



## Mortgage Broker Documentation Form Initial Licenses

This document sets out the supporting information to be provided by an Applicant applying for an “initial licence”. An initial licence application is any application for licensing where the Applicant is not currently licensed under *The Mortgage Brokers Act* (the “Act”).

Please note that as part of the licence application review process, the Superintendent of Insurance (“Superintendent”) may require an Applicant to provide additional information.

### Instructions

- When applying to be licensed as a mortgage broker pursuant to the Act, Applicants are required to submit a completed application form, supporting materials as described in this document, and a fee in the amount of \$150 made payable to the Minister of Finance.
- Applications for licenses will not be processed unless all information and documentation is provided.
- Persons currently licensed as a mortgage broker need to provide the application form and the information set out for “**Renewal Licenses**” available at <http://www.sfsc.gov.sk.ca/financial/licensingkits.shtml>.
- When completing the application form and submitting the required supporting materials, you will need to identify which class or classes of mortgage broker activity you will carry on, as set out in the listing of Categories of Mortgage Broker Activity.

### Initial Licenses – Required Documentation and Information

**ALL** Applicants for initial licenses must provide the following documentation and information:

1. Copies of disclosure documents that will be given to clients:
  - One copy of the disclosure document(s) that will be given to consumers stating where the consumer can obtain a copy of the privacy policy of the mortgage broker (as of January 1, 2004, the *Personal Information Protection and Electronic Documents Act* (“PIPEDA”), applies to anyone who collects, uses or discloses personal information as part of a business activity. A copy of PIPEDA can be obtained at <http://lois.justice.gc.ca/en/P-8.6/index.html>);
  - One copy of the disclosure document(s) that will be given to consumers that set out the fees and commissions that the Applicant will collect from consumers and/or financial institutions, including information as to how these fees and commissions are calculated;
  - One copy of the disclosure document(s) that will be given to consumers setting out the services the Applicant will be providing the consumer; and
  - One copy of the disclosure document(s) that will be given to consumers setting out the relationships (either contractual or corporate relationships) between the Applicant a mortgage broker and the financial institutions that it refers business to.

2. Location of Office.

Pursuant to section 8 of the Act, all Applicants must maintain an office in Saskatchewan from which mortgage brokering business is conducted that is satisfactory to the Superintendent. The Superintendent will assess each application and determine if the office location is satisfactory, taking into consideration such factors as the Applicant’s proposed business activities and the office’s intended hours of business, location and accessibility. Generally, an office must meet the following requirements:

- a) the office must be readily accessible to prospective clients and clients;
- b) the office must be readily identifiable;
- c) regular business hours must be established and maintained;

- d) communication devices such as telephones must be at the office;
- e) an employee must be at the office during the established business hours who is knowledgeable about mortgage brokering and able to provide the expertise that a client requires;
- f) if the office is at a residence:
  - i) there must be a room set aside that is used solely for business purposes; and
  - ii) the Applicant must comply with municipal or city bylaws governing home businesses, and must be able to demonstrate compliance with these requirements.

Please provide a detailed description, including the street address and contact numbers (telephone, fax, and e-mail), of your proposed business office.

### 3. Information regarding the Applicant:

- Applicants must demonstrate how they are qualified to conduct business as a mortgage broker by setting out the following information for each of the principals of the Applicant:
  - ◆ Previous experience as a mortgage broker
  - ◆ Education relevant to carrying on business as a mortgage broker
  - ◆ Nature of supervision, if any, by an experienced mortgage broker:
    - Name of supervising mortgage broker
    - Qualifications of supervising mortgage broker
    - Type of supervision
    - Length of supervision period
    - Letter from the supervising mortgage broker undertaking to carry on the supervision regime set out above.
- The complete employment history for the previous 15 years for each of the principals (this includes officers, directors, participating shareholders, partners or senior employees) of the Applicant;
- References for each of the principals of the Applicant. Please provide the names, addresses and phone numbers for three references, together with a letter from each of the principals authorizing the Superintendent to contact these references.
- A completed Criminal Record Check (see attached form) for each principal of the Applicant;
- Evidence that the corporation and/or business name is registered with the Corporations Branch of Saskatchewan Justice;
- Copies of all forms, contracts, and disclosure documents to be used by the Applicant in conducting business;
- A detailed description of the Applicant's proposed business activities and methods of advertising;
- Mortgage brokers that will be referring clients to licensed financial institutions for mortgage loans (category 3) must provide the Superintendent with a description of the contractual and corporate relationships the mortgage broker has with the financial institutions that clients are referred to.
- A list of all lenders/investors with whom the Applicant deals or plans to deal;
- A list of all buyers and sellers of mortgages, if the Applicant is involved in buying mortgages from financial institutions and/or selling mortgages to financial institutions;
- A list of all fees, charges and interest to be charged by the Applicant, including the amounts and methods of calculating such fees or interest;

