



CONSUMER AFFAIRS BULLETIN – 2017-001

Mortgage Broker Act - Annual Requirements

Annual Requirements

All mortgage brokerages and administrators must provide annual information for the period covering January 1st to December 31st of the previous year, on or before March 31st of each year.

Fees to maintain a licence are payable before 1 April each year. The annual fee for a mortgage brokerage and administrators licence is \$600. The annual fee for a mortgage broker and associate licence is \$300. Fees will be payable through the online system. Licences will be automatically suspended if the required fees are not paid by the due date.

Online Submissions

FCNB is currently developing an online system for submitting the annual information and fees. In preparation, it is recommended that you begin compiling the required information for input when the system is activated. **You will be notified via email when the system is online.**

Annual Information

Brokerages and administrators are required to file the following information:

- (a) the name and address of the entity, including the address for service;
- (b) information on the types of licensed activities conducted by the entity;
- (c) other business activities conducted by the entity;
- (d) number of mortgage brokers and mortgage associates acting on behalf of the entity;
- (e) the date that policies and procedures of the entity were last reviewed ;
- (f) any changes in the format of records and the accessibility of those records;
- (g) the number and dollar value of mortgages closed during the reporting period, by type of mortgage and by type of lender;
- (h) a description of the complaints against the entity and anyone acting on its behalf;
- (i) any changes to the complaint handling procedure of the entity;
- (j) any errors and omissions insurance claims against the entity or those acting on behalf of the entity;
- (k) any claims against the entity or those acting on behalf of the entity paid by errors and omissions insurance;
- (l) any change in circumstances of the entity that had not been reported during the reporting period;
- (m) any non-monetary incentives received by the entity and a description of the incentive;
- (n) a description of any contingency commission, volume bonus or payment arrangement with lenders;
- (o) the number of mortgage associates or mortgage brokers remunerated through a professional corporation.

Late Fee A late fee of \$100 will be payable if the annual return document is filed after 31st March.

Enforcement Failure to provide the required information in the annual return may lead to enforcement action being taken against the brokerage. Failure to provide an annual return may result, upon conviction, in a fine up to a maximum of \$1,000,000 and an administrative penalty up to a maximum of \$500,000.

Issued by:

Suzanne Bonnell-Burley, Q.C.
Director of Mortgage Brokers

Date:

25 January 2017