

MORTGAGE BROKER INDUSTRY COUNCIL
9:00 a.m. – 12:00 p.m. Thursday, November 16, 2023
Virtual Microsoft Teams Meeting

MINUTES

In Attendance:	Gord Appel Paul Bojakli Clarence Lee, <i>Chair</i> Guy Ouellette
Resources:	Russ Morrow Janice Harrington Warren Martinson Stacy Paquin Gary Siegle, <i>Mortgage Broker Regulatory Compliance Advisor</i> Rina Hawkins
Recording Secretary:	Christina Harrington
Absent:	Nkem Onyegbula

1. Call to Order
The meeting of the Mortgage Broker Industry Council ("Industry Council") was called to order at 9:08 a.m.

2. Approval of Agenda
The Chair presented the agenda of November 16, 2023.

MOTION: The Mortgage Broker Industry Council approves the November 16, 2023, meeting agenda as presented.

*Moved by Guy Ouellette
Seconded by Gord Appel
Carried*

3. Conflict(s) of Interest Declared
No conflicts of interest were declared.
4. Chair's Opening Remarks
The Chair welcomed members to the meeting.

5. Consent Agenda

The Industry Council reviewed the consent agenda.

***MOTION:** The Mortgage Broker Industry Council approves the consent agenda, including the September 14, 2023, meeting minutes, as presented within the meeting package.*

*Moved by Guy Ouellette,
Seconded by Gord Appel
Carried*

6. Action Register Update

Management presented the Action Register Update which was received as information.

7. Regulatory Activity Scorecard

The Industry Council reviewed the Regulatory Activity Scorecard, which included an overview of the years' regulatory enforcement activities.

8. RECA Board of Directors Report

The RECA Board of Directors ("Board") member updated the Industry Council on the activities of the Board.

9. Industry Council Elections

Management reported that the collective terms of Board and Industry Council will expire on November 30, 2023. The Industry Council awaits the appointment of public members by the Minister of Service Alberta.

The Board has appointed MNP LLP as the Election Officer, being a qualified firm that is independent of the Board, Industry Councils, and RECA staff, to supervise, validate, and certify results of the licensee Industry Council nominations, voting and elections process.

Polls will open at 8:00 a.m. on November 22, 2023, and close at 4:00 p.m. on November 27, 2023. Results will be verified and announced by the Election Officer on or before November 29, 2023. All licensee members will begin their terms on December 1, 2023 for two-years.

10. Industry Council Chair Vice Chair Appointment

On November 25, 2021, the Minister of Service Alberta approved amendments to the *Real Estate Act* ("REA") Bylaws to set a two-year term for the Industry Council Vice-Chair position, which expires on November 30, 2023. Accordingly, the Industry Council will elect a Vice-Chair at its December 2023 meeting. The Industry Council will also appoint a member to the Board pursuant to Section 7.1(2)(b) of the REA.

11. Approval of November Minutes by Written Resolutions

To ensure that newly elected or appointed Industry Council members are not responsible for verifying the accuracy of minutes that pre-date their term, Management recommended that the Industry Council approve the November minutes by written resolution prior to November 30, 2023. The Industry Council agreed that this practice would support new members joining the Industry Council.

12. Industry Council Annual Evaluation Process

Management presented that, in accordance with REA Bylaw 4.4, the Industry Council must undertake an annual self-evaluation process to review personal and collective performance. Submissions are collected anonymously and shared with the Industry Council.

To ensure the annual evaluation process remains objective the Industry Council will reconsider evaluation methods, such as a 360-degree review, a third-party audit, or a revised questionnaire. The subject will be placed on the Industry Council Chairs Roundtable agenda for further discussion.

13. Credentialing Report and Learner Success Rates

Management provided the credentialing report and learner success rates, which were received as information.

The Industry Council recessed at 9:57 am
The Industry Council reconvened at 10:10 am

14. Private Lending Education/Re licensing Education

Further to discussions on, September 14, 2023, the Industry Council discussed the development of a mandatory course in Private Lending education. The Industry Council is considering the implementation of a Private Lending relicensing course in 2025.

Management is in the process of and will continue to contact course providers to ask of their interest and the viability of a Private Lending relicensing education course. Enrolment rates could be marginal, given that the area of industry is not widely practiced.

15. Licensing Renewal Update

Management presented an update relating to renewed licenses as of October 6, 2023. 97.04% of Mortgage Brokers renewed their licences, while 91.8% of Mortgage Associates renewed their licenses (due to attrition or moving out of the mortgage brokering industry). The renewal rates are a positive reflection of the industry's sustainability.

16. Rules Review Steering Committee Update

The Industry Council received an update on the activities of the Rules Review Steering Committee (the "Committee"). Management presented that, under RECA's 2022-2025 Strategic Plan, RECA has committed to a comprehensive review of the *REA* Rules to reduce red tape and enhance public protection. The review is broken into three phases, undertaken by the Rules Review Steering Committee ("RRSC").

The Committee consulted on amendments to Rules 2 – 40 at the November 2, 2023, Town Hall. These amendments primarily addressed licensing framework, classes of licences, licence eligibility requirements, and notification periods. The Committee also consulted on amendments to Rules surrounding incentives.

The Industry Council highlighted that no recommendations are final at this time, as the Committee's Terms of Reference require the Committee to bring forward clear and precise recommendations. Where more than one feasible option exists, the Committee will provide all options to the relevant Industry Councils for consideration. The final decision on all proposed Rule amendments will be made by the relevant Industry Councils and the Minister of Service Alberta and Red Tape Reduction, as required by the *REA*.

On recommendation of the Committee, and at the request of the Industry Council, suggested amendments to Rules 41 – 80.89 be returned to the Industry Council for comment. The Industry Council reviewed suggested amendments and provided feedback on proposed consultation questions. The comments will be returned to the Committee for inclusion in Phase Two, Part Two of consultations.

Guy Ouellette left the meeting at 12:46 p.m.
Quorum was lost at 12:46 p.m.

17. Final Adjournment

The meeting adjourned at 12:46 p.m. due to lack of quorum.

The In-Camera session with the CEO and the In-Camera Session with the Industry Council, only, were not observed as quorum was lost at 12:46 p.m.

18. Next Meeting(s)

- December 7, 2023 (Special Meeting)

Approved by Written Resolution

Clarence Lee, Industry Council Chair