



### Registration – Mortgage Brokers Act

Following is general information relative to registration under the *Mortgage Brokers Act* (the “Act”).

Under the Act, registration as a “mortgage broker” may be granted to a company, partnership or sole proprietorship. The employees of the mortgage broker engaged in the arranging of mortgages are required to obtain “submortgage broker” registration under the Act. Only individuals are registered as submortgage brokers.

#### Corporate Application

For corporate registration, each application for registration must contain the following information and documents:

- Form 1 - Uniform Application for Licence, Registration or Approval - Corporation or Partnership;
- Form 2 - Uniform Application for Licence, Registration or Approval - Personal and Addendum, Consent to Criminal Record Search, for every director of the corporate mortgage broker, regardless of whether the individuals are active in the mortgage brokerage business. Directors who will not be active in the mortgage broker business are not required to submit fees;
- a copy of the Certificate of Incorporation or Certificate of Extra-Provincial Registration. If the corporation is "doing business" in another name, the corporation must register its trade name with the Registrar of Companies and provide evidence of that registration to our office; and
- mortgage broker registration fees payable to the Minister of Finance in the amount of \$1000. **All registration fees are non-refundable.**

The mortgage broker is also required to maintain an address for service in British Columbia.

#### Submortgage Broker Application

To register the individuals who will be conducting the mortgage broker business as submortgage brokers, the following information and documents must be provided for every applicant:

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- Form 2 - Uniform Application for Licence, Registration or Approval - Personal and Addendum, Consent to Criminal Record Search, for every submortgage broker seeking registration with the mortgage broker;
- evidence that the educational requirements have been satisfied (copy of University of British Columbia certificate); and
- registration fees, in the amount of \$1000, for each submortgage broker. **All registration fees are non-refundable.**
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- If a submortgage broker is transferring registration from another mortgage broker, fees are \$200 to be accompanied by a Form 4 – Uniform Application. **All registration fees are non-refundable.**

### Educational Requirements

Under the Act, every applicant must successfully complete the educational requirement. The course that satisfy the educational requirement is *Mortgage Brokerage in British Columbia*.

Further information on this course may be obtained from:

Real Estate Division  
Sauder School of Business  
202 – 2053 Main Mall  
University of British Columbia  
Vancouver, British Columbia  
V6T 1Z2 Telephone Number: (604) 822-8444  
Toll-free: 1-888-776-7733  
Web: [http://www.sauder.ubc.ca/re\\_licensing/programs/licensing/mortgages.cfm](http://www.sauder.ubc.ca/re_licensing/programs/licensing/mortgages.cfm)  
E-mail: [info@realestate.sauder.ubc.ca](mailto:info@realestate.sauder.ubc.ca)

### Requalification

Individuals, who have successfully completed the educational requirements, have **one year** after completing the requirements to apply for registration as a submortgage broker. This is to ensure that recently qualified applicants build on and solidify their education. However, if an individual has been actively brokering mortgages on behalf on an entity exempt from registration, such as a savings institution, the one year period may be extended as required, on a case by case basis.

If an individual was previously registered under either the *Real Estate Act* or the *Mortgage Brokers Act* and that registration has lapsed for a period of greater than **five years**, the individual will be required to complete the educational component again. This is designed to ensure that an individual has kept up to date on mortgage brokering and that the individual's knowledge is current. If an individual has been actively brokering mortgages on behalf of an entity exempt from registration, such as a savings institution, the five-year period may be extended as required, on a case by case basis.

### Designated Individual

Each mortgage broker must have a registered submortgage broker as the designated individual responsible for the office. The designated individual will generally be an officer or director of a corporate mortgage broker, a general partner in a mortgage broker partnership, or the sole proprietor.

In addition, the designated individual must generally have been recently registered as a submortgage broker under the Act in British Columbia for a minimum of two years.

The main responsibilities of the designated individual are:

- ensuring that all employees involved in “arranging mortgages” are properly supervised and registered under the Act;
- ensuring that the employees are aware of the Act, the Regulations made pursuant to the Act, and the Bulletins and policies of the Registrar of Mortgage Brokers; and
- ensuring that all books and records of the mortgage broker are accurate and up-to-date.

### Financial Reporting

**Every mortgage broker that handles or receives trust funds** is required to submit audited financial statements and confirmation of compliance with Section A subsections 1 to 5 of the Conditions of Registration, on an annual basis. (The Conditions of Registration are available on our website). These mortgage brokers are also required to have and maintain a minimum equity of \$5,001 of which \$5,000 must be unimpaired working capital.

For registration purposes, an opening balance sheet signed by the directors, partners, or proprietor is required if trust funds are to be held during the course of business. The opening balance sheet must indicate that the mortgage broker meets the aforementioned equity and working capital requirements. If the mortgage broker does not meet the minimum equity requirements of \$5,001, a subordination agreement must also be submitted, subordinating shareholder's interests or proprietor's equity. For corporate mortgage brokers the balance sheet must be signed as being true and accurate by at least two directors.

**Mortgage brokers that do not intend to handle trust funds** during the course of their business must provide a signed statement at the time of application, that trust funds will not be handled. Confirmation of compliance with Section B subsection 8 of the Conditions of Registration must be provided on an annual basis.

- Please allow ten business days for processing of an application. If an application is deficient it may result in delays in processing. Once an application is approved, the applicant's name will be posted on our website on the Registered Mortgage Brokers List. The registration period for both mortgage brokers and submortgage brokers is two years from the date of approval. To retain registration, registrants are required to renew 30 days prior to their expiry date as indicated on their registration certificate. Renewal fees are \$500. ***All registration fees are non-refundable.***