

Summary of Nebraska Broker-Dealer Registration Requirements

Nebraska Department of Banking and Finance

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The following information is provided to assist in preparing an application for initial broker-dealer registration in Nebraska:

1. BROKER-DEALER APPLICATION REQUIREMENTS

A broker-dealer application for **FINRA** firms shall consist of the following documents:

- (a) **A COMPLETE and CURRENT FORM BD filed through CRD:**
- (b) An executed “**AFFIDAVIT OF BROKER-DEALER ACTIVITY IN NEBRASKA**”
<https://ndbf.nebraska.gov/sites/ndbf.nebraska.gov/files/doc/industries/bdaffidavit.pdf>
- (c) **A CURRENT AUDITED FINANCIAL STATEMENT.** If the financial statement is more than 90 days old, the most recent **FOCUS REPORT** must accompany the financial statement. Absent Audited Financials, a **CERTIFIED Balance Sheet** must accompany the Focus Report.
- (d) **A \$250.00 application fee filed through CRD.**
- (e) Designation of at least one registered agent located at the firm’s principal office and one registered agent located at each office of supervisory jurisdiction (“OSJ”) that is located in Nebraska to act in a supervisory capacity.

A broker-dealer application for **non-FINRA** firms shall consist of **all of the above documents (Paper Form BD) with original signatures and those additional documents listed below.** (Fees paid directly to Department).

- (f) A copy of the broker-dealer’s **ARTICLES OF INCORPORATION**, articles of partnership, or LLC membership agreement that shows the current legal name of the applicant;
- (g) A copy of the broker-dealer’s **CORPORATE RESOLUTION.** Entities that are organized in a form other than a corporation, such as a partnership or LLC, need not file a **CORPORATE RESOLUTION.**
<https://ndbf.nebraska.gov/sites/ndbf.nebraska.gov/files/doc/industries/bdcorpres.pdf>
- (h) A cover letter containing the name and CRD number of the individual who will serve as the **designated principal** in Nebraska. The principal must have taken and passed the Series 63 or 66 and the Series 24, 26, or 39 examinations and should be registered as an agent in Nebraska; and
- (i) **A SURETY BOND** in the amount of \$25,000.00 or maintain a net capital of \$25,000.00
<https://ndbf.nebraska.gov/sites/ndbf.nebraska.gov/files/industries/secbond2-2017.pdf>

2. CLEARING FIRMS

If a broker-dealer refers or introduces Nebraska customers to a clearing firm, the clearing firm must be registered as a broker-dealer in Nebraska.

3. FOREIGN CORPORATIONS

In certain instances, a broker-dealer may be required to register as a foreign corporation in Nebraska. If you have questions about requirements for registering as a foreign corporation in Nebraska, contact the Secretary of State’s office at (402) 471-2554 (website address is <http://www.sos.ne.gov>).

NEBRASKA BROKER-DEALER APPLICATION REQUIREMENTS – Continued**4. AMENDMENTS TO FORM BD**

All amendments to Form BD are filed pursuant to the directions on the form. FINRA member firms shall file directly through Web CRD and need not be submitted to the Department.

Non-FINRA member firms must submit hard copies of all amendments to the Department.

5. AGENTS

A broker-dealer is ultimately responsible for the actions of its agents and employees and must maintain adequate supervision and control over its representatives.

Agents of a broker-dealer may not advertise themselves using a DBA, or under any other name, as being a broker-dealer or investment adviser, unless that entity is properly registered. See 48 NAC 6 in the Rules of the Department for additional information. http://www.sos.ne.gov/rules-and-regs/regsearch/Rules/Banking_And_Finance_Dept_of/Title-48_Security_Rules/Chapter-06.pdf

All FINRA member firms requesting registration or termination of agents in Nebraska should file the appropriate Form U-4/U-5 through the Web CRD system. Non-FINRA member firms must submit hard copies of the agent application or termination forms to the Department.

6. ANNUAL RENEWALS

All broker-dealer and agent registrations expire annually on December 31. The Department will send a renewal notice in mid-October to non-FINRA broker-dealers specifying which documents will be required for renewal. Renewal fees are \$250.00 for a broker-dealer and \$40.00 per agent.

Please refer to 48 NAC 4, Section 003 of the Rules of the Department for additional information regarding annual renewals http://www.sos.ne.gov/rules-and-regs/regsearch/Rules/Banking_And_Finance_Dept_of/Title-48_Security_Rules/Chapter-04.pdf

7. PAYMENT OF FEES

Application and renewal fees for FINRA member firms and their agents must be paid through Web CRD. Fees for non-FINRA member firms and their agents should be paid directly to the Department, by check payable to the “Nebraska Department of Banking and Finance.”

If you have questions concerning Nebraska broker-dealer license application requirements, or broker-dealer agent registration requirements, please contact Securities Investigation and Compliance Unit Supervisor, Rodney Griess at (402) 471-3445 or via email at rodney.griess@nebraska.gov.