

If application is to reinstate an expired or revoked firm license, check the box below and provide the old license number.

Reinstatement Application
Old License Number _____



NORTH CAROLINA REAL ESTATE COMMISSION

P. O. Box 17100
Raleigh, North Carolina 27619-7100
919/875-3700
www.ncrec.gov

For Commission Use Only

APPL. # _____ FEE _____

FIRM LIC. # _____

ISSUED _____

APPLICATION FOR REAL ESTATE FIRM LICENSE

GENERAL INSTRUCTIONS

1. Read Commission Rules 58A .0502, 58A .0110, 58A. 0506, and 58A .0103(c).
2. For advice regarding formation of your business entity, consult your attorney.
3. Read each provision of the application and the instructions on this page carefully. If any part of the application is incorrect or incomplete, or if required attachments are not included, the application may be returned, resulting in a delay in the licensing process.
4. Type or print legibly in ink, and mail the completed application to the Commission office. Application may NOT be submitted by email or fax.
5. Remember to enclose a check or money order payable to the N.C. Real Estate Commission for the application or reinstatement fee. A company or personal check is acceptable. Fees are non-refundable.
6. Registration for the *12-hour Broker-in-Charge Course* is available on the Commission's website (www.ncrec.gov) under Education. Do not send a course registration form or fee with this application.

REQUIRED ATTACHMENTS

1. **Non-refundable Fee.** (*Select ONE and include appropriate fee as noted.*)
 - \$100.00 Application Fee for new firms.
 - \$90.00 Reinstatement Fee for firm licenses expired, revoked, canceled, or surrendered for more than 6 months and up to 2 years. (*Please insert the firm's prior license number at the top of the page.*)
 - \$100.00 Application Fee for firm licenses expired, revoked, canceled, or surrendered for more than 2 years. (*Please insert the firm's prior license number at the top of the page.*)
2. A completed **"Request for BIC Eligible Status and/or Broker-In-Charge Designation"** form for each office location from which North Carolina brokerage activities will be conducted. [Form provided with application.]
3. **LLCs and Partnerships:** A copy of the entity's **written operating agreement** listing all principals and their power and authority. If no written operating agreement exists, the applicant must provide a written description of the rights and duties of the principals and the name of each principal.
Business Entity (other than a corporation, limited liability company, or partnership): A description of the organization of the entity, including a copy of its **organizational documents** evidencing its authority to engage in real estate brokerage.
Foreign (Out of State) Firms: A completed "Consent to Service of Process and Pleadings" form (REC 1.03). [*Form included in application packet.*]

NOTE: The Commission reserves the right to request additional information regarding the applicant (such as copies of organizational documents or addresses of the firm's principals) as may be necessary to fully identify all principals to be associated with the firm and the firm's eligibility for licensure. **"Principal"** is defined as any person or entity owning 10% or more of the applicant entity or who is an officer, director, manager, member, partner or holds a comparable position in the applicant entity.

This section for Commission use

Character Approved By _____	Firm License No. _____	Date Licensed _____	Control No. _____
-----------------------------	------------------------	---------------------	-------------------

TO BE COMPLETED BY APPLICANT

(1) **Type of Business Entity:**
 Corporation Partnership Limited Liability Company Other (Describe) _____

(2) **Legal Name of Applying Firm:** [Enter the complete name of the firm exactly as it is shown on its "Articles of Incorporation" (Corporation), "Partnership Agreement" (Partnership), "Articles of Organization" (Limited Liability Company, or organizational documents (Other Business Entity).]

(3) **Name Under Which Firm Will Engage in The Real Estate Business:** [Has an Assumed Name (d/b/a) been registered at a county Register of Deeds office for this entity? If so, please enter the assumed name here. If not, leave blank.]

(4) **Firm's Principal Office Physical Address**
Street Address _____ City _____
State _____ Zip (9-digit mandatory) _____

Firm's Principal Office Mailing (P.O.) Address
Mailing (P.O.) Address _____ City _____
State _____ Zip (9-digit mandatory) _____

Phone _____ Email _____

(5) **Secretary of State Identification Number (SOSID)** _____
[If the applicant is a **corporation, limited liability company** or **limited partnership**, the applicant must provide the SOSID. A corporation, limited liability company or limited partnership is required by North Carolina law to be registered with the office of the N.C. Secretary of State and to maintain that registration on current status. Applicants must be in compliance with these requirements to be eligible for licensure and compliance will be verified by the Commission. A **general partnership** or **other business entity** not required to register with the Secretary of State may skip this item.]

(6) **Qualifying Broker of Firm**
Name _____ NC Broker License No. _____
(First, Middle Initial, Last)

[The **qualifying broker** is required to possess an **active** North Carolina real estate broker license and must be a corporate officer if a corporation, a general partner if a partnership, or a manager if a limited liability company. The **qualifying broker** acts as the primary contact person between the firm and the Real Estate Commission and performs certain specified administrative duties. Only one **qualifying broker** is permitted at any time, even if the firm operates multiple real estate offices.]

(7)

CORPORATION

Corporate Officers. List below the names, corporate titles, and N.C. real estate license numbers (if licensed) of all the major officers (President, Vice President, Secretary, Treasurer, etc.) of the corporation. *[Attach an additional sheet if necessary.]*

Name _____	Title _____	RE License No. _____
Name _____	Title _____	RE License No. _____
Name _____	Title _____	RE License No. _____
Name _____	Title _____	RE License No. _____

Corporate Shareholders. List below any additional persons (or entities) not listed as corporate officers who own at least 10% of the outstanding shares of stock (of any class) and provide their N.C. real estate license numbers (if licensed). *[Attach an additional sheet if necessary.]*

Name _____	RE Lic No. _____	Name _____	RE Lic No. _____
Name _____	RE Lic No. _____	Name _____	RE Lic No. _____

Note: Per Rule 58A.0502, the **qualifying broker** of a corporation must be an **officer** of the corporation.

