not a member of the NASD, the New York Stock Exchange or the American Stock Exchange, he or she shall submit to the Bureau of Securities as part of the application, one (non-criminal) fingerprint card with impressions taken by a recognized law enforcement agency.

(d) If the applicant is a corporation or partnership and is not a member of the NASD, the New York Stock Exchange or the American Stock Exchange, it shall submit to the Bureau of Securities as part of the application, one applicant (noncriminal) fingerprint card for each officer, director, controlling person or partner with all of the impressions taken by a recognized law enforcement agency.

(e) If, during the pendency of the application, it appears to the Bureau Chief that the application may contain a misrepresentation, may omit a document or material fact, or contains any statement which may be, at the time and in the light of the circumstances under which it is made, false or misleading in any material respect, the Bureau Chief, in his or her discretion, may notify the applicant of the deficiency by letter. A deficiency letter shall require the applicant to perfect the application by amending or supplementing the information previously submitted within 21 days after the issuance of the deficiency letter; withdraw the application; or subject itself to further action of the Bureau Chief by Order or otherwise. If the applicant elects to perfect the application within 21 days, the amendment or supplement by the applicant shall postpone the effectiveness of the application for 30 days after the applicant perfects the application. The Bureau Chief may elect, in his or her discretion, to act without issuing a deficiency letter.

Amended by R.1970 d.60, effective May 29, 1970.

See: 2 N.J.R. 34(f), 2 N.J.R. 55(d).

Amended by R.1974 d.333, effective December 3, 1974.

See: 7 N.J.R. 12(b).

Amended by R.1987 d.390, effective October 5, 1987.

See: 19 N.J.R. 1417(a), 19 N.J.R. 1824(a).

Cost raised from \$125.00 plus \$5.00 to \$500.00 plus \$10.00.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Revised (a)-(c); added new (f).

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

In (a), rewrote the fourth sentence; in (a)1, added the second sentence; in (a)2, added the second sentence; rewrote (c) and (d); deleted (e); and recodified existing (f) as (e).

Amended by R.2003 d.154, effective April 7, 2003.

See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

In (a), added ", or a fully completed and executed page 1 of Form U-4, Uniform Application for Securities Industry Registration" in 2, deleted (4) and (5) and recodified former (6) as (4); rewrote (c) and (d).

Case Notes

Powers of Bureau Chief. *In re Information Resources*, 126 N.J.Super. 42, 50, 312 A.2d 671 (1973).

Regulatory powers of Bureau. *Mayflower Securities v. Bureau of Securities*, 64 N.J. 85, 312 A.2d 497 (1973).

Refusal to abide by SEC and Federal Court orders warranted revocation of broker-dealer and agent registrations. *In the Matter of Stratton Oakmont, Inc., and Daniel Mark Porush*, 96 N.J.A.R.2d (BOS) 1.

13:47A-1.2 Application for registration for persons not eligible for registration via CRD

Any person desiring to transact business in the State of New Jersey who is not a member of the NASD or who is not otherwise eligible to register via the CRD pursuant to N.J.A.C. 13:47A-1.1, shall file all of the information required by N.J.A.C. 13:47A-1.1 and in the same form required by that section directly with the Bureau of Securities at its current office address. The application shall be accompanied by a check or money order payable to the State of New Jersey, Bureau of Securities, in the amount of \$250.00.

New Rule, R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Old 13:47A-1.2 Financial reports to accompany application recodified to 13:47A-1.3.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Changed application fee from \$500 to \$250.

13:47A-1.3 Financial reports to supplement application

(a) Subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78), an application for registration as a broker-dealer must be supplemented by a concurrent filing directly with the Bureau of Securities of a certified statement of the applicant's financial condition as of a date within 60 days of the application; provided, however, if the applicant has been engaged in business for one year or more preceding the date of the application, a certified financial statement as of the end of its last fiscal period, along with an unaudited balance sheet as of a date within 60 days of the application may be submitted directly to the Bureau concurrently with the filing of the application for registration. The concurrent filing will be considered to be a necessary part of the registration application, whether the application is filed via the CRD for NASD members, or directly with the Bureau for non-NASD members.

(b) The balance sheet must be signed by a principal or officer of the applicant and must be notarized.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Recodified from 13:47A-1.2, stylistic revisions. Old 13:47A-1.3 Annual financial report recodified to 13:47A-1.4.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Made this section subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78).

