



Ministry of Finance
Financial Institutions Commission
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BULLETIN

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- Superintendent of Financial Institutions
 - Registrar of Mortgage Brokers
 - Superintendent of Pensions
 - Credit Union Deposit Insurance Corporation of British Columbia
 - Superintendent of Real Estate

Please Note:
As of April 2005 the Financial Institutions Commission of BC address changed to:
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BULLETIN NUMBER: MB 04-002

TITLE: CONDITIONS OF REGISTRATION

LEGISLATION: MORTGAGE BROKERS ACT

DATE: APRIL 2004

In conjunction with the Government's streamlining initiatives, the Registrar of Mortgage Brokers has amended the Conditions of Registration for those mortgage brokers who do not handle trust funds.

Many of you will recall that prior to January 1997, all mortgage brokers were required to file audited financial statements annually with the Registrar. In 1997, the Registrar amended the Conditions of Registration to allow those mortgage brokers that did not handle trust funds to file an accountant's statement confirming that the mortgage broker did not handle or receive trust funds or funds that should have been held in trust. The amendments now being introduced will further streamline reporting requirements.

Effective **June 1, 2004**, mortgage brokers that **do not handle trust funds** will be required to file a **statutory declaration** sworn before a lawyer or notary public that confirms the mortgage broker did not handle or receive trust funds or funds that should have been held in trust. The statutory declaration must be filed **within thirty (30)** days of the mortgage broker's fiscal year-end, since it will no longer be necessary for an accountant to conduct an audit or review of the mortgage broker's books and records. Late filings will be subject to late filing fees and to other regulatory action.

Mortgage brokers should be aware that a person who swears a statutory declaration containing false or untrue information commits perjury as defined in section 131. (1) of the Criminal Code of Canada. Should the Registrar receive a statutory declaration that is subsequently shown to contain false or untrue information, criminal charges will be pursued with Crown Counsel.

We believe this change to the Conditions of Registration will reduce the regulatory burden on mortgage brokers. The financial filing requirements for mortgage brokers that handle trust funds remain unchanged. A copy of the revised Conditions of Registration is posted on our website, as well as a sample statutory declaration.

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