(8)

PARTNERSHIP

Partners. List below the name and N.C. real estate license number (if licensed) of each general and limited partner of the partnership and indicate whether a general or limited partner. *[Attach additional sheet if necessary.]*

Name _____	RE License No. _____	<input type="checkbox"/> General Partner	<input type="checkbox"/> Limited Partner
Name _____	RE License No. _____	<input type="checkbox"/> General Partner	<input type="checkbox"/> Limited Partner
Name _____	RE License No. _____	<input type="checkbox"/> General Partner	<input type="checkbox"/> Limited Partner
Name _____	RE License No. _____	<input type="checkbox"/> General Partner	<input type="checkbox"/> Limited Partner

Note: Per Rule 58A.0502, the **qualifying broker** of a partnership of any kind must be a **general partner** of the partnership.

REQUIRED ATTACHMENTS:

A copy of the company's written partnership agreement listing all partners and their power and authority. If no written partnership agreement exists, the applicant must provide a written description of the rights and duties of the partners and the name of each partner.

If a partner is an entity rather than a natural person, provide the names of all officers, managers, or partners of the entity that is listed as a partner. Further, if a manager, officer, or partner of an entity shown on the application as being linked to the applicant entity is an entity, rather than a natural person, provide the names of all officers, managers, or partners of that [linked] entity.

(9)

LIMITED LIABILITY COMPANY

Managers and Members. List below the name and N.C. real estate license number (if licensed) of each manager and member of the limited liability company and indicate whether a manager or member or both. *[Attach additional sheet if necessary.]*

Name _____	RE License No. _____	<input type="checkbox"/>	Manager	<input type="checkbox"/>	Member
Name _____	RE License No. _____	<input type="checkbox"/>	Manager	<input type="checkbox"/>	Member
Name _____	RE License No. _____	<input type="checkbox"/>	Manager	<input type="checkbox"/>	Member
Name _____	RE License No. _____	<input type="checkbox"/>	Manager	<input type="checkbox"/>	Member

Note: Per Rule 58A.0502, the **qualifying broker** of a limited liability company must be a **manager** of the company.

REQUIRED ATTACHMENTS:

A copy of the company’s written operating agreement listing all managers and their power and authority. If no written operating agreement exists, the applicant must provide a written description of the rights and duties of the managers and the name of each manager.

If a manager is an entity rather than a natural person, provide the names of all officers, managers, or partners of the entity that is listed as a manager. Further, if a manager, officer, or partner of an entity shown on the application as being linked to the applicant entity is an entity, rather than a natural person, provide the names of all officers, managers, or partners of that [linked] entity.

(10)

OTHER BUSINESS ENTITY

Principals. List below the name, title and N.C. real estate license number (if licensed) of any persons or entity who owns the applicant business entity to any extent or who is an officer, director, manager, member, partner or holds any other comparable position. *[Attach additional sheet if necessary.]*

Name _____	Title _____	RE License No. _____
Name _____	Title _____	RE License No. _____
Name _____	Title _____	RE License No. _____

Note: Per Rule 58A.0502, the **qualifying broker** of a business entity must be a **principal** of the entity, meaning any person or entity owning 10 percent or more of the business entity, or who is an officer, director, manager, member, partner, or who holds any other comparable position of the company.

REQUIRED ATTACHMENTS:

A description of the organization of the entity, including a copy of its organizational documents evidencing its authority to engage in real estate brokerage.

(11) **One-Person Real Estate Firm.** Please answer the following questions:

(a)	Is the firm designated a "Subchapter S" corporation for tax purposes by the IRS?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(b)	Is the qualifying broker named in item 6 the only licensed person affiliated with the firm?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
(c)	Is the firm being licensed solely for the purpose of receiving compensation for brokerage services performed by the qualifying broker through another firm?	Yes <input type="checkbox"/>	No <input type="checkbox"/>

*If the answer to all three questions in (a)-(c) above is "Yes," a **broker-in-charge** is NOT required to be designated for the applicant firm and you may disregard Item 12 below. If the answer to any of the questions in (a)-(c) above is "No," follow the instructions in Item 12 below.*

(12) **Brokerage Office(s) and Broker(s)-in-Charge.**

The **Qualifying Broker** for the firm must designate and assure that there is at all times a broker-in-charge for *each office of the firm where (or from which) North Carolina brokerage activities will be conducted* (including out-of-state offices). A broker may act as **broker-in-charge** for only **one** office location of the firm. The **qualifying broker** may also serve as **broker-in-charge** (if eligible) of **one** of the firm's offices. The broker-in-charge must be a licensed N.C. broker.

List below each broker-in-charge and office of the firm where (or from which) North Carolina real estate brokerage activities will be conducted. **ALSO READ ITEM 11 ABOVE BEFORE COMPLETING THIS ITEM.** *(Attach additional sheet if necessary.)*

Office #1:

Name of Broker-in-Charge _____ Broker License No. _____

(Street Address) (City) (State) (Zip)

(Mailing Address or P. O. Box) (City) (State) (Zip)

Phone _____ Email _____

Office #2:

Name of Broker-in-Charge _____ Broker License No. _____

(Street Address) (City) (State) (Zip)

(Mailing Address or P. O. Box) (City) (State) (Zip)

Phone _____ Email _____

COMPLETE AND ATTACH TO THIS APPLICATION THE ENCLOSED "BROKER-IN-CHARGE DECLARATION" FORM FOR EACH BROKER-IN-CHARGE LISTED ABOVE.