13:47A-1.4 (Reserved)

Repealed by R.2003 d.154, effective April 7, 2003.

See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

Section was "Annual financial report."

13:47A-1.5 Preparation and contents of financial statements

(a) Subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78), financial statements and reports required of registered broker-dealers under N.J.S.A. 49:3-47 et seq., including the financial statement filed with the application for initial registration, shall consist of a balance sheet supported by an analysis of the trading and investment inventories and shall be prepared by a certified public accountant or a public accountant who shall be in fact independent.

(b) Subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78), complete copies of Form X-17A-5, as filed with the Securities and Exchange Commission, or copies of the New York Stock Exchange Financial Questionnaire may be filed to comply with the requirements of this section.

(c) Subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78), the analysis of the trading and investment inventories required by (a) above shall have attached thereto, and made a part thereof, a statement under oath by the broker-dealer which shall set forth those securities within said trading and investment inventories which have not been registered under the Securities Act of 1933 (1933 Act), or which are not subject to, or are exempted from the registration requirements of the 1933 Act and the rules and regulations promulgated thereunder other than by reason of section 3(a) of the 1933 Act and the rules and regulations promulgated under section 3(a) of the 1933 Act.

Amended by R.1970 d.85, effective July 13, 1970.

See: 2 N.J.R. 50(c), 2 N.J.R. 67(b).

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Recodified from 13:47A-1.4 with stylistic revisions. Old 13:47A-1.5 Minimum capital recodified to 13:47A-1.6.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Made this section subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78).

13:47A-1.6 Minimum net capital

(a) No registration as a broker-dealer shall be issued unless the applicant therefor has a minimum net capital or has posted with the Bureau of Securities a surety bond in the amount of the minimum net capital. The minimum net capital shall be as required by § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78) and rules promulgated thereunder.

(b) Computation of net capital shall be in accordance with rules promulgated by the Securities and Exchange Commission, unless the Bureau Chief prescribes otherwise by rule or order.

(c) Reporting of net capital by a broker-dealer shall be made as part of the application for registration with the CRD in the case of broker-dealers eligible for such registration. If the CRD registration form does not provide for reporting of net capital as set forth in this section, or if the registration is filed directly with the Bureau of Securities because CRD registration is not available to the applicant, then the reporting of net capital shall be made by a supplemental filing made directly to the Bureau of Securities concurrently with the broker-dealer application.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Revised (a)-(c); added (d)-(e). Recodified from 13:47A-1.5. Old 13:47A-1.6 Bonds recodified to 13:47A-1.7.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Rewrote (a); deleted existing (b) and (c); and recodified existing (d) and (e) as (b) and (c).

Case Notes

Rule upheld. *Kenneth Marshall and Co. v. State*, 119 N.J. Super. 588, 293 A.2d 200 (App.Div.1972).

Intent of minimum net capital requirement. *In re Ridgway*, 116 N.J. Super. 172, 281 A.2d 390 (App.Div.1971).

13:47A-1.7 Bonds

(a) Subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78) and rules promulgated thereunder, the bonds required to be filed under N.J.A.C. 13:47A-1.6 (Minimum net capital) shall provide for suit thereon by third parties for any cause of action under N.J.S.A. 49:3-71, for loss and damages, and shall be in the form designated U-SB as set forth in N.J.A.C. 13:47A-11.5. The bond shall be for a term of two years, but the right to bring an action under the bond for losses sustained while it was in force shall continue for two years from the date of the sale upon which the action is based.

(b) The bond may provide for termination provided, however, that 90 days' notice thereof is served in writing upon the Bureau Chief; and provided further, that the right to bring an action for losses sustained while it was in force shall continue for two years from the date of the sale upon which the action is based.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Recodified from 13:47A-1.6 with stylistic revisions. Old 13:47A-1.7 Cash or securities in lieu of bond recodified to 13:47A-1.8.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

In (a), made the section subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78), and amended N.J.A.C. references.

