



MORTGAGE BROKER INDUSTRY COUNCIL MEETING

9:00 a.m., Thursday, June 6, 2024
Microsoft Virtual Teams Meeting

MINUTES

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

Resources: Russ Morrow
Janice Harrington
Warren Martinson
Stacy Paquin
Gary Siegle

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 9:01 a.m.

2. Approval of Agenda

The Industry Council reviewed the meeting agenda.

***MOTION:** The Mortgage Broker Industry Council approves the June 6, 2024, meeting agenda as presented.*

Moved by Elena Russell

Seconded by Jared Morrison

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 March 7, 2024 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.

7. Regulatory Activity Scorecard

The Industry Council Regulatory Activity Scorecard was received 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. The Regulators Practice Training

All Board and Industry Council members attended governance training, hosted by *The Regulator's Practice*, in May of 2024. The Industry Council expressed their gratitude for an informative and team-strengthening experience.

10. Ministerial Directive – *Real Estate Act* ("REA") Section 54

The Industry Council reviewed correspondence from the Honourable Minister Dale Nally of Service Alberta and Red Tape Reduction ("Minister"), addressed to the Board Chair and Industry Council Chairs, regarding a voluntary lifetime withdrawal under section 54 of the *REA*.

The Minister directed, pursuant to *REA* s. 76.5(1), and in accordance with legislation and its intended outcome to recognize the serious nature of allegations of fraud and criminal activity, RECA will:

- immediately cease approving licensee applications for voluntarily lifetime withdrawal under *REA* s. 54 where allegations of fraud or criminal activity, which warrant an investigation, have been made against a licensee, unless or until such time as the allegations are proven to be unfounded; and
- refer the matter to law enforcement agencies where allegations of fraud or criminal activity appear to have merit.

11. *REA Section 54 Application* – [REDACTED]
The Industry Council considered the *Application to Withdraw from the Industry* of [REDACTED] (the "Applicant"), and the Registrar's submissions, in response.

Applicant submissions: The Applicant was not present before the Industry Council, but signed, consented to, and submitted a *REA s. 54 Application to Withdraw from the Industry*.

Registrar submissions: The Applicant is a licensee subject to proceedings under *REA Part 3*. The Applicant submitted an *Application to Withdraw from the Industry* voluntarily, having had the opportunity to seek legal counsel. The Industry Council considered and discussed the Minister's recent Directive on section 54 of the *REA* in considering the Applicant's application.

MOTION: *The Mortgage Broker Industry Council rejects the application of [REDACTED] to withdraw from the industry under section 54 of the Real Estate Act.*

*Moved by Jared Morrison,
Seconded by Guy Ouellette
Carried*

12. *RECA Board/Industry Council Calendar*
In accordance with the *REA Bylaws*, the Board Chair will issue a schedule of regular meetings for the succeeding year. The Industry Council shall hold regular meetings at least four times per year, on a quarterly basis. The Industry Council received the proposed Board/Industry Council Calendar, as information.

13. *RECA Stakeholder Engagement Policy and Stakeholder Engagement Guidelines*
Pursuant to the *REA*, each Industry Council Chair shall act as the spokesperson, and will provide leadership to the Industry Council. When engaging with the public and industry, the Industry Council Chair will clearly indicate when he is representing his own opinions, or the opinions of the Industry Council.

Management presented the proposed amendments to the Stakeholder Engagement Policy. If the Stakeholder Engagement Policy amendments, which include shifting from a prescriptive to a principles-based policy, are endorsed by the collective Industry Councils and approved by the Board, the Stakeholder Engagement Guidelines will be amended, accordingly.

ACTION: The Industry Council will provide Management with amendments to the Stakeholder Engagement Policy, if any, by June 30, 2024.

14. Credentialing Report and Learner Success Rates

Management reported on the credentialing report and learner success rates. The report was received as information.

15. Industry Council Workplan Strategic Planning

The Industry Council finalized its strategic workplan. The Industry Council will set a timeline for completion of tasks and will identify the necessary resources to complete its objectives.

The two primary strategic initiatives are:

1. Completion of the *REA* Rules Review
2. Relicensing Education – Private Lending Course

16. Rules Review Steering Committee Update

Phase Three consultations will begin in the summer of 2024. Phase Three is the final consultation phase, which gathers input from associations and key stakeholders on the unforeseen impacts, if any, due to proposed *REA* Rule amendments.

In March 2024 the Industry Council endorsed the Rules Review Steering Committee's recommendation, in principle, to allow brokers to approve individual incentives, rather than brokerage-wide incentives. However, because of the Phase Three feedback the Rules Review Steering Committee is reconsidering its position on incentives and its recommendation to the Industry Council. Final results of consultations will be presented to the Industry Councils for review.

17. FINTRAC Mortgage Broker Reporting Requirements

The Industry Council will continue to monitor changes to industry practices regarding the [Financial Transactions and Reports Analysis Centre of Canada \("FINTRAC"\) October 11, 2024](#) changes in reporting requirements for mortgage administrators, brokers and lenders.

18. Succession Planning Discussion

While the Industry Council elections and appointments are governed by the *REA* and *REA* Bylaws, the Industry Council considered increasing awareness of the Industry Council and its work. The Industry Council will encourage licensees to apply for future Industry Council roles, to

engage in Committee work, and/or to participate in RECA stakeholder events.

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

The Industry Council moved in-camera with the CEO.

20. In Camera Session with Industry Council, Only

The Industry Council moved in-camera with the Industry Council, only.

21. Final Adjournment

***MOTION:** The Mortgage Broker Industry Council approves the final adjournment of the June 6, 2024, meeting.*

Motion duly made and seconded.

Carried

The meeting adjourned at 11:35 a.m.

22. Next Meeting(s)

- September 19, 2024

Approved at Calgary, Alberta on September 19, 2024

Clarence Lee,
Industry Council Chair