(13) **Please answer the following questions:** Yes No

Has anyone listed in items 6, 7, 8, 9, 10 or 12 (or any director of a corporation applicant) ever been convicted of any **criminal offense** or is there **any criminal charge pending** against them? (Be sure to report to all offenses for driving while impaired and serious traffic offenses - exclude only minor traffic offenses.)

[If "Yes", provide a copy of the court judgment, release from parole or probation, and a complete explanation from the affected person.]

(14) **Has anyone listed in Items 6, 7, 8, 9, 10 or 12** ever been denied a real estate license or had a real estate or other professional license suspended, revoked or surrendered, or otherwise been **disciplined by a licensing agency** in N.C. or elsewhere, or are there currently any charges pending against them in connection with any real estate or other professional license that they hold? *[If "Yes", provide a copy of the licensing agency's order and a complete explanation from the affected person.]*

- (15) Does the firm propose to engage in the business of selling or marketing **time shares** in this State?
[If "Yes", see Article 4, Chapter 93A of N.C. General Statutes and Subchapter 58B of the Commission's rules.]
- (16) List each federally insured depository institution lawfully doing business in North Carolina where the entity's trust account(s) will be held, if applicable:

(17) **Certification and Signature of Qualifying Broker**

The undersigned certifies that he/she has read the foregoing application and that the information stated therein, including any attachments, is true to the best of his/her knowledge and belief, and that he/she is duly authorized by said firm to make this application and apply to the North Carolina Real Estate Commission for a license to engage in the business of real estate brokerage under the provisions of Chapter 93A of the General Statutes of North Carolina.

The undersigned further certifies that the organizational documents of the applicant firm authorize the firm to engage in the real estate business. (It is sufficient if the documents authorize the firm to engage in any lawful business or are silent regarding the firm's type of business, but if a specific business is named, then the real estate brokerage business must also be named.)

(Signature of Qualifying Broker)

(Date)

EMPLOYEE MISCLASSIFICATION

As required by the NC state legislature in NCGS § 143-765, effective January 1, 2018, in order to apply for or renew an occupational license, permit, or certification, the applicant must certify that they have read and understand the public notice statement from the Employee Classification Section of the State Industrial Commission and must disclose any investigations for employee misclassification.

Public Notice Statement

required by N.C. Gen. Stat. § 143-764(a)(5), effective December 31,2017

Any worker who is defined as an employee by N.C. Gen. Stat. §§ 95-25.2(4)(NC Department Of Labor), 143-762(a)(3)(Employee Fair Classification Act), 96-1(b)(10)(Employment Security Act), 97-2(2)(Workers' Compensation Act), or 105-163.1(4) (Withholding; Estimated Income Tax for Individuals) shall be treated as an employee unless the individual is an independent contractor. Any employee who believes that the employee has been misclassified as an independent contractor by the employee's employer may report the suspected misclassification to the Employee Classification Section within the North Carolina Industrial Commission.

**Employee Classification Section
North Carolina Industrial Commission
1233 Mail Service Center
Raleigh, NC 27699-1233
Telephone: (919) 807-2582
Fax: (919)715-0282
Email: emp.classification@ic.nc.gov**

Employee misclassification is **defined** as avoiding tax liabilities and other obligations imposed by Chapter 95, 96, 97, 105, or 143 of the North Carolina General Statutes by misclassifying an employee as an independent contractor. [*N.C. Gen. Stat. § 143-762(5)*]

I certify that I have read and understand the Public Notice Statement.

Since July 1, 2017, have you been the subject of an investigation for employment misclassification by a government entity?

Yes No

If YES, please provide the investigating entity, case or file number, if known, and the results of the investigation.

North Carolina Real Estate Commission

Selected Rules for Firm Licensing

A .0502 Firm Licensing

(a) Every business entity other than a sole proprietorship shall apply for and obtain from the Commission a firm license prior to engaging in business as a real estate broker.

(b) An entity that changes its business form other than by conversion shall submit a new firm license application upon making the change and obtain a new firm license. An entity that converts to a different business entity in conformity with and pursuant to applicable North Carolina General Statutes shall not be required to apply for a new license. However, such converted entity shall provide the information required by this Rule in writing to the Commission within 10 days of the conversion and shall include the duplicate license fee pursuant to Rule .0101(c) of this Subchapter.

(c) Firm license application forms shall be available on the Commission's website or upon request to the Commission and shall require the applicant to set forth:

- (1) the legal name of the entity;
- (2) the name under which the entity will do business;
- (3) the type of business entity;
- (4) the address of its principal office;
- (5) the entity's NC Secretary of State Identification Number if it is required to be registered with the Office of the NC Secretary of State;
- (6) each federally insured depository institution lawfully doing business in this State where the entity's trust account(s) will be held, if applicable;
- (7) the name, real estate license number, and signature of the proposed qualifying broker for the firm;
- (8) the address of and name of the proposed broker-in-charge for each office as defined in Rule .0110(a) of this Subchapter, along with a completed broker-in-charge designation form described in Rule .0110(f) of this Subchapter for each proposed broker-in-charge;
- (9) any past criminal conviction of and any pending criminal charge against any principal in the company or any proposed broker-in-charge;
- (10) any past revocation, suspension, or denial of a business or professional license of any principal in the company or any proposed broker-in-charge;
- (11) if a general partnership, a description of the applicant entity, including a copy of its written partnership agreement or if no written agreement exists, a written description of the rights and duties of the partners, and the name of each partner. If a partner is an entity rather than a natural person, the name of each officer, partner, or manager of that entity, or any entity therein;
- (12) if a limited liability company, a description of

the applicant entity, including a copy of its written operating agreement or if no written agreement exists, a written description of the rights and duties of the managers, and the name of each manager. If a manager is an entity rather than a natural person, the name of each officer, partner, or manager of that entity, or any entity therein;