In addition to the above information that needs to be provided by all Applicants, certain Applicants must provide additional information:

1. Applicants whose activities fall within **categories 4, 5, 7 and 9** above **must also provide** copies of audited financial statements for their most recent year-end.
2. Applicants whose activities fall within **category 5** (Applicant lends his own money) **must demonstrate** that they have a system in place that is capable of adequately accounting for all phases of a mortgage transaction, including:
  - producing a statement of a borrower's mortgage loan account showing payments made, interest paid and the outstanding balance at least annually;
  - accurately accounting for all money paid by the borrower to the lender; and
  - producing payment or amortization tables for each mortgage loan for use by a borrower
3. Applicants whose activities fall within **category 7** (i.e. the Applicant accepts mortgage payments on behalf of lenders) **must also provide:**
  - An explanation of how the Applicant will administer its business, including details as to the following: its methods of collecting and receiving mortgage payments on behalf of lenders/investors, whether it will be taking actions under or with respect to mortgages (i.e. foreclosure actions, debt collection), how it will service borrower and lender/investor requests for information, how it will provide statements of accounts; how and where it will maintain documentation and records; whether it will maintain trust accounts; how it will monitor the existence of insurance on mortgaged properties and whether it will collect and remit property taxes;
  - Details as to the principals' and employees' accounting/bookkeeping training and experience;
  - Details as to how client funds are to be administered and whether trust accounts will be used;
  - Where trust accounts are used, please advise as to whether the client trust accounts will be audited by an external auditor.
  - Details as to how the Applicant will allow for consumers to gain access to their mortgage records.
  - A detailed description of the types and amounts of bonding and/or errors and omissions insurance that the Applicant has in place to cover the activities of its principals and/or employees.

## Categories of Mortgage Broker Activity

For purposes of obtaining an understanding of each Applicant's business model, the Superintendent has developed the following categories of licenses. When completing the application form, ensure that all categories of mortgage broker activity are indicated on the application form. If your business model does not fall within the categories below, provide detailed information as to the specific nature of your operations.

**Category 3** – The Applicant assists borrowers in obtaining mortgage financing from financial institutions (banks, credit unions, trust corporations, loan corporations, insurance companies or financing corporations). Activities may include: gathering information from the borrower; assisting in completing mortgage application forms; providing advice with respect to mortgage rates; shopping around for favourable mortgage terms and rates; negotiating the terms and conditions of the mortgage; and ordering appraisals of real property.

**Category 4** – The Applicant assists a borrower in obtaining mortgage financing from one private investor. The entire mortgage must be funded by a single investor, and cannot be a syndicated mortgage whereby multiple investors fund the mortgage. The source of the mortgage financing in this case is not a licensed financial institution (banks, credit unions, trust corporations, loan corporations or financing corporations), but instead is an individual and/or an entity that is not in the lending business.

**Category 5** – The Applicant assists borrowers in obtaining mortgage financing by lending its own money. In this case, the Applicant is acting as the lender instead of assisting the borrower in finding a third party lender. The Applicant must be using its own money to fit within this category.

**Category 6** – The Applicant is buying and/or selling mortgages. The Applicant must be buying and/or selling the entire mortgage, syndicating or pooling mortgages is not addressed in this category.

**Category 7** – The Applicant is administering mortgages on behalf of lenders or investors. Activities may include: collecting and receiving mortgage payments on behalf of lenders/investors; remitting mortgage payments or an income stream to lenders/investors; taking actions under or with respect to mortgages (i.e. foreclosure actions, debt collection); servicing borrower and lender/investor requests for information; providing statements of accounts; maintaining all documentation and records; maintaining trust accounts; monitoring the existence of insurance on mortgaged properties; collecting and remitting property taxes.

