

# APPLICATION FOR BROKERAGE LICENCE

Corporation or Partnership

Please complete all sections as indicated. Please print clearly.

PART A APPLICANT INFORMATION			
Full legal name of corporation or partnership		RECBC Use Only File Number	
Trade name, if any, under which the brokerage is to be operated			
Applicant is a: <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership		Approval date	
Fiscal year end (day/month)		Approved by	
Category of licence applied for (check all that apply) <input type="checkbox"/> Trading services <input type="checkbox"/> Rental Property Management Services <input type="checkbox"/> Strata Management Services		BCSC/Ins/FIC	
Is the corporation or partnership in good standing with the B.C. Corporate Registry and any other applicable registry?		Cond/Restrictions	
Give the full name of and office held by every director, officer and partner of the applicant. If a partner of the applicant is a corporation, give the full name and office of every director and officer of that corporation. <i>If more space is required, attach a separate sheet. If the individuals listed do not correspond with those recorded with the Corporate Registry or other applicable registry, supporting documentation will be required. Note: each director, officer and partner of the applicant must complete a separate Information Respecting Director, Officer or Partner Information form.</i>			
Full name		Office held	
Full name		Office held	
Full name		Office held	
PART B BROKERAGE INFORMATION			
Office address of brokerage – Suite #/Street			
City, Province		Postal code	Please indicate whether this is a commercial or residential location
Phone number for that office	Fax number, if any, for that office		Email address, if any, for that office
Mailing address for delivery (this is the address the Council will use for mailing to the brokerage notices required by the Real Estate Services Act). The Council will use the brokerage office address for delivery of these notices unless you provide a different mailing address in this space.			
Names and branch locations of all savings institutions at which accounts will be maintained by the brokerage			
Full name of each proposed managing broker (Note: each proposed managing broker must complete a separate Application for Representative, Associate or Managing Broker Licence form)			

## PART C INFORMATION RESPECTING REPUTATION AND SUITABILITY

**For any question for which the answer is "Yes", attach complete details as an exhibit.**

1. Has the corporation or partnership ever been convicted of, or is it currently charged with, a criminal or other offence under a federal or provincial enactment, or under the law of any foreign jurisdiction?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Has the corporation or partnership ever been subject to bankruptcy, insolvency or receivership proceedings?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has the corporation or partnership ever had any court orders or judgments made against it in relation to real estate services, a dealing in insurance, mortgages or securities, or misappropriation, fraud or breach of trust?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Has the corporation or partnership ever been refused a licence, or held a licence that was suspended or cancelled, under real estate, insurance, mortgage broker or securities legislation in British Columbia or another jurisdiction, or has the corporation or partnership ever been disciplined by a professional body?	<input type="checkbox"/> Yes <input type="checkbox"/> No

## PART D FINANCIAL REQUIREMENTS

Total estimated operating and capital expenditures for first 3 months of operation (*attach completed Form A Brokerage Operating Expenses, statutory declaration and related schedules*)

Form A total \$ \_\_\_\_\_

**PLUS** Council requirement \$ 5,000

= Total estimated unimpaired working capital required for the purposes of assessing financial qualification for brokerage licensing \$ \_\_\_\_\_

## PART E CERTIFICATION

I certify that I am a director, officer or partner of the applicant for licensing, and that the information and statements contained in this application and any attachments are true and complete.

Name of applicant	Signature	Dated MM/DD/YYYY
Title or position		

<b>Mailing Address</b> Real Estate Council of British Columbia 900-750 West Pender Street   Vancouver, BC Canada   V6C 2T8	<b>Enquiries</b> Tel: 604.683.9664   Toll-free: 1.877.683.9664   Fax: 604.683.9017 www.recbc.ca   lic@recbc.ca
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# BROKERAGE OPERATING EXPENSES