(13) if a business entity other than a corporation, limited liability company, or partnership, a description of the organization of the applicant entity, including a copy of its organizational documents evidencing its authority to engage in real estate brokerage;

(14) if a foreign business entity, a Certificate of Authority to transact business in North Carolina issued by the NC Secretary of State and an executed consent to service of process and pleadings; and

(15) any other information required by this Rule.

(d) When the authority of a business entity to engage in the real estate business is unclear in the application or in law, the Commission shall require the applicant to declare in the firm license application that the applicant's organizational documents authorize the firm to engage in the real estate business and to submit organizational documents, addresses of affiliated persons, and similar information. For purposes of this Rule, the term "principal," when it refers to a person or entity, means any person or entity owning 10 percent or more of the business entity, or who is an officer, director, manager, member, partner, or who holds any other comparable position.

(e) After filing a firm license application with the Commission, the entity shall be licensed provided that it:

(1) has one principal holding a broker license on active status in good standing who will serve as the qualifying broker; and

(2) employs and is directed by personnel licensed as a broker in accordance with this Chapter.

The qualifying broker of a partnership of any kind shall be a general partner of the partnership; the qualifying broker of a limited liability company shall be a manager of the company; and the qualifying broker of a corporation shall be an officer of the corporation. A licensed business entity may serve as the qualifying broker of another licensed business entity if the qualifying broker-entity has as its qualifying broker a natural person who is licensed as a broker. The natural person who is qualifying broker shall assure to the Commission the performance of the qualifying broker's duties with regard to both entities. A provisional broker may not serve as a qualifying broker.

(f) The licensing of a business entity shall not be construed to extend to the licensing of its partners, managers,

members, directors, officers, employees or other persons acting for the entity in their individual capacities regardless of whether they are engaged in furthering the business of the licensed entity.

(g) The qualifying broker of a business entity shall assume responsibility for:

(1) designating and assuring that there is at all times a broker-in-charge for each office and branch office of the entity as “office” and “branch office” are defined in Rule .0110(a) of this Subchapter;

(2) renewing the real estate broker license of the entity;

(3) retaining the firm’s current pocket card at the firm and producing it as proof of firm licensure upon request and maintaining a photocopy of the firm license certificate and pocket card at each branch office thereof;

(4) notifying the Commission of any change of business address or legal or trade name of the entity and the registration of any assumed business name adopted by the entity for its use;

(5) notifying the Commission in writing of any change of his or her status as qualifying broker within 10 days following the change;

(6) securing and preserving the transaction and trust account records of the firm whenever there is a change of broker-in-charge at the firm or any office thereof and notifying the Commission if the trust account records are out of balance or have not been reconciled as required by Rule .0117 of this Subchapter;

(7) retaining and preserving the transaction and trust account records of the firm upon termination of his or her status as qualifying broker until a new qualifying broker has been designated with the Commission or, if no new qualifying broker is designated, for the period of time records are required to be retained by Rule .0108 of this Subchapter;

(8) notifying the Commission if, upon the termination of his or her status as qualifying broker, the firm’s transaction and trust account records cannot be retained or preserved or if the trust account records are out of balance or have not been reconciled as required by Rule .0117 of this Subchapter; and

(9) notifying the Commission regarding any revenue suspension, revocation of Certificate of Authority, or administrative dissolution of the entity by the NC Secretary of State within 10 days of the suspension, revocation, or dissolution.

(h) Every licensed business entity and every entity applying for licensure shall conform to all the requirements imposed upon it by the North Carolina General Statutes for its continued existence and authority to do business in North Carolina. Failure to conform to such requirements shall be grounds for disciplinary action or denial of the entity’s application for licensure.

(i) Upon receipt of notice from an entity or agency of this State that a licensed entity has ceased to exist or that its

authority to engage in business in this State has been terminated by operation of law, the Commission shall cancel the license of the entity.

A .0110 Broker-in-Charge

(a) Every real estate firm shall designate one BIC for its principal office and one BIC for each of its branch offices. No office of a firm shall have more than one designated BIC. A BIC shall not serve as BIC for more than one office unless each of those offices share the same physical office space and delivery address.

(b) Every broker who is a sole proprietor shall designate himself or herself as a BIC if the broker:

(1) engages in any transaction where the broker is required to deposit and maintain monies belonging to others in a trust account;

(2) engages in advertising or promoting his or her services as a broker in any manner; or

(3) has one or more other brokers affiliated with him or her in the real estate business.

(c) A licensed real estate firm shall not be required to have a BIC if it:

(1) is organized for the sole purpose of receiving compensation for brokerage services furnished by its qualifying broker through another firm or broker;

(2) is treated for tax purposes as a Subchapter S corporation by the United States Internal Revenue Service;

(3) has no principal or branch office; and

(4) has no licensed person associated with it other than its qualifying broker.