**Category 8** – Previously, the Superintendent used category 8 to address the scenario where the Applicant arranged for mortgages or portions of mortgages to be converted into marketable securities/investments and these mortgage securities/investments are sold to investors. Category 8 activities are no longer covered by *The Mortgage Brokers Act*. Should you wish to carry on this type of activity, please contact the Securities Division of the Saskatchewan Financial Services Commission to determine the requirements you will need to comply with.

**Category 9** – The Applicant assists borrowers in borrowing against the equity in their homes for the purpose of receiving a lump sum or an income stream from a lender. In order to fall within this category the Applicant must be providing reverse mortgages. Reverse mortgages are usually marketed to seniors and they operate so as to allow a senior to borrow against his or her home in order to obtain an income stream. Under a reverse mortgage there is no repayment on the loan while the homeowner remains in possession of his or her home.



Business Licence Application

THE MORTGAGE BROKERS ACT

For Office Use Only

CATS ID No. Licence Approval Date DBA or Trade Style Name No. Licence No. Corporate Registration No. Reviewed by:

If the application is not completed properly, or if any of the information requested is not included, processing delays may result. Furthermore, any false or material misstatements made in this application or in any of the accompanying material submitted may result in a refusal, suspension or cancellation of the licence applied for and prosecution as an offence.

- 1. Complete legal name of the Applicant applying for a licence as a mortgage broker under The Mortgage Brokers Act (the "Act"):
2. Please indicate whether the applicant is a body corporate, partnership, or sole proprietor:
3. If applicable, provide trade name(s) or dba (doing business as) name(s) used by the Applicant. Please note that any trade style and dba names must be registered with the Corporations Branch of Saskatchewan Justice:
4. Category(s) of mortgage broker licence being applied for (i.e. Category 3, 4, 5, 6, 7, and/or 9 as set out in the Mortgage Broker Documentation Form):
5. For each officer, director, partner and sole proprietor of the Applicant, as applicable, provide (on a separate sheet):
a) Full name and working titles (if any)
b) Date of Birth
c) Place of Birth; and
d) Maiden Name
6. Mailing address for receiving correspondence from this office:
Postal Code Telephone Fax
Email/Internet
Contact person

7. Address of the location in Saskatchewan from which the mortgage broker conducts or intends to conduct business or a portion of business as a mortgage broker, as required by section 8 of the Act:

same as #6 above, or: \_\_\_\_\_

Postal Code \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Email/Internet \_\_\_\_\_

Contact person \_\_\_\_\_

8. Legal Address for Service in Saskatchewan, as required by section 5 of the Act:

same as #6 above, or: \_\_\_\_\_

Postal Code \_\_\_\_\_ Telephone \_\_\_\_\_ Fax \_\_\_\_\_

Contact person \_\_\_\_\_

9. Will the Applicant carry on any business where it receives money from Saskatchewan consumers, other than from the payment of fees for the Applicant's services:

No or  Yes (provide description on a separate sheet)

If the Applicant will be receiving money from Saskatchewan consumers for other than fees, will the Applicant hold any money in trust:

not applicable, no money received except for fees;

No; or

Yes (provide description on a separate sheet)

10.(a) During the past ten years, has the Applicant or the sole proprietor, any partner, or any director, officer or employee of the applicant:

- been convicted of a criminal offence? No  Yes
- been convicted of violating any securities, insurance, trust and loan, mortgage brokers, loan brokers, real estate or consumer protection legislation? No  Yes
- made an assignment for the benefit of creditors, or become legally insolvent, or been adjudged a bankrupt or filed a petition in bankruptcy? No  Yes
- had a licence or registration refused, suspended, conditioned, or cancelled under the laws of any province, territory, state or country? No  Yes
- been the subject of disciplinary action by any licensing regulatory authority under the laws of any province, territory, state or country? No  Yes

If "yes", please provide details and specifics including dates, fines imposed, actions taken *(use separate sheet)*.

