

## **Requirements for Inclusion on the Maryland State Treasurer's Office List of Approved Broker/Dealers**

- 1) Be listed as a Primary Government Securities Dealer reporting to the Government Securities Dealers Statistics Unit of the Federal Reserve Bank of New York; or be either a commercial banking organization that is subject to official supervision by federal bank supervisors or a broker-dealer registered with the Securities and Exchange Commission and have a net capitalization of \$25 million or more; or Qualify under Securities and Exchange Commission (SEC) Rule 15C3-1 (uniform net capital rule) or meet Federal Deposit Insurance Corporation (FDIC) or other regulatory capital guidelines for adequate capitalization, to the satisfaction of the Maryland State Treasurer.
- 2) Non-primary Government Securities Dealers must submit evidence of their capital position by annually submitting their SEC Financial and Operational Combined Uniform Single Report (FOCUS) as well as their annual audited financial report.
- 3) All approved Non-Primary Broker Dealers are required to complete the Maryland State Treasurer's Office's Request for Information (RFI). The RFI will provide written acknowledgement that they have received and will comply with the State's Investment Policy; agree to delivery versus payment; identify authorized personnel; disclose any "material" litigation, arbitration or regulatory proceedings; and must be certified by a registered principal of the firm.
- 4) Those firms intending to offer Repurchase Agreements (REPO) must additionally complete the State's Master Repurchase Agreement.