

# APPLICATION FOR BROKERAGE LICENCE

Please complete all sections as indicated. Please print clearly.

**Sole Proprietor**

## PART A APPLICANT INFORMATION

Category of licence applied for ( <i>check all that apply</i> ) <input type="checkbox"/> Trading Services <input type="checkbox"/> Rental Property Management Services <input type="checkbox"/> Strata Management Services			<b>RECBC Use Only</b> File Number
Last name	First name	Middle name(s) ( <i>Initials are not acceptable</i> )	
Gender <input type="checkbox"/> Male <input type="checkbox"/> Female	Any previous legal names (e.g. maiden name), or other names by which you are or have been known		Approved by
Name other than your legal name (e.g. nickname, hyphenated last name) that you intend to use for advertising purposes, if any			BCSC/Ins/FIC
Residential address – Suite #/Street ( <i>P.O. boxes are not acceptable</i> )			Cond/Restrictions
City, Province		Postal Code	
Phone number ( <i>include area code</i> )		Email address	
If you would like to receive the Real Estate Council's newsletter by email instead of regular mail, please check here: <input type="checkbox"/> <i>Otherwise you will receive a hard copy version of the newsletter by regular mail to your brokerage office.</i>			

## PART B BROKERAGE INFORMATION

Trade name, if any, under which the brokerage is to be operated		
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 for that office	Email address, if any, for that office
Mailing address for delivery ( <i>this is the address the Council will use for mailing to the brokerage notices required by the Real Estate Services Act</i> ). 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 ( <i>Note: each proposed managing broker must complete a separate Application for Representative, Associate or Managing Broker Licence form</i> )		
Fiscal year end ( <i>day/month</i> )		

## PART C BACKGROUND INFORMATION

Place of birth	Date of birth MM/DD/YYYY
Are you a Canadian citizen? If No, attach evidence of immigration or work visa status <input type="checkbox"/> Yes <input type="checkbox"/> No	
If you were born outside of Canada, indicate the date of your arrival in Canada	
If you resided outside of Canada for any period (other than as noted above), indicate the dates and locations (country and, if applicable, state, province or territory) of those periods of residency	
Are you currently employed? If yes, please indicate the name/address of employer <input type="checkbox"/> Yes <input type="checkbox"/> No	

## PART D INFORMATION RESPECTING REPUTATION AND SUITABILITY

1. Have you ever been convicted of, or are you currently charged with, a criminal or other offence under a federal or provincial enactment, or under the law of any foreign jurisdiction?  <i>If yes, attach a copy of the offence, date of offence and outcome, even if an absolute or conditional discharge has been granted. Conviction(s) for which you have received a pardon need not be disclosed. Note: Highway traffic offences resulting only in monetary fines or demerit points, or both, and charges initiated by a violation ticket as defined in the Offence Act or by a ticket as defined in the Contraventions Act (Canada), need not be disclosed. <b>Impaired driving is a Criminal Code offence and must be disclosed.</b> A Notice of Driving Prohibition under section 215 of the Motor Vehicle Act need not be disclosed.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Have you ever been, or are you currently the subject of a bankruptcy, insolvency or receivership proceeding? This includes: • a bankruptcy order made against you (or an application for such an order), • an assignment in bankruptcy or a proposal under Part III of the <i>Bankruptcy and Insolvency Act</i> , or • an insolvency proceeding (including a receivership or an arrangement under the <i>Companies' Creditors Arrangement Act</i> )  <i>If yes, attach full particulars. For a list of required disclosures, please see <a href="http://www.recbc.ca/licensee/education-licensing-faq.html">www.recbc.ca/licensee/education-licensing-faq.html</a></i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Has any business of which you have been an owner, director, officer or partner, been subject to bankruptcy, insolvency or receivership proceedings during the period when you were owner, director, officer or partner? This includes: • a bankruptcy order made against the business (or an application for such an order), • an assignment in bankruptcy or a proposal under Part III of the <i>Bankruptcy and Insolvency Act</i> , or • an insolvency proceeding (including a receivership or an arrangement under the <i>Companies' Creditors Arrangement Act</i> )  <i>If yes, attach full particulars. For a list of required disclosures, please see <a href="http://www.recbc.ca/licensee/education-licensing-faq.html">www.recbc.ca/licensee/education-licensing-faq.html</a></i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Have you ever had any court orders or judgments made against you in relation to real estate services, a dealing in insurance, mortgages or securities, or misappropriation, fraud or breach of trust?  <i>If yes, attach copy of court order or judgment.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
5. Has any business of which you have been an owner, director, officer or partner, had any court orders or judgments made against the business, during the period when you were owner, director, officer or partner, in relation to real estate services, a dealing in insurance, mortgages or securities, or misappropriation, fraud or breach of trust?  <i>If yes, attach copy of court order or judgment.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Have you 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 have you ever been disciplined by a professional body?  <i>If yes, provide full particulars including any action taken by the Real Estate Council of BC.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Are you the subject of an investigation or disciplinary proceedings under real estate, insurance, mortgage broker or securities legislation, or by a professional body, in British Columbia or another jurisdiction?  <i>If yes, provide full particulars including any action taken by the Real Estate Council of BC.</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No

## PART E EDUCATION

*To be completed by applicants who will themselves be acting as managing broker, and who have not previously been licensed as a sole proprietor, managing broker or associate broker.*

