

MORTGAGE ASSOCIATE - RESPONSIBILITIES

Purpose: This bulletin explains the responsibilities a mortgage associate has to their brokerage.

This bulletin applies to mortgage associates.

Mortgage associates have responsibilities to ensure any dealing in mortgages or advertising of their services complies with legislation.

Mortgage associates must:

- deal in the name that appears on their licence
- deal in the name of their brokerage
- ensure deals meet legislative requirements
- follow the policies and procedures of the brokerage
- give documents and deal records to the broker in a timely manner
- inform your broker of your activities
- supervise the activities of your employees
- notify your broker when you learn of any breach of the legislation

Advertising requirements

An associate must deal in the name that appears on their licence and of their brokerage. This includes any advertising on behalf of the brokerage.

Keep your broker informed

Associates must inform their broker of their activities. This includes all documents and information in your files for both completed and non-completed mortgage deals.

Other information you must give your broker includes:

- verification of the associates' share position in a company if the industry professional has his or her commissions paid to that company
- any change of information that was given to the Real Estate Council of Alberta at renewal
- any information regarding any deal in mortgages on the associates' own behalf
- if a brokerage uses an electronic submission system, use the system and advise the broker of any exceptions

Examples

- Margaret Deal is a mortgage associate with 123 Mortgage Brokerage Inc. All her marketing materials use the name "Maggie Dealmaker." Ms. Deal previously applied to RECA to have Maggie recognized as her

also-known-as “first” name for Margaret. RECA approved the name Maggie as it is a derivative of her legal first name.

RECA does not allow the use of false last names by industry professionals. Industry professionals may use a “nickname” in their advertising in conjunction with their real name. Ms. Deal can use the name Maggie Dealmaker in her advertising in conjunction with Maggie Deal or Margaret Deal.

- Jane Smith is a mortgage associate registered with Quality Mortgages Ltd. Ms. Smith collects the appropriate documents and information from a borrower. She completes a mortgage application for a borrower. Two lenders do not approve the loan application. The borrower decides it is not a good time to obtain a mortgage and stops dealing with Ms. Smith. Mortgage funds are not advanced and Ms. Smith destroys the documents and application. Ms. Smith’s actions are a breach of the legislation. Ms. Smith is responsible to give her broker all mortgage documents and information for completed and non-completed deals.
- John Doe is a mortgage associate. He hires an assistant who is not an employee of the brokerage. Mr. Doe must adequately supervise his assistant. He must ensure his assistant does not perform any tasks for which a licence is required. He must get the client’s privacy consent for the assistant to work on their file.

INFORMATION
BULLETINS

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Related information

Legislation

- *Real Estate Act* Rules - section 69, s.70(1)(b)

Guides

- Advertising Guidelines

Information bulletins

- Advertising – Clearly Indicated
- Advertising - Licensed Name