## Form A

### ESTIMATE OF EXPENDITURES DURING FIRST 3 MONTHS OF OPERATION

#### Operating:

Rent, property taxes, etc.	3 months X \$_____ per month =	\$_____
Hydro & utilities	3 months X \$_____ per month =	\$_____
Telephone & Fax	3 months X \$_____ per month =	\$_____
Salaries (Admin. & Sales)	3 months X \$_____ per month =	\$_____
Employee benefits (Employer portion of CPP, MSP, EI, etc.)	3 months X \$_____ per month =	\$_____
Advertising	3 months X \$_____ per month =	\$_____
Promotion & Entertaining	3 months X \$_____ per month =	\$_____
Automobile Expenses	3 months X \$_____ per month =	\$_____
Office expenses (stationery, supplies, etc.)	3 months X \$_____ per month =	\$_____
Accounting & Legal expenses	3 months X \$_____ per month =	\$_____
Interest & bank charges	3 months X \$_____ per month =	\$_____
Dues & fees relating to memberships, etc.	3 months X \$_____ per month =	\$_____
Recurring franchise fees	3 months X \$_____ per month =	\$_____
Insurance & Licence fees		\$_____
Other (Specify:_____)		\$_____
Other (Specify:_____)		\$_____

#### Capital:

Purchase of capital assets, etc. in the first 3 months		\$_____
Other (Specify:_____)		\$_____

**Total:** \$\_\_\_\_\_

**CANADA  
PROVINCE OF  
BRITISH COLUMBIA**

**IN THE MATTER OF**

\_\_\_\_\_  
*(name of proposed brokerage)*

**SOLEMN DECLARATION**

I, \_\_\_\_\_, proposed managing broker, of \_\_\_\_\_  
*(name of proposed managing broker)* *(residential address)*

in the Province of British Columbia SOLEMNLY DECLARE that the Balance Sheet of \_\_\_\_\_  
*(name of proposed brokerage)*

as at \_\_\_\_\_, attached as Schedule 1 along with all other relevant schedules, is true and  
*(date of balance sheet)*

correct to the best of my knowledge and belief.

AND I make this solemn declaration, conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

DECLARED BEFORE ME at \_\_\_\_\_ )  
\_\_\_\_\_ )  
\_\_\_\_\_ )  
in the Province of British Columbia, )  
\_\_\_\_\_ )  
this \_\_\_\_\_ day of \_\_\_\_\_ )  
\_\_\_\_\_ )  
A.D. 20 \_\_\_\_\_ )

\_\_\_\_\_  
*(signature of proposed managing broker)*

.....  
A Notary Public in and for the Province of British Columbia  
A Commissioner for taking Affidavits for British Columbia.

Schedule 1 Showing the  
**BALANCE SHEET**  
of

\_\_\_\_\_  
(Name of brokerage)

as at \_\_\_\_\_  
(Date)

**Current Assets:**

Cash \$ \_\_\_\_\_  
Accounts receivable (See Schedule 2) \_\_\_\_\_  
Other (Specify \_\_\_\_\_) \_\_\_\_\_  
**Total current assets** \$ \_\_\_\_\_

Investments (See Schedule 3) \_\_\_\_\_  
Capital assets (See Schedules 4 and 5) \_\_\_\_\_  
Other assets:  
    Incorporation costs \_\_\_\_\_  
    Franchise cost \_\_\_\_\_  
    Other (Specify \_\_\_\_\_) \_\_\_\_\_  
**Total assets** \$ \_\_\_\_\_

**Current Liabilities:**

Accounts payable & accrued liabilities (See Schedule 6) \$ \_\_\_\_\_  
Other (Specify \_\_\_\_\_) \_\_\_\_\_  
Other (Specify \_\_\_\_\_) \_\_\_\_\_  
**Total current liabilities** \$ \_\_\_\_\_

Directors/Shareholders loan (Covered by Subordination Agreement) \_\_\_\_\_  
Long term liabilities (including mortgages, agreements for sale, etc.) \_\_\_\_\_

**Equity**

Share Capital:  
    Issued Common/Ordinary shares \_\_\_\_\_  
    Issued Preference & Other shares \_\_\_\_\_  
Retained Earnings (Deficit) \_\_\_\_\_  
**Total liabilities & equity** \$ \_\_\_\_\_

Statement of Assets and Liabilities referred to in the attached declaration of: \_\_\_\_\_  
(Name of managing broker)

\_\_\_\_\_  
(Signed)

\_\_\_\_\_  
(Date)

A Notary Public in and for the Province of B.C.  
A Commissioner for taking affidavits within B.C.

