

## **The Mortgage Brokers Act Applications for Licensing Category 3 Mortgage Brokers – Initial Applications**

Applicants applying for licensing as a Category 3 mortgage broker pursuant to *The Mortgage Brokers Act* (the “Act”) need to demonstrate that they are competent and are able to meet the needs of each of the consumers they represent during the mortgage brokering process.

Mortgage brokers must be able to identify a consumer’s mortgage needs and obtain an appropriate mortgage product for that consumer. Accordingly, applicants must set out how they have obtained competence in mortgage brokering by describing their training and/or work experience.

The information provided by an applicant will be considered by the Superintendent of Insurance (the “Superintendent”) to assess the applicant’s suitability for licensing, as is required by section 6 of the Act:

Where in the opinion of the superintendent an applicant is suitable to be licensed and the proposed licensing is not for any reason objectionable, he may grant the licence; but where the superintendent is for any reason of the opinion that the applicant should not be granted a licence he may refuse to grant the licence.

There are a number of ways that applicants will be able to show that they have obtained competence to carry on business as a mortgage broker. Normally, this will have occurred through a combination of training, education, and direct experience as either a mortgage broker or in a closely linked industry (e.g. mortgage officer for a financial institution). For those applicants who have completed a training program, but do not yet have a significant amount of direct experience, an ongoing supervision process may be required. This supervision process requires that the applicant’s work will be subject to review by a qualified, experienced mortgage broker.

To assist in the Superintendent’s review and assessment of the applicant’s suitability for licensing, applicants who do not yet have significant experience as a mortgage broker should provide the following:

1. A comprehensive description of the initial training that the applicant completed, including:
  - a) The name and qualification of the qualified mortgage broker(s) who provided the training;
  - b) A description of the training process, including a description of any courses and “sit-ins” with consumers; and

- c) The time period over which the training process occurred.
2. A comprehensive description of the ongoing supervision program that will be carried out, including:
    - a) Information as to who will carry out these reviews and their qualifications;
    - b) When the review will be carried out (e.g. before the application is sent to a lender?);
    - c) How the review will be carried out (e.g. Discussion with the mortgage broker? Review of information on a computer screen? Review of file information?);
    - d) The length of time the review program will continue;
    - e) Information as to how the supervision and review will be carried out where the supervising broker is normally at a different location than the new broker.
  3. A signed confirmation from the qualified mortgage broker(s) who carried out the training and who will be responsible for the ongoing review:
    - a) That the applicant has completed the training program;
    - b) That the applicant will be subject to the supervision program described to the Superintendent; and
    - c) That the applicant, when under the supervision program described to the Superintendent, is competent to carry on business as a mortgage broker.

All of the information provided in support of the application must be set out in detail, and tailored to the specifics of the applicant.

If you have any questions regarding the licensing requirements for mortgage brokers, please contact Brett Wawro, Compliance Officer at the Financial Institutions Division of the Saskatchewan Financial Services Commission at (306) 787-5438 or through email at [bwawro@sfsc.gov.sk.ca](mailto:bwawro@sfsc.gov.sk.ca).