(d) A broker who maintains a trust or escrow account for the sole purpose of holding residential tenant security deposits received by the broker on properties owned by the broker in compliance with G.S. 42-50 shall not be required to be a BIC.

(e) In order for a broker to designate as a BIC for a sole proprietor, real estate firm, or branch office, a broker shall apply for BIC Eligible status by submitting an application on a form available on the Commission’s website. The BIC Eligible status form shall include the broker’s:

(1) name;

(2) license number;

(3) telephone number;

(4) email address;

(5) criminal history and history of occupational license disciplinary actions;

(6) certification of compliance with G.S. 93A-4.2, including that:

(A) his or her broker license is on active status;

(B) the broker possesses at least two years of full-time or four years of part-time real estate brokerage experience within the previous five years or shall be a North Carolina licensed attorney with a practice that consisted primarily of handling real estate closings and related matters in North Carolina for three years immediately preceding

application; and

(C) the broker completed the 12-hour Broker-in-Charge Course no earlier than one year prior to application and no later than 120 days after application; and

(7) signature.

(f) A broker who holds BIC Eligible status shall submit a form to become the designated BIC for a sole proprietor, real estate firm, or branch office. The BIC designation form shall include:

(1) the broker's:

(A) name;

(B) license number;

(C) telephone number;

(D) email address; and

(E) criminal history and history of occupational license disciplinary actions; and

(2) the firm's:

(A) name; and

(B) license number, if applicable;

(g) A designated BIC shall:

(1) assure that each broker employed at the office has complied with Rules .0503, .0504, and .0506 of this Subchapter;

(2) notify the Commission of any change of firm's business address or trade name and the registration of any assumed business name adopted by the firm for its use;

(3) be responsible for the conduct of advertising by or in the name of the firm at such office;

(4) maintain the trust or escrow account of the firm and the records pertaining thereto;

(5) retain and maintain records relating to transactions conducted by or on behalf of the firm, including those required to be retained pursuant to Rule .0108 of this Section;

(6) supervise provisional brokers associated with or engaged on behalf of the firm at such office in accordance with the requirements of Rule .0506 of this Subchapter;

(7) supervise all brokers employed at the office with respect to adherence to agency agreement and disclosure requirements; and

(8) notify the Commission in writing that he or she is no longer serving as BIC of a particular office within 10 days following any such change.

(h) A broker holding BIC Eligible status shall take the Broker-in-Charge Update Course during the license year of designation, unless the broker has satisfied the requirements of Rule .1702 of this Subchapter prior to designation.

(i) A broker's BIC Eligible status shall terminate if the broker:

(1) made any false statements or presented any false, incomplete, or incorrect information in connection with an application;

(2) fails to complete the 12-hour Broker-in-Charge

Course pursuant to Paragraph (e) of this Rule;

(3) fails to renew his or her broker license pursuant to Rule .0503 of this Subchapter, or the broker's license has been suspended, revoked, or surrendered; or

(4) fails to complete the Broker-in-Charge Update Course and a four credit hour elective course pursuant to Rules .1702 and .1711 of this Subchapter, if applicable.

(j) In order to regain BIC Eligible status after a broker's BIC Eligible status terminates, the broker shall complete the 12-hour Broker-in-Charge Course prior to application and then submit a BIC Eligible status form pursuant to Paragraph (e) of this Rule.

(k) A nonresident commercial real estate broker licensed under the provisions of Section .1800 of this Subchapter shall not act as or serve in the capacity of a broker-in-charge of a firm or office in North Carolina.

A .0506 Provisional Broker to be Supervised by Broker

(a) This Rule shall apply to all real estate provisional brokers.

(b) A provisional broker may engage in or hold himself or herself out as engaging in activities requiring a real estate license only while his or her license is on active status and he or she is supervised by the broker-in-charge of the real estate firm or office with which the provisional broker is affiliated. A provisional broker may be supervised by only one broker-in-charge at a time.

(c) Upon a provisional broker's affiliation with a real estate broker or brokerage firm, the broker-in-charge of the office where the provisional broker will be engaged in the real estate business shall immediately file with the Commission a provisional broker supervision notification on a form provided by the Commission containing identifying information about the provisional broker and the broker-in-charge, a statement from the broker-in-charge certifying that he or she will supervise the provisional broker in the performance of all acts for which a license is required, the date that the broker-in-charge assumes responsibility for such supervision, and the signature of the broker-in-charge. If the provisional broker is on inactive status at the time of associating with a broker or brokerage firm, the broker-in-charge shall also file, along with the provisional broker supervision notification, a request for license activation on a form provided by the Commission containing identifying information about the provisional broker, the statement of the broker-in-charge that he or she has verified that the provisional broker has satisfied the continuing education requirements prescribed by Rule .1703 of this Subchapter, and the postlicensing education requirements, if applicable, prescribed by Rule .1902 of this Subchapter, the date of the request, and the signature of the proposed broker-in-charge. Upon the mailing or delivery of the required form(s), the provisional broker may engage in real estate brokerage activities requiring a license under the supervision of the broker-in-charge; however, if the provisional broker and broker-in-charge do not receive from

the Commission a written acknowledgment of the provisional broker supervision notification and, if appropriate, the request for license activation, within 30 days of the date shown on the form, the broker-in-charge shall immediately terminate the provisional broker's real estate brokerage activities pending receipt of the written acknowledgment from the Commission. If the provisional broker and broker-in-charge are notified that the provisional broker is not eligible for license activation due to a continuing education or postlicensing education deficiency, the broker-in-charge shall cause the provisional broker to immediately cease all activities requiring a real estate license until such time as the continuing education or postlicensing education deficiency is satisfied and a new provisional broker supervision notification and request for license activation is submitted to the Commission.