10.(b) During the past ten years, has the Applicant, the sole proprietor, or any partner, director, officer or substantial shareholder (10% or more) of the Applicant been a partner, director, officer or substantial shareholder (10% or more) of a firm or corporation that has:

- been convicted of a criminal offence? No  Yes
- been convicted of violating any securities, insurance, trust and loan, mortgage brokers, loan brokers, real estate or consumer protection legislation? No  Yes
- made an assignment for the benefit of creditors, or become legally insolvent, or been adjudged a bankrupt or filed a petition in bankruptcy? No  Yes
- had a licence or registration refused, suspended, conditioned, or cancelled under the laws of any province, territory, state or country? No  Yes
- been the subject of disciplinary action by any licensing regulatory authority under the laws of any province, territory, state or country? No  Yes

If "yes", please provide details and specifics including dates, fines imposed, actions taken *(use separate sheet)*.

11. Fiscal year end \_\_\_\_\_
12. Names of any individuals acting as a mortgage broker for or on behalf of the Applicant
- None; or
- See attached listing of names (*use separate sheet*).

I, the undersigned, consent to the Superintendent of Insurance ("Superintendent") requesting any criminal record searches and also authorize and request any and all former employers and any other person requested to furnish to the Superintendent, or any agent acting on the Superintendent's behalf, any information they may have concerning my creditworthiness, character, ability, business activities, educational background, general reputation, and, in the case of former employers, my employment history with them and the reason for my leaving them. I hereby release each such employer and each such other person from any and all liability of whatever nature by reason of furnishing such information to the Superintendent or any agent acting on the Superintendent's behalf.

I understand that the Superintendent may also request additional information from the Applicant to enable the Superintendent to evaluate this application.

I understand that I have certain duties and obligations imposed on me by the Act and it is my responsibility to fully comply with these duties and obligations.

I acknowledge and agree that all information provided to or received by the Superintendent as part of the application process may be used or disclosed to any person by the Superintendent or the Saskatchewan Financial Services Commission where the use or disclosure is required for the performance of the responsibilities and exercise of the powers given to the Superintendent or the Saskatchewan Financial Services Commission by the Act, the regulations thereunder or by any other financial services legislation as that term is defined in *The Saskatchewan Financial Services Commission Act* (Saskatchewan).

**STATUTORY DECLARATION**

I, the undersigned, an authorized representative of the Applicant, do solemnly declare as follows:

1. That the information and documents provided in support of this application are complete and truthful in all respects.
2. That the Applicant has complied with the requirement of the laws of Saskatchewan to which it has applied for a licence and hereby undertake to notify the Superintendent immediately of any material change that might affect this application.
3. I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath, and by virtue of the *Canada Evidence Act*.

Declared before me at the \_\_\_\_\_ of \_\_\_\_\_  
 \_\_\_\_\_ in the Province of \_\_\_\_\_,  
 this \_\_\_\_\_ day of \_\_\_\_\_,  
 \_\_\_\_\_

} \_\_\_\_\_  
 Signature of Applicant

} \_\_\_\_\_  
 Print Name and Position and Title

A Commissioner for Oaths in and for the Province of \_\_\_\_\_

My commission expires \_\_\_\_\_.

A Notary Public in and for the Province of \_\_\_\_\_.

My appointment expires \_\_\_\_\_.

– Or – Being a Solicitor

**Licence expires June 30th of each year**

**Please ensure the appropriate fee is included with your completed application.**

**Schedule of Fees:**

**Annual Licensing Fee** **\$150**

**NOTE: A renewal application, together with the annual licensing fee, must be submitted thirty (30) days prior to the expiration of the licence.**