13:47A-1.8 Cash or securities in lieu of bond

In lieu of the bonds required by N.J.A.C. 13:47A-1.6 (Minimum net capital), the applicant may deposit cash or securities with the Bureau Chief, and the amount thereof shall be determined by the Bureau Chief having due regard for the amount of the bond required and the nature of the securities furnished. No securities other than those listed on the New York Stock Exchange or the American Stock Exchange or designated or approved for designation upon notice of issuance as a National Market System security on the National Association of Securities Dealers' Automated Quotation System will be accepted, except that mutual funds may be accepted in certain cases, in the discretion of the Bureau Chief.

Amended by R.1992 d.435, effective November 2, 1992.
See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Recodified from 13:47A-1.7; revised text. Old 13:47A-1.8 Change of status; submission of form recodified to 13:47A-1.9.

13:47A-1.9 Change of status; submission of form

(a) A registered broker-dealer who is registered with New Jersey via the NASAA/NASD CRD shall file an amendment with the CRD on the amendment form prescribed by the NASAA/NASD CRD whenever any of the following events occur:

1. Its firm name is changed;
2. Its principal office address is changed;
3. The address of a branch office within the State of New Jersey is changed;
4. A new officer, director or partner is elected or admitted to the firm. The amendment filing shall include the home address and 10 year business history of the officer, director or partner;
5. It commences the employment of an agent currently effectively registered in the State of New Jersey. This amendment shall be filed no later than five days after the commencement of such employment;
6. A partner, officer or director of the registered broker-dealer resigns, retires or otherwise terminates his or her affiliation with the broker-dealer. No filing fee is required for this type of amendment, unless the NASAA/NASD CRD prescribes otherwise;
7. The registered broker-dealer terminates the employment of an agent. This amendment shall be filed within 30 days of the termination. No filing fee is required for this type of amendment, unless the NASAA/NASD CRD prescribes otherwise;
8. Subsections (d) and (e) below require an amendment to be filed; or
9. Any other event has occurred that would require an amendment to the Form BD Uniform Application for Broker-Dealer Registration or its successor form.

(b) On or after January 1, 1998, a registered broker-dealer that is registered pursuant to N.J.A.C. 13:47A-1.2 (registrants not eligible for registration via the CRD and therefore registered directly with the Bureau of Securities) shall file directly with the Bureau at its current office address, a complete and updated Form BD or the amended pages, if a complete Form BD is already on file at the Bureau, whenever it changes any of the information set forth in (a) above.

(c) Any amendment shall be filed no later than 20 days after the occurrence named therein, unless otherwise specified in (a) above. The amendment filed with the CRD shall be accompanied by the fee, if any, prescribed by the NASAA/NASD CRD for amendments. There shall be no fee for those amendments required to be filed directly with the Bureau of Securities.

(d) For a registered broker-dealer that has had any changes occur regarding the answers in its original or amended Form BD application as to arrests, convictions of any crime, disciplinary actions by any administrative body, restraints, injunctions, suspension, revocations, denials, judgments based on fraud, as to the registrant or any partner, officer or director shall file an amendment with the CRD; or if not a member of the NASD, shall file the amendment directly with the Bureau of Securities fully disclosing the details of the changes within 20 days of the occurrence named in the amendment. Such amendment shall be accompanied by the fee, if any, prescribed by the NASAA/NASD CRD or the Bureau of Securities for amendments. In the event that the CRD amendment form does not allow for full detailed disclosure of the details of the changes, as required by the Uniform Securities Law (1967), N.J.S.A. 49:3-47 et seq. and these rules, the registrant shall make full detailed disclosure of the changes by a supplemental filing directly to the Bureau of Securities at its current office address.

(e) A registered broker-dealer, if a corporation or partnership, shall file with the Bureau of Securities or the CRD, whichever is applicable, one applicant (noncriminal) fingerprint card with all of the impressions taken by a recognized law enforcement agency, for each officer, director, controlling person or partner who commences any employment or affiliation with said registered broker-dealer no later than five days after the commencement of such employment or affiliation. Those persons exempt from filing a fingerprint card with the Securities and Exchange Commission pursuant to Rule 17f-2 promulgated under the Securities Exchange Act of 1934 or its successor rule shall be exempt from filing fingerprint cards with the Bureau pursuant to this subsection.

Amended by R.1970 d.60, effective May 29, 1970.
See: 2 N.J.R. 34(f), 2 N.J.R. 55(d).

Amended by R.1987 d.390, effective October 5, 1987.
See: 19 N.J.R. 1417(a), 19 N.J.R. 1824(a).