(d) A broker-in-charge who certifies to the Commission that he or she will supervise a provisional broker shall actively and directly supervise the provisional broker in a manner that reasonably assures that the provisional broker performs all acts for which a real estate license is required in accordance with the Real Estate License Law and Commission rules. A supervising broker who fails to supervise a provisional broker as prescribed in this Rule may be subject to disciplinary action by the Commission.

(e) Upon the termination of the supervisory relationship between a provisional broker and his or her broker-in-charge, the provisional broker and the broker-in-charge shall provide written notification of the date of termination to the Commission not later than 10 days following said termination.

A .0103 Broker Name and Address

(a) Upon initial licensure, every broker shall notify the Commission of the broker's current personal name, firm name, trade name, residence address, firm address, telephone number, and email address. All addresses provided to the Commission shall be sufficiently descriptive to enable the Commission to correspond with and locate the broker.

(b) Every broker shall notify the Commission in writing of each change of personal name, firm name, trade name, residence address, firm address, telephone number, and email address within 10 days of said change. A broker notifying the Commission of a change of legal name or firm name shall also provide evidence of a legal name change for either the individual or firm, such as a court order or name change amendment from the Secretary of State's Office.

(c) In the event that any broker shall advertise or operate in any manner using a name different from the name under which the broker is licensed, the broker shall first file an assumed name certificate in compliance with G.S. 66-71.4 and shall notify the Commission in writing of the use of such a firm name or assumed name. An individual broker shall not advertise or operate in any manner that would mislead a consumer as to the broker's actual identity or as to the identity of the firm with which he or she is affiliated.

(d) A broker shall not include the name of a provisional broker or an unlicensed person in the legal or assumed name

of a sole proprietorship, partnership, or business entity other than a corporation or limited liability company. No broker shall use a business name that includes the name of any current or former broker without the permission of that broker or that broker's authorized representative.



REQUEST FOR BIC ELIGIBLE STATUS AND/OR BROKER-IN-CHARGE DESIGNATION

INSTRUCTIONS

As of July 1, 2018, in order to be designated as a Broker-in-Charge, a broker must first obtain BIC Eligible status. To qualify for BIC Eligible status, a broker must:

- hold a “full” broker license on Active status;
- have at least two years of full-time or four years of part-time real estate brokerage experience within the previous five years or shall be a North Carolina licensed attorney with a practice that consisted primarily of handling real estate closings and related matters in North Carolina for three years immediately preceding application; and
- complete the 12-hour Broker-in-Charge Course no earlier than one year prior to application and no later than 120 days after application.

If you do not receive a Notice of License Record Change within 10 business days after filing this form, contact License Services at 919-875-3700.

SPECIAL NOTE: If you have lost BIC Eligible status, then before you submit this form to regain BIC Eligible Status, Commission Rule 58A .0110 requires you to complete the following steps in the prescribed order:

- a. Take the necessary steps to return your license to active status, i.e., pay reinstatement fee and/or complete required education;
- b. Submit the License Activation form (REC 2.08);
- c. Complete the Commission’s 12-hour Broker-in-Charge Course; and
- d. Submit the Request for BIC Eligible Status and/or Broker-in-Charge Designation form (REC 2.25). (Note that you must have the experience required for initial designation.)

BROKER INFORMATION

1. Licensee Name: _____ 2. License No.: _____
3. Public Telephone Number: _____ 4. Private Telephone Number: _____
5. Public Email Address: _____ 6. Private Email Address: _____
7. Criminal Offenses:

Have you ever been convicted of any criminal offense (felony or misdemeanor) or is there any criminal charge now pending against you? You must report all offenses for driving while impaired and any other offenses classified as “criminal traffic” offenses. Exclude only minor traffic “infractions”

Yes No

If Yes, have you previously reported this offense to the Commission? Yes No

Commission Rule 58A .0113 requires that brokers report convictions or disciplinary actions within 60 days of the final judgment, order, or disposition in the case. To report any offense, you must complete the [Criminal Conviction Disciplinary Action Reporting Form \(REC 2.09\)](#). The form is available on the Commission’s website.

8. Professional License Disciplinary Action:

Have you ever been denied a real estate or other professional license or been disciplined by an occupational licensing agency (license suspended, revoked, surrendered, reprimanded, censured, or otherwise disciplined) in N.C. or elsewhere; or are there currently any complaints pending against you in connection with any professional license that you hold?

Yes No

If Yes, have you previously reported this offense to the Commission? Yes No

Commission Rule 58A .0113 requires that brokers report convictions or disciplinary actions within 60 days of the final judgment, order, or disposition in the case. To report any offense, you must complete the [Criminal Conviction Disciplinary Action Reporting Form \(REC 2.09\)](#). The form is available on the Commission's website.

SECTION 1: BIC ELIGIBLE STATUS

1. DO YOU CURRENTLY HOLD BIC ELIGIBLE STATUS? Yes No

(If YES, skip to Section 2: Broker-In-Charge Designation. If NO, continue with question #2.)

2. Criteria on which you are applying:

At least 2 years of FULL-time or 4 years of part-time real estate brokerage experience within the previous 5 years.

1. Company/Firm Name: _____

2. City, State: _____

3. Dates of Employment From: _____ To: _____

4. If your brokerage experience was acquired in a state other than NC, attach an Official Certification of Licensure from the state / jurisdiction in which you are currently licensed reflecting active status for at least 2 of the last 5 years. The certification must have been issued within 6 months of application.