**Schedule 2**  
**ACCOUNTS RECEIVABLE**

**Supporting Schedule to Balance Sheet**

of \_\_\_\_\_  
*(Name of brokerage)*

as at \_\_\_\_\_  
*(Date)*

Trade Accounts Receivable are defined as amounts due from clients or customers dealing with you at arms-length and arising from products or services sold within the normal operating activities of the business. List these under Section A.

Please classify the receivables individually according to the period outstanding. Include only the receivables that are current and that are collectable. **Do not include projected receivables.**

Non arms-length, non-current and receivables other than trade receivables (ie. from related parties) should be identified in Section B. Please note the terms and conditions of repayment.

<b>(A) Trade Accounts Receivables:</b>					
Name of account	Details	Age			Total
		Over 90 days amount	31-90 days amount	1-30 days amount	
<b>(B) Non arms-length, non-current and other receivables: (ie. Due from related parties)</b>					







Schedule 5  
**CAPITAL ASSETS AND AMOUNTS OWING**  
**AGAINST PROPERTY AND EQUIPMENT**

Supporting Schedule to Balance Sheet

of \_\_\_\_\_

*(Name of brokerage)*

as at \_\_\_\_\_

*(Date)*

Description	Cost	Current market value	Net amount <i>(ie. Cost – accumulated amortization)</i>	Details – Monthly debt payments, etc. on capital asset loans
<i>Automobile</i>				
<i>Office furniture and equipment</i>				
<i>Computer equipment</i>				
<i>Other property</i>				

Schedule 6  
**ACCOUNTS PAYABLE AND ACCRUED LIABILITIES**

Supporting Schedule to Balance Sheet

of \_\_\_\_\_  
*(Name of brokerage)*

as at \_\_\_\_\_  
*(Date)*

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Include any amounts owing to any person which has not been listed elsewhere

**Accounts payable**

Name of creditor	Date of purchase	Amount owing

**Accrued liabilities**

Name of creditor	Type of expense	Amount accrued

If a brokerage borrows funds from an individual or corporation to meet the unimpaired working capital requirement for new brokerages, a separate Subordination Agreement must be completed by each party lending funds to the brokerage (ie. one lender per agreement).

In accordance with section 7-8(2)(c) of the Rules, the Council may require a brokerage to re-establish itself to a state of solvency. In order to achieve this, the brokerage may be required to borrow funds from an individual or corporation, and as a result, a Subordination Agreement will be required in order to ensure that specific levels of working capital are maintained by the brokerage.

### **Instructions**

- (1) Complete the Name and Address sections for the Lender and Borrower.
- (2) Complete section (2) as to the debt instrument, date of loan and amount of loan.
- (3) Have both the Borrower and the Lender sign the agreement and have the signatures witnessed.
- (4) As indicated in the Subordination Agreement, the Lender will not demand or accept any payment of the debt from the brokerage and the brokerage will not pay any amount in whole or in part until:
  - a. The company has received written permission from the Council to repay a portion of or all of the debt;
  - b. Permission to withdraw funds from the brokerage is granted by the Council any time after the first three (3) months of licensed operations, if the brokerage has sufficient current assets to discharge all of the current liabilities plus the shareholder loan. Permission is usually granted within five (5) business days.
- (5) Failure to comply with the terms of the Subordination Agreement may affect your continued licensing under the Real Estate Services Act.
- (6) In keeping with section 7-7(4) of the Rules, a copy of this agreement must be provided to your accountant when he/she is engaged to prepare the Accountant's Report.

