

Mortgage Broker - Registration Requirements for a Branch Office

Under the *Mortgage Brokers Act*, mortgage brokers can operate from more than one location. If a mortgage broker carries on business in multiple locations, one location will be the Head Office, and all other locations will be Branch Offices. However, all Branch Offices must be registered with the Registrar of Mortgage Brokers, by filing an Application in Form 1.

Caution: Under section 21(1)(b) of the *Mortgage Brokers Act*, it is an offence for a mortgage broker to carry on business at an address which is not its registered address.

What is a Branch Office?

A Branch Office is a location, other than the Head Office, which is accessible to the public and has a telephone line answered in name of the mortgage broker.

The Requirements of Working from a Personal Residence

If a submortgage broker conducts some mortgage brokering activities from his or her own personal residence, the residence will not be considered to be a Branch Office so long as it does not contain a separate business office which is accessible to the public. Accordingly, submortgage brokers who conduct some mortgage brokering activities from a personal residence, which does not qualify as a Branch Office, will not be breaching the Act, provided that they:

- have a registered business address, which is either that of the Head Office or a Branch Office;
- keep business and client records at their registered business address; and
- refer to only their registered business address and not their personal residence in all advertising and promotional material.

The Registration Requirements of Branch Offices

Each Branch Office:

- must be registered with the Registrar of Mortgage Brokers;
- will be assigned a separate registration number from that of its Head Office;
- will be issued a certificate of registration, which shows its registered business address;

- will share the same Designated Individual between the Head Office and other Branch Offices;
- will have at least one submortgage broker who is registered to work from its business address;
- will have all submortgage brokers who work from its business address, exclusively registered to it;
- will not be required to separately satisfy the equity and working capital requirements of registration, as financial statements will be filed for the mortgage broker company as a whole; and
- will have the same registration periods as its Head Office, and will renew its registration at the same time as its Head Office.

Identifying Branch Offices

Each Branch Office is identified by the Registrar of Mortgage Brokers by adding an identifier to the name of the mortgage broker. Examples are:

Westminster and York Mortgage Corporation
Westminster and York Mortgage Corporation (Cranbrook)
Westminster and York Mortgage Corporation (Nakusp)

In this example, the first name refers to the Head Office of the mortgage broker, and the two names beneath it refer to Branch Offices in Cranbrook and Nakusp. Branch Offices should include the unique identifier in its dealings with the Registrar, but it is not necessary for Branch Offices to include the unique identifier in its dealings with the public.

If a mortgage broker company includes a unique identifier in its legal name, *then it will not be a Branch Office*, but a separate legal entity from other mortgage brokers. For example, the following two mortgage companies have different legal names, which require them to obtain separate mortgage broker registration:

Westminster and York (Cranbrook) Mortgage Corporation
Westminster and York (Nakusp) Mortgage Corporation

The bracketed place names within the legal name are part of the registered name of each mortgage broker and have not been added by the Registrar of Mortgage Brokers to indicate that they are Branch Offices.

Registration Fees

The fee for registering a Branch Office is \$200. There is a single fee of \$500 for renewing the registration of a Head Office and all of its Branch Offices.

All filing fees are non-refundable.