*If you need to add more brokerage firms, attach a document. Please include all information as required above.

North Carolina licensed attorney with a practice that consisted primarily of handling real estate closings and related matters in North Carolina for three years immediately preceding application.

1. Firm/Practice Name: _____

2. City: _____

3. Your Law License #: _____

4. Dates of Employment From: _____ To: _____

5. % of Time devoted to Real Estate Law: _____ 6. Approximate Number of Closings Conducted: _____

*If you need to add more law firms, attach a document. Please include all information as required above.

CERTIFICATION

I certify to the North Carolina Real Estate Commission that I am the applicant named herein and that all information provided in connection with my application for Broker-in-Charge eligible status is true to the best of my knowledge and belief, with the understanding that any omissions, inaccuracies or failure to make full disclosures may be deemed sufficient reason to deny or withdraw Broker-in-Charge eligible status.

Signature

Date

**PLEASE NOTE THAT THIS FORM MUST BE FILED WITH THE COMMISSION WITHIN 30 DAYS OF THE DATE SIGNED TO BE VALID.*

SECTION 2: BROKER-IN-CHARGE DESIGNATION

SPECIAL NOTES:

If your firm has more than one office where real estate brokerage activities are conducted, submit a separate form for each office.

1. DO YOU WANT TO BE DESIGNATED AS BROKER-IN-CHARGE? Yes No

(If YES, continue with question #2.)

2. Firm/Sole Proprietorship Name
(for which you will be serving as BIC): _____

3. Is this a Sole Proprietorship? Yes No

3(a): If YES:

i. Is this a new office location? Yes No

If YES, skip to question 4.

If NO:

• Enter the name of BIC you are replacing: _____

• Enter the License # of the BIC you are replacing: _____

If you are replacing a BIC, any/all brokers currently affiliated with the BIC you are replacing will be removed from that BIC's supervision and re-affiliated with you. If you do not wish for brokers to be affiliated with you, please notify the Commission in writing as to how the brokers should be handled. To do so, send an email to ls@ncrec.gov.

3(b): If NO:

i. Is this firm already licensed? Yes No

If YES:

• Enter the Firm's License No.: _____

• Is this a new office location? Yes No

If YES, skip to question 4.

If NO:

• Enter the name of BIC you are replacing: _____

• Enter the License # of the BIC you are replacing: _____

If you are replacing a BIC, any/all brokers currently affiliated with the BIC you are replacing will be removed from that BIC's supervision and re-affiliated with you. If you do not wish for brokers to be affiliated with you, please notify the Commission in writing as to how the brokers should be handled. To do so, send an email to ls@ncrec.gov.

If NO:

You have indicated you wish to be designated as BIC of a firm that is not yet licensed. As a result, you need to apply for a firm license for this firm. To do so, complete and submit the [Firm License Application](#) (form REC 1.72), which is available on the Commission's website (ncrec.gov), under Forms \ Application Forms. The Request for BIC Eligible status and BIC Designation form is included in the firm license packet, and you will submit it with the application.

4. Office Physical Address: _____
(Address) (City) (State) (Zip)

5. Office Mailing Address: _____
(Address) (City) (State) (Zip)

6. Office Telephone Number: _____

CERTIFICATION

I certify to the North Carolina Real Estate Commission that I have been duly designated by the Qualifying Broker of the real estate firm shown herein to serve as broker-in-charge for such firm at the office listed and that I have the experience required for such designation. I further certify that I shall carry out my responsibilities as broker-in-charge for such office in accordance with the Commission's rules, that I shall directly supervise any and all licensed real estate provisional brokers working from such office, and that I will continually maintain my license on active status.

Signature

Date

**PLEASE NOTE THAT THIS FORM MUST BE FILED WITH THE COMMISSION WITHIN 30 DAYS OF THE DATE SIGNED TO BE VALID.*

COMMISSION RULE 21 NCAC 58A .0110

Revised July 1, 2018

- (a) Every real estate firm shall designate one BIC for its principal office and one BIC for each of its branch offices. No office of a firm shall have more than one designated BIC. A BIC shall not serve as BIC for more than one office unless each of those offices share the same physical office space and delivery address.
- (b) Every broker who is a sole proprietor shall designate himself or herself as a BIC if the broker:
 - (1) engages in any transaction where the broker is required to deposit and maintain monies belonging to others in a trust account;
 - (2) engages in advertising or promoting his or her services as a broker in any manner; or
 - (3) has one or more other brokers affiliated with him or her in the real estate business.
- (c) A licensed real estate firm shall not be required to have a BIC if it:
 - (1) is organized for the sole purpose of receiving compensation for brokerage services furnished by its qualifying broker through another firm or broker;
 - (2) is treated for tax purposes as a Subchapter S corporation by the United States Internal Revenue Service;
 - (3) has no principal or branch office; and
 - (4) has no licensed person associated with it other than its qualifying broker.
- (d) A broker who maintains a trust or escrow account for the sole purpose of holding residential tenant security deposits received by the broker on properties owned by the broker in compliance with G.S. 42-50 shall not be required to be a BIC.
- (e) In order for a broker to designate as a BIC for a sole proprietor, real estate firm, or branch office, a broker shall apply for BIC Eligible status by submitting an application on a form available on the Commission's website. The BIC Eligible status form shall include the broker's:
 - (1) name;
 - (2) license number;
 - (3) telephone number;
 - (4) email address;
 - (5) criminal history and history of occupational license disciplinary actions;
 - (6) certification of compliance with G.S. 93A-4.2, including that:
 - (A) his or her broker license is on active status;
 - (B) the broker possesses at least two years of full-time or four years of part-time real estate brokerage experience within the previous five years or shall be a North Carolina licensed attorney with a practice that consisted primarily of handling real estate closings and related matters in North Carolina for three years immediately preceding application; and
 - (C) the broker completed the 12-hour Broker-in-Charge Course no earlier than one year prior to application and no later than 120 days after application; and
 - (7) signature.
- (f) A broker who holds BIC Eligible status shall submit a form to become the designated BIC for a sole proprietor, real estate firm, or branch office. The BIC designation form shall include:
 - (1) the broker's:
 - (A) name;
 - (B) license number;
 - (C) telephone number;
 - (D) email address; and
 - (E) criminal history and history of occupational license disciplinary actions; and
 - (2) the firm's:
 - (A) name; and
 - (B) license number, if applicable;
- (g) A designated BIC shall:
 - (1) assure that each broker employed at the office has complied with Rules .0503, .0504, and .0506 of this Subchapter;

