

KEY INFORMATION

At KCD, reps are able to process business directly with the product vendors in most cases. This benefits the rep and the client by minimizing mail time, allowing funds to be invested and processed as soon as possible.

For this process to meet regulatory requirements, a few basic guidelines must be followed:

- ◆ Copies of all paperwork and checks must be submitted to the Home/OSJ office for review **via fax or email before it is submitted to the vendor.** Incomplete paperwork will result in delays and should be avoided at all costs.
- ◆ Only after you receive a “**Confirmation of Business Approval**” you can mail the application and check directly to the vendor.
- ◆ Do not sign applications where it says “Authorized Signature”. That is completed by KCD when we review the copies.
- ◆ Do not fill in ‘branch numbers’ on applications.
- ◆ KCD is not a custodian. For custodial accounts, the fund company or HTS is the custodian.
- ◆ Checks must be made payable to:
 - ◆ The vendor for business done directly with the companies, or
 - ◆ HTS, FBO (Client Name) for business done through our clearing firm.
- ◆ Cash and money orders should NEVER be accepted.
- ◆ To process securities certificates, follow the detailed procedures and record the procedures on the appropriate blotter found in this manual.

Please feel free to call the home office if you have any questions about these processes.