

in the State of Montana. The Investment Commissioner must not grant a permit to an agent to represent such company or stockbroker unless he has been a resident of the State of Montana at least six months next prior to the date of application for said permit. The statute provides, however, that an officer of a permitted investment company may employ one manager or supervisor, who need not qualify as to residence, to act as its sales manager in the State of Montana.

The legislature in section 4026, Revised Codes of 1921, as amended by section 1 of Chapter 47, Laws of 1933, has attempted to define the term "investment company," and in section 4029, Revised Codes 1921, has attempted to define the term "stockbroker." Evidently the law distinguishes one from the other. Therefore, the terms are not used synonymously.

It is our view, then, that the privilege which section 5, supra, extends to an investment company of employing a manager or supervisor to act as its sales manager in Montana is withheld from a stockbroker.

Opinion No. 190

Stockbrokers—Agents.

HELD: A stockbroker has no legal right to employ a manager or supervisor to act as sales manager in his or its behalf in the State of Montana, unless such appointee has been a resident for six months.

May 3, 1933

You have requested us to construe section 4040, Revised Codes 1921, as amended by section 5 of Chapter 47, Laws of 1933, in so far as it confers on or withholds from a stockbroker the right to employ a manager or supervisor to act as sales manager in his or its behalf in the State of Montana.

The statute in question authorizes any investment company or stockbroker, to which or to whom a permit to do business has been issued by the Investment Commissioner, to appoint one or more agents to represent it or him