- (2) notify the Commission of any change of firm's business address or trade name and the registration of any assumed business name adopted by the firm for its use;
 - (3) be responsible for the conduct of advertising by or in the name of the firm at such office;
 - (4) maintain the trust or escrow account of the firm and the records pertaining thereto;
 - (5) retain and maintain records relating to transactions conducted by or on behalf of the firm, including those required to be retained pursuant to Rule .0108 of this Section;
 - (6) supervise provisional brokers associated with or engaged on behalf of the firm at such office in accordance with the requirements of Rule .0506 of this Subchapter;
 - (7) supervise all brokers employed at the office with respect to adherence to agency agreement and disclosure requirements; and
 - (8) notify the Commission in writing that he or she is no longer serving as BIC of a particular office within 10 days following any such change.
- (h) A broker holding BIC Eligible status shall take the Broker-in-Charge Update Course during the license year of designation, unless the broker has satisfied the requirements of Rule .1702 of this Subchapter prior to designation.
- (i) A broker's BIC Eligible status shall terminate if the broker:
- (1) made any false statements or presented any false, incomplete, or incorrect information in connection with an application;
 - (2) fails to complete the 12-hour Broker-in-Charge Course pursuant to Paragraph (e) of this Rule;
 - (3) fails to renew his or her broker license pursuant to Rule .0503 of this Subchapter, or the broker's license has been suspended, revoked, or surrendered; or
 - (4) fails to complete the Broker-in-Charge Update Course and a four credit hour elective course pursuant to Rules .1702 and .1711 of this Subchapter, if applicable.
- (j) In order to regain BIC Eligible status after a broker's BIC Eligible status terminates, the broker shall complete the 12-hour Broker-in-Charge Course prior to application and then submit a BIC Eligible status form pursuant to Paragraph (e) of this Rule.
- (k) A nonresident commercial real estate broker licensed under the provisions of Section .1800 of this Subchapter shall not act as or serve in the capacity of a broker-in-charge of a firm or office in North Carolina.

History Note: Authority G.S. 93A-2; 93A-3(c); 93A-4; 93A-4.1; 93A-4.2; 93A28 9; 93A-9(a);

Eff. September 1, 1983;

Amended Eff. July 1, 2018; July 1, 2014; May 1, 2013; July 1, 2010; July 1, 2009; January 1, 31 2008; April 1, 2006; July 1, 2005; July 1, 2004; April 1, 2004; September 1, 2002; July 1, 2001; 32 October 1, 2000; August 1, 1998; April 1, 1997; July 1, 1995; July 1, 1994



NORTH CAROLINA REAL ESTATE COMMISSION

P.O. Box 17100
Raleigh, N.C. 27619-7100
Phone (919) 875-3700 • www.ncrec.gov

FOREIGN
(OUT OF STATE)
FIRMS ONLY

Consent to Service of
Process and Pleadings

I.

Authorization to Execute Consent to Service

The (Corporation) board of directors, (Partnership) general partner(s), (Limited Liability Company) manager(s) of the applicant firm hereby authorizes the person named in Section II to execute this form in connection with the firm's application for a North Carolina real estate firm license.

(Name of Corporate Officer, General Partner(s), or Manager) (Please Type or Print) (Title)
(Signature) (Date)

Attested by: Secretary (if applicable) (Signature)

II.

Consent to Service of Process and Pleadings

Know all men by these presents:

Pursuant to the requirements of Chapter 93A of the General Statutes of North Carolina, the undersigned individual(s) acting for and on behalf of the firm named in this application for licensure does hereby irrevocably consent, stipulate and agree that suits, actions and administrative proceedings may be commenced against such firm or any licensed real estate broker employed by or associated with the firm in the courts and agencies of this State, by the service of any process or pleading authorized by the laws of this State on the Executive Director of the North Carolina Real Estate Commission, and that service of such process or pleadings on said Director shall be taken and held in all courts to be as valid and binding as if the service had been made upon said firm in the State of North Carolina.

(Name of Person Executing Consent) (Please Print) (Street Address of Person Executing Consent)
(Title of Person Executing Consent) (City) (State) (Zip)
(Signature of Person Executing Consent) (Phone) (Fax)

State of (AFFIX SEAL)
County of

Before me personally appeared the individual(s) named in Section II of this form who acknowledged the execution of the foregoing instrument for the purpose set forth therein.

Witness my hand and official seal, this day of
My Commission expires (Notary Public)