Business history raised from five to 10 years.
Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Recodified from 13:47-1.8. Revised text. Old 13:47A-1.9 Maintenance of books and records recodified to 13:47-1.10.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Substantially amended (a) and (b); in (c), eliminated the filing fee; deleted (d); and recodified existing (e) and (f) as (d) and (e).

Amended by R.2003 d.154, effective April 7, 2003.

See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

In a(7), substituted "30" for "five"; in (e), substituted "one" for "two" following "whichever is applicable" and deleted "s (one State Police card and one Federal Bureau of Investigation card)" following "noncriminal fingerprint card".

13:47A-1.10 Maintenance of books and records

All broker-dealers shall keep at their principal place of business, open to inspection of the Bureau of Securities of the State of New Jersey, all books and records required to be kept by the Securities and Exchange Commission or by the Bureau of Securities.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Added the Bureau of Securities. Recodified from 13:47A-1.9. Old 13:47A-1.10 Withdrawal of broker-dealer registration recodified to 13:47A-1.11.

13:47A-1.10A Maintenance of sales and advertising material (broker-dealers)

Subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78), all broker-dealers shall keep on file, in each branch and sales office, for a period of three years, copies of any prospectus, circular, form letter, advertisement, sales script, or prepared text used in that branch or sales office in the course of soliciting prospective investors, and any other sales or advertising material intended for distribution or communication to prospective investors by mail, telephone, or any other medium, or for the use or training of persons making such communications. Any material required to be maintained pursuant to this section may be maintained in electronic form, either at the branch or sales office or at a central location, provided that such electronically stored material can, upon demand, be retrieved and provided to the Bureau within two working days.

New Rule, R.1995 d.540, effective October 16, 1995.

See: 26 N.J.R. 3814(a), 26 N.J.R. 4337(a), 27 N.J.R. 3964(b).

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Made the section subject to the limitations of § 15 of the Securities Exchange Act of 1934 (15 U.S.C. § 78).

13:47A-1.11 Withdrawal of broker-dealer registration

(a) A broker-dealer registered in New Jersey via the CRD shall file a Form BDW or any successor form to the Form BDW prescribed by the CRD when it desires to withdraw its registration as a broker-dealer in the State of New Jersey. Such request for withdrawal will become effective 30 days after filing with the CRD.

(b) A broker-dealer registered in New Jersey by direct filing with the Bureau of Securities because it is not eligible for registration via the CRD shall file directly with the Bureau a Form BDW, when it desires to withdraw its registration as a broker-dealer in the State of New Jersey. Such request will become effective 30 days after filing with the Bureau.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Recodified from 13:47A-1.10. Revised text; added (b). Old 13:47A-1.11 Display of name recodified to 13:47A-1.12.

Amended by R.1997 d.451, effective October 20, 1997.

See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Amended by R.2003 d.154, effective April 7, 2003.

See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

In (b), deleted "if its initial application was filed on a Form BD" following "Form BDW".

13:47A-1.12 Display of name

The name of the registered broker-dealer shall appear on the door or window of any branch or sales office being operated within the State of New Jersey.

Recodified from 13:47A-1.11 by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Old 13:47A-1.12 Application for successor recodified to 13:47A-1.13.

13:47A-1.13 Application for successor

(a) A broker-dealer registered in New Jersey via the CRD shall file the forms or amendments as required by the CRD to effectuate registration in New Jersey of a successor to the registered broker-dealer. The filing shall be accompanied by the fee, if any, prescribed by the CRD for such filings.

(b) A broker-dealer registered in New Jersey by direct filing with the Bureau of Securities because it is not eligible for registration via the CRD may file directly with the Bureau an application on a Form BD, Uniform Application for Broker-Dealer Registration, accompanied by all of the information required by N.J.A.C. 13:47A-1.1 and in the same form as required by that section to effectuate the registration of a successor. Such application shall be marked "SUCCESSOR APPLICATION" in the upper right-hand corner by the registrant, and shall be accompanied by a consent to service of process executed by the applicant. There shall be no filing fee for the successor application.

Amended by R.1992 d.435, effective November 2, 1992.

See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Revised text and added (a). Recodified from 13:47A-1.12.

