



MORTGAGE BROKER INDUSTRY COUNCIL

9:00 a.m. – 12:00 p.m. Thursday, March 7, 2024
RECA Office, Calgary, Alberta

MINUTES

In Attendance: Clarence Lee, *Chair*
Guy Ouellette
Jared Morrison
Elena Russell

Resources: Russ Morrow
Janice Harrington
Warren Martinson
Stacy Paquin
Kristian Tzenov
Gary Siegle
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 9:06 a.m.

2. Approval of Agenda

The Chair presented the agenda of March 7, 2024.

***MOTION:** The Mortgage Broker Industry Council approves the March 7, 2024, meeting agenda as presented.*

Moved by Guy Ouellette

Seconded by Elena Russell

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 December 7, 2024, special meeting minutes, as presented within the meeting package.*

Moved by Guy Ouellette

Seconded by Jared Morrison

Carried

6. Action Register Update

The Industry Council received the Action Register as information.

***ACTION:** Management will consult with the Industry Council on Private Lending competencies and return to the Industry Council with any proposed amendments and inclusions.*

7. Regulatory Activity Scorecard

The Industry Council received the Annual Report October 1, 2022 – September 30, 2023, as information.

8. RECA Board of Directors Report

The RECA Board of Directors (“Board”) member presented a report on the activities of the Board which was received as information.

9. Industry Council Self-Evaluation

The Industry Council discussed the results of the Industry Council annual review process and self-assessment questionnaire in accordance with section 4.4 of the *Real Estate Act* Bylaws. The results were received as information.

10. Credentialing Report and Learner Success Rates

The Industry Council reviewed the credentialing report, including the learner success rates. Learners may provide feedback to RECA after each examinations attempt. Management provides feedback directly to course providers, to improve course effectiveness. The Industry Council will prioritize the creation of a private lending relicensing course to supplement prelicensing education.

11. Stakeholder Engagement Policy

In accordance with the *Real Estate Act*, each Industry Council Chair shall act as the spokesperson for the industry and otherwise provide leadership for the Industry Council. When engaging with the public and

industry, the Chair will clarify when he is representing the opinions of the Industry Council and when he is representing his own opinion.

12. Industry Council Workplan

The Industry Council discussed and set a preliminary workplan to enhance strategic planning, create a timeline for completion of tasks, to identify resources, and to monitor and evaluate risks. The details of the workplan will be further reviewed at the next Industry Council meeting.

The Industry Council recessed at 10:46 a.m.

The Industry Council reconvened at 11:06 a.m.

13. Rules Review Steering Committee Update

Management presented an update on the February 2024 activities and recommendations of the Rules Review Steering Committee. The Industry Council had a detailed discussion on the proposed recommendations.

***MOTION:** On the recommendation of the RECA Rules Review Steering Committee, the Mortgage Broker Industry Council, approves, in principle, the following recommendations:*

- 1. A single licence with sectoral authorizations with all seven sectors.*
- 2. That existing brokers, associate brokers, and associates' current authorizations are grandfathered.*
- 3. That related licenses need to be at the same brokerage.*
- 4. That the licensing structure contain principal broker and associate broker classes in the mortgage broker sector.*
- 5. To allow brokers to approve individual incentives, rather than brokerage-wide incentives.*

Moved by Guy Ouellette

Seconded by Elena Russell

Carried

14. FINTRAC Mortgage Broker Reporting Requirements

The Industry Council discussed the Financial Transactions and Reports Analysis Centre of Canada ("FINTRAC") requirements for mortgage administrators, brokers and lenders. As of October 11, 2024 FINTRAC is requiring that persons or entities in the mortgage sector will be subject to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act") and associated regulations. This includes, in part, a requirement to comply with the Act, its regulations, Ministerial Directions, to report suspicious transactions as required by the Act, to keep records, and to "know your client" by verifying identity.

The Industry Council will continue to monitor and discuss FINTRAC requirements for mortgage brokers, lenders, and administrators as more information becomes available.

15. In Camera Session with Industry Council and CEO, only

The Industry Council moved in-camera with the CEO at 12:07 p.m.

16. In Camera Session with Industry Council, Only

The Industry Council, only, moved in-camera.

17. Final Adjournment

The meeting adjourned at approximately 12:20 p.m.

***MOTION:** The Mortgage Broker Industry Council approves the final adjournment of the March 7, 2024 meeting.*

Moved by Jared Morrison

Seconded by Elena Russell

Carried

MORTGAGE BROKER
INDUSTRY COUNCIL

Minutes of Meeting

March 7, 2024

18. Next Meeting(s)

- June 6, 2024

Approved at Calgary, Alberta on June 6, 2024

Clarence Lee,
Industry Council Chair