Provide the date you completed the applicable exam(s), or their former equivalents, to qualify for the requested licence category and level. (If you have received an education exemption from the Council, attach details)	<b>Month/Year Completed</b>
Real Estate Trading Services Licensing Exam <i>(Formerly called Salesperson's Pre-Licensing Exam)</i>	
Rental Property Management Licensing Exam <i>(Formerly called Property Management Pre-Licensing Exam)</i>	
Strata Management Licensing Exam	
Real Estate Trading Services Supplemental Exam <i>(Formerly called Salesperson's Supplemental Exam)</i>	
Rental Property Management Supplemental Exam <i>(Formerly called Property Management Supplemental Exam)</i>	
Strata Management Supplemental Exam	
Broker's Licensing Exam <i>(Formerly called Agent's Pre-Licensing Course)</i>	

*If you have taken other real estate related post secondary education (e.g. B.Comm or Urban Land Economics Diploma program), attach original transcripts, in a sealed envelope from the post secondary educational institution.*

## PART F 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	\$ _____
<b>PLUS</b> Council requirement	\$ 5,000
= Total estimated unimpaired working capital required for the purposes of assessing financial qualification for brokerage licensing	\$ _____

## PART G CONSENTS AND CERTIFICATION

### Consent for verification of criminal record check

If required by the Council to provide a criminal record check pursuant to section 4-4(1)(h) of the Council Bylaws, I hereby authorize the Council to verify the accuracy of the criminal record check with the appropriate authorities. Note: *Any information the Council obtains through this consent will be used only for determining suitability for licensing under the Real Estate Services Act.*

### Consent to obtaining a credit rating check

I hereby authorize the Council to ascertain my credit rating by performing a credit check with the appropriate Credit Bureau. Note: *Any information the Council obtains through this consent will be used only for determining suitability for licensing under the Real Estate Services Act.*

### Certification

I certify that I am 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
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<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 sole proprietorship)*

**SOLEMN DECLARATION**

I, \_\_\_\_\_, proposed sole proprietor, of \_\_\_\_\_  
*(name of proposed sole proprietor)* *(residential address)*

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

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 sole proprietor)*

.....  
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: sole proprietor)

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

**Current Assets:**

Cash	\$ _____	
Accounts receivable (See Schedule 2)	_____	
Other (Specify _____)	_____	
<b>Total current assets</b>		<b>\$ _____</b>

Investments (See Schedule 3)	_____	
Capital assets (See Schedules 4 and 5)	_____	
Other assets:		
Franchise cost	_____	
Other (Specify _____)	_____	
<b>Total assets</b>		<b>\$ _____</b>

**Current Liabilities:**

Accounts payable & accrued liabilities (See Schedule 6)	\$ _____	
Other (Specify _____)	_____	
Other (Specify _____)	_____	
<b>Total current liabilities</b>		<b>\$ _____</b>

Related part loans (Covered by Subordination Agreement) \_\_\_\_\_

Long term liabilities (including mortgages, agreements for sale, etc.) \_\_\_\_\_

**Equity**

Owner's equity \_\_\_\_\_

<b>Total liabilities &amp; equity</b>		<b>\$ _____</b>
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Statement of Assets and Liabilities referred to in the attached declaration of: \_\_\_\_\_  
(Name of sole proprietor)

\_\_\_\_\_  
(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: sole proprietor)*

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: sole proprietor)*  
 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: sole proprietor)*

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.

**SUBORDINATION  
AGREEMENT**

**THIS** Subordination Agreement has been made this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

**BETWEEN**

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_  
\_\_\_\_\_

(herein called the "Lender")

AND

Name of Brokerage: \_\_\_\_\_

Address: \_\_\_\_\_  
\_\_\_\_\_

(herein called the "Borrower")

AND

**REAL ESTATE COUNCIL OF BRITISH COLUMBIA**

900 – 750 West Pender Street  
Vancouver BC V6C 2T8

(herein called the "Council")

**WHEREAS:**

- (1) The Borrower desires to obtain, renew or maintain licensing pursuant to the *Real Estate Services Act* (herein called "the Act").
- (2) The Borrower acknowledges having borrowed from the Lender the following:

<b>Debt Instrument</b>	<b>Date of Loan</b>	<b>Amount</b>
(ie. Shareholder Loan, Related Party Loan, Promissory Note, etc.)		
_____	_____	\$ _____

- (3) The Lender will not demand or accept payment of, and the Borrower will not pay, any amount in whole or partial satisfaction of the Borrower Debt until:
  - (a) Written authorization is obtained from the Council.
  - (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.
- (4) Failure to comply with the terms of the Subordination Agreement may affect your continued licensing under the Act.
- (5) The Borrower's Debt is hereby subordinated and postponed to and will hereafter rank subsequent to any claims of General Creditors ("General Creditors" means the persons, other than the Lender, now from time to time having claims against the Borrower).

**IN WITNESS WHEREOF** the parties hereto have executed the Subordination Agreement on the day and year first above written.

**TO BE COMPLETED BY THE LENDER**

\_\_\_\_\_  
Witness  
\_\_\_\_\_  
Name of Lender (*Print*)  
\_\_\_\_\_  
Signature of Lender

**TO BE COMPLETED BY THE BORROWER**

\_\_\_\_\_  
Witness  
\_\_\_\_\_  
Name of Borrower (*Print*)  
\_\_\_\_\_  
Authorized Signatory of Borrower