(b) Whenever an agent terminates employment with a broker-dealer registered in New Jersey via the CRD, the broker-dealer shall file with the CRD or Bureau, as appropriate, the Form U-5 Uniform Termination Notice for Securities Industries Registration within 30 days of the termination. For agents of non-NASD member broker-dealers, the Form U-5, Uniform Termination Notice for Securities Industries Registration, shall be filed directly with the Bureau of Securities.

Amended by R.1992 d.435, effective November 2, 1992.
See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Revised section.

Amended by R.1997 d.451, effective October 20, 1997.
See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Amended by R.2003 d.154, effective April 7, 2003.

See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

In (a), substituted "23" for "22" following "Item", substituted "identified" for "named" following "20 days of the occurrence", deleted references to termination and added "of employment" in the second sentence; rewrote (b).

13:47A-3.3 Issuer-agent registration

(a) All issuers which are effecting or attempting to effect purchases or sales of securities other than through a registered broker-dealer shall register someone as an "agent," unless exempted or excluded from agent registration pursuant to (b) below. Only a natural person can be registered as an agent.

(b) Agent registration is not required for an individual who represents an issuer in effecting transactions exempted by N.J.S.A. 49:3-50(a)(1) (securities issued or guaranteed by the United States, a State, or political subdivision thereof); N.J.S.A. 49:3-50(a)(2) (Canadian and other foreign government securities); N.J.S.A. 49:3-50(a)(3) (bank securities); N.J.S.A. 49:3-50(a)(11) (employee benefit plans); all of the transactional exemptions under N.J.S.A. 49:3-50(b); effecting transactions with existing employees, partners, or directors of the issuer, if no commission or other remuneration is paid or given directly or indirectly for soliciting any person in this State; or for an individual representing a broker-dealer in effecting transactions in this State limited to those transactions described in paragraph (2) of subsection (h) of section 15 of the "Securities Exchange Act of 1934," 15 U.S.C. § 78o(h)2; and such other persons not otherwise within the intent of this subsection (b), as the bureau chief may by rule or order designate.

(c) For the purposes of the exclusion from the definition of "agent" in N.J.S.A. 49:3-49(b)3, the phrase "existing employees, partners or directors of the issuer," shall include persons occupying those positions with subsidiaries of which the parent issuer owns at least 80 percent of the stock of the subsidiary.

New Rule, R.1995 d.270, effective June 5, 1995.

See: 27 N.J.R. 303(a), 27 N.J.R. 2241(a).

Amended by R.2003 d.154, effective April 7, 2003.

See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

In (a), substituted "pursuant to (b) below" for "is available under the Act" in the first sentence; rewrote (b).

13:47A-3.4 General partners

A natural person acting on behalf of the general partner of a partnership in connection with the offer or sale of the partnership's securities, which general partner is a corporation, partnership or other entity, shall be deemed to be an individual representing the issuer within the meaning of N.J.S.A. 49:3-49(b).

New Rule, R.1995 d.270, effective June 5, 1995.

See: 27 N.J.R. 303(a), 27 N.J.R. 2241(a).

SUBCHAPTER 3A. INVESTMENT ADVISER REPRESENTATIVES

13:47A-3A.1 Registration of State registered investment adviser representatives

(a) Subject to the provisions of Section 203A of the Investment Advisers Act of 1940 (15 U.S.C. § 80b-3a), any person, who has a place of business located in this State, who desires to act in the State of New Jersey as an investment adviser representative of an investment adviser registered in New Jersey with the Bureau of Securities or registered with the Securities and Exchange Commission, and any person doing business in this State who desires to act in the State of New Jersey as an investment adviser representative of an investment adviser registered in New Jersey with the Bureau of Securities, shall file an application with an original signature, with the Bureau of Securities on Form U-4, as set forth in N.J.A.C. 13:47A-11.3. The Form U-4 may be filed with the Bureau by filing the Form U-4 electronically with the CRD/IARD and designating in the Form U-4 that the applicant intends to apply for registration in New Jersey. For a Form U-4 filed electronically with the Bureau via the CRD/IARD such Form U-4 shall have the requisite electronic signatures as required by the CRD/IARD. An application shall be accompanied by:

1. One applicant non-criminal fingerprint card (one State Police card or one FBI card) with impressions taken by a recognized law enforcement agency. (Applicants registered through the CRD/IARD need not supply fingerprint cards directly to the Bureau if they have been supplied to the NASDR as part of the applicant's filing with the CRD/IARD.); and

2. A fee of \$50.00 shall be assessed for each initial application. The fee maybe paid to the Bureau electronically through the CRD/IARD, or it may be paid by check or money order made payable to the State of New Jersey, Bureau of Securities if the application was filed directly with the Bureau.