**Make cheque payable to the Minister of Finance.**

**\$10 service charge for any cheque returned from your financial institution.**



# Info Source

## Access to Information Act

# Access to Information Request Form

**For official use only**

- |   |   |   |   |
|---|---|---|---|
| <p><b>Step 1</b><br/>Determine which federal government institution is most likely to have the information you are seeking. Decide whether you wish to submit an informal request for the information or a formal request under the <i>Access to Information Act</i>. If you wish to make an informal request, contact the appropriate institution. The address can likely be found in <i>Info Source</i> publications which are available across Canada, generally in major public and academic libraries, constituency offices of federal Members of Parliament and most federal government public enquiry and service offices.</p> | <p><b>Step 2</b><br/>To apply for information under the <i>Access to Information Act</i>, complete this form or a written request mentioning the Act. Describe the information being sought and provide any relevant details necessary to help the institution find it. If you require assistance, refer to <i>Info Source (Sources of Federal Government Information)</i> for a description of program records held by the institution or contact its Access to Information Coordinator.</p> | <p><b>Step 3</b><br/>Forward the access request to the Coordinator of the institution holding the information. The address is listed in the "Introduction" to <i>Info Source</i>. Enclose a \$5.00 money-order or cheque payable to the Receiver General of Canada. Depending upon the type or amount of information being sought, you may be asked to authorize further charges.</p> | <p><b>Step 4</b><br/>When you receive an answer to your request, review the information to determine whether you wish to make a further request under the Act. You also have the right to complain to the Access to Information Commissioner should you believe that you have been denied any of your rights under the Act.</p> |
|---|---|---|---|

**Federal Government Institution**

**Provide details regarding the information being sought**

**Method of access preferred**       Receive copies of originals       Examine originals in government offices

**Name of applicant**

Street, address, apartment      City or town

Province      Postal Code      Telephone number

This request for access to information under the *Access to Information Act* is being made by       a Canadian citizen, permanent resident or another individual present in Canada, or       a corporation present in Canada

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## INSTRUCTIONS TO APPLICANT

1. A criminal record check is required before your application for a license/registration can be processed.
2. Complete Part A on the reverse side. Take this letter to the local police if you live in a city or town policed by a municipal police force. If you live elsewhere, take it to the closest RCMP detachment.
3. The police will require the following identification: a birth certificate, driver's licence and a hospitalization card.
4. The police will conduct a name search, and:
  - (a) if satisfied as to your identity and there is no record of criminal convictions or outstanding criminal charges, the police will complete and return the form to you indicating the name check has revealed no criminal record; or
  - (b) if not satisfied as to your identity or the check reveals a record, the police are required to take your fingerprints before the record can be released to you. Major city police forces may verify the fingerprints at their headquarters, however, in most instances the fingerprints will need to be sent to the RCMP in Ottawa, where they will be searched against the national criminal record file and the results returned to you by mail. If the police do not mail the fingerprints to Ottawa, it will be your responsibility to do so.

The mailing address for the RCMP in Ottawa is as follows:

**RCMP, Director, Identification Services,  
Box 8885, Ottawa, Ontario, K1G 3M8.**

5. In all cases, the results of the record check, and fingerprints (if taken), will be returned to you personally.
6. It will be your responsibility to provide the results of the check to the Financial Institutions Division.
7. The police will advise of any fee you will be responsible to pay for a record search or for taking fingerprints.
8. Your application may take several days to process. If fingerprints are sent to Ottawa, a response normally takes four to six weeks.
9. Inquiries should be directed to the **Financial Institutions Division at 787-6700.**

## CRIMINAL RECORD CHECK

Chief of Police, or NCO i/c RCMP \_\_\_\_\_, Saskatchewan

I am requesting a fingerprint criminal record check as part of my application/registration as

a \_\_\_\_\_ under \_\_\_\_\_  
Mortgage Broker or Loan Broker Name of Act

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### PERSONAL INFORMATION FOR COMPLETION BY APPLICANT (PART A)

Name: \_\_\_\_\_  
Last First Middle Other (if applicable)  
(Under other, show maiden or any other name you have ever used)

Address: \_\_\_\_\_  
Street City/Town Province Postal Code

Birth Date: \_\_\_\_\_ Birth Place: \_\_\_\_\_  
Yr Mo Day City/Town/Prov/State/Country

I am applying for a license/registration under: \_\_\_\_\_  
Name of Act

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### RESULTS OF CHECK FOR COMPLETION BY THE POLICE (PART B)

A name check of police records reveals:

Check if applicable (✓)

- (1) No criminal record
- (2) A possible criminal record that must  
be verified by a fingerprint submission

Date: \_\_\_\_\_  
Yr Mo Day Signature, Name and Position

\_\_\_\_\_  
Collator/Dept. Stamp

\_\_\_\_\_  
Police Dept or RCMP Detachment