

Mortgage Broker Registrations

When is Registration Required?

Under the *Mortgage Brokers Act* (the Act), companies, partnerships and sole proprietors, unless exempted under section 11 of the Act, need to be registered as mortgage brokers to engage in mortgage broker activity. The Act defines a “mortgage broker” as a person who does any of the following:

- a) carries on a business of lending money secured in whole or in part by mortgages whether the money is the mortgage broker’s own or that of another person;
- b) holds himself or herself out as, or by an advertisement, notice or sign indicates that he or she is, a mortgage broker;
- c) carries on a business of buying and selling mortgages or agreements for sale;
- d) in any one year, receives an amount of \$1,000 or more in fees or other consideration, excluding legal fees, for arranging mortgages for other persons;
- e) during any one year, lends money on the security of 10 or more mortgages; and
- f) carries on a business of collecting money secured by mortgages.

Arranging Mortgages – Examples

The intent of the Act is to require every person involved in an essential way in the process of “arranging mortgages” to be registered.

The specific set of facts will determine whether a person is “arranging mortgages”. However, for guidance, the following activities are likely to constitute “arranging mortgages”:

- promoting mortgage brokering services;
- speaking with customers about mortgages, explaining the mortgage terms, or reviewing the mortgage documents and / or disclosure statements;
- taking mortgage applications;
- obtaining supporting documentation and conducting credit bureau checks;
- dealing with any lender in obtaining approvals and providing documentation to support a mortgage application; and
- completing mortgage renewals.

Mortgage brokers may employ clerical, accounting, or management staff without requiring those employees to be registered provided those employees are not actively engaged in arranging mortgages.

How to Apply for Registration

New mortgage broker applicants, or mortgage broker registrants who intend to register a new branch office, must submit through the IRIS portal. Once a mortgage broker has obtained registration, it may commence using our IRIS Portal system to file and amend registration information and applications.

Designated Individual Qualifications

Each mortgage broker which is a corporation, partnership or sole proprietorship must have a registered sub-mortgage broker who acts as its “Designated Individual”.

In order to qualify to act as a Designated Individual, a person:

- must be an officer and/or director of a corporate mortgage broker; or
- must be a general partner in a mortgage broker partnership; or
- must be a sole proprietor; AND
- must have recently be registered under the Act or similar legislation in another jurisdiction for a minimum of two years with no prior record of regulatory misconduct under the Act or any other legislation in British Columbia or elsewhere.

The main responsibilities of the Designated Individual are:

- ensures that all employees involved in arranging mortgages are properly supervised and registered under the Act;
- ensures that all employees are aware of the Act, the Regulations made pursuant to the Act, and the Information Bulletins and policies of the Registrar;
- ensures that all financial records of the mortgage broker are accurate and up to date;
- ensures that year-end financial filings are provided to the Registrar annually; on time; and, in the form required;
- maintains accurate and timely registration information; and
- submits complete and accurate applications from the mortgage broker through the IRIS Portal system.

Trade Names

If a mortgage broker wishes to identify itself by a sole proprietorship name, it must register that name with the Registrar of Companies and provide a copy of that registration to the Registrar of Mortgage Brokers. Please note we require all partnerships to register a business name with the Registrar of Companies and obtain mortgage broker registration under that name.

New Mortgage Broker Applications for Corporations and Partnerships

If the applicant for mortgage broker registration is a corporation or partnership, the intended designated individual must apply for registration for the IRIS Portal.

The following completed documents and fees must accompany the application:

- \$1,900 for the application for registration for the mortgage broker; and
- \$1,500 for the application for registration for sub-mortgage broker who is the intended Designation Individual if not currently registered in BC.
- A copy of the certificate of incorporation or extra-provincial registration from BC Corporate Registry for a corporation or partnership;
- A copy of the partnership agreement if applicable;

- A copy of the trade name filing at BC Corporate Registry if the applicant intends to use a trade name;
- A copy of the agreement or letter for the consent to use the name of another corporate entity if the mortgage broker applicant is a franchisee;
- One piece of colour copied government issued identification, which includes a photograph of the director;
- A certified criminal record check for each director and/or partner, which is dated not more than six months from the date of application (see bulletin [MB 11-002](#));
- One piece of colour copied government issued identification, which includes a photograph of the sub-mortgage broker; and
- A certified criminal record check for the sub-mortgage broker, which is dated not more than six months from the date of application (see bulletin [MB 11-002](#)).

Sole Proprietor Applications

If the Applicant for mortgage broker registration is a sole proprietor, the Applicant must apply through the IRIS Portal.

The following completed documents must accompany the application:

- \$1,500 for the application for registration for sole proprietorship as a mortgage broker;
- A copy of the trade name filing at BC Corporate Registry if the applicant intends to use a trade name;
- A copy of the agreement or letter for the consent to use the name of another corporate entity if the mortgage broker applicant is a franchisee;
- One piece of colour copied government issued identification, which includes a photograph of the director; and
- A certified criminal record check for the sole proprietor, which is dated not more than six months from the date of application (see Bulletin [MB 11-002](#)).

Branch Office Applications

Currently registered mortgage brokers who intend to open a new branch location must complete a New Branch application online via the IRIS Portal System. The submission requires a \$200 application fee.

Each mortgage broker branch office location must have at least one registered sub-mortgage broker.

Mortgage broker branch office applications will be approved with the following condition: “Must submit IRIS Portal sub-mortgage broker application within 30 days”.

You will receive an email from the Registrar’s office confirming the registration of the branch office and the requirement to register a sub-mortgage broker. Failure to register a sub-mortgage broker with the branch office within 30 days will result in the branch office termination.