(b) Agents affiliated in a securities related position with more than one employer (for example, with broker-dealers or investment advisors) may be registered in the State of New Jersey, provided a letter is submitted with the agent's application on each affiliated firm's letterhead stating that:

1. The employer is aware of the agent's multiple affiliations;

2. The employer accepts the agent's multiple affiliations; and

3. The employer accepts full responsibility for the agent's securities related activities.

(c) Individuals whose multiple affiliations are with firms that have an ownership interest of one in the other are not required to submit the letters required by (b) above provided that the relationships between the firms in question are disclosed on the Form BD.

(d) The Bureau may require an agent to enter into an agreement requiring heightened supervision and other restrictive conditions as a condition of granting that agent's application for registration.

(e) Registration shall be effective from the date of effectiveness until the following December 31.

Amended by R.2003 d.154, effective April 7, 2003.
See: 34 N.J.R. 3691(a), 35 N.J.R. 1563(b).

Added new (b) through (d) and recodified former (b) as (e).

13:47A-3A.2 Change of status; submission of form

(a) A registered investment adviser representative shall file with the Bureau an amendment to Form U-4 within 20 days, whenever there is any change to the information previously reported on the Form U-4.

(b) Whenever a registered investment adviser representative terminates employment with an investment adviser registered in New Jersey, or with the U.S. Securities and Exchange Commission if the investment adviser has a place of business in this State, the investment adviser shall file with the Bureau Form U-5 Uniform Termination Notice for Securities Industries Registration within 30 days of the termination.

(c) A Form U-4 or Form U-5, or amendments thereto, may be filed with the Bureau by electronically filing them with the CRD/IARD, as applicable.

SUBCHAPTER 4. EXAMINATIONS

Law Reviews and Journal Commentaries

Accountants Serving as Securities Industry Professionals: Some Cautionary Notes. Peter D. Hutcheon, 206 N.J.L.J. 25 (2000).

13:47A-4.1 Examinations for broker-dealers and investment advisors

No officer, director, partner or individual affiliated with a broker-dealer or investment advisor applying for registration in this State who will participate in management either as investment advisor or in the offering or selling of securities either within or from this State, shall be so registered unless he or she has taken and successfully passed a securities examination approved by the Chief of the Bureau of Securities and offered by an independent self-regulatory organization of the securities industry registered with the Securities and Exchange Commission, or taken and successfully passed a securities examination given by a state whose examination is recognized by the Bureau of Securities of the State of New Jersey.

Amended by R.1992 d.435, effective November 2, 1992.
See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Deleted text in last sentence.

Amended by R.1997 d.451, effective October 20, 1997.
See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

13:47A-4.2 Examinations for agents

No person shall be registered as an agent unless he or she has either successfully passed a securities examination or securities examinations approved by the Chief of the Bureau of Securities pursuant to N.J.S.A. 49:3-57(f)(1), the General Securities Representative Examination (Series 7), or its successor, or has been granted a waiver by the Bureau Chief.

Amended by R.1992 d.435, effective November 2, 1992.
See: 24 N.J.R. 2524(a), 24 N.J.R. 4060(a).

Deleted text in last sentence.

Amended by R.1997 d.451, effective October 20, 1997.
See: 29 N.J.R. 3119(a), 29 N.J.R. 4463(a).

Amended by R.2002 d.3, effective January 7, 2002 (operative July 1, 2002).

See: 32 N.J.R. 4232(a), 34 N.J.R. 300(b).
Rewrote the section.

13:47A-4.3 Requests for waiver of agent examinations

(a) Except for requests made pursuant to (c) below, requests for waiver of agent examination requirements will be granted only on the basis of knowledge, training and experience in the securities field. Any person, other than the agent of an issuer registered pursuant to N.J.A.C. 13:47A-3.3, requesting a waiver must have been continuously and lawfully active in the securities field for a period of at least two full years prior to filing the request.

(b) Requests for waiver of the agent examination must be submitted in writing directly to the Bureau Chief and requested no later than the filing of an application for registration with the CRD or the Bureau, as appropriate.