

**THE MORTGAGE
BROKERS ACT**

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Order No. 2666

Section 55

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August 14, 2013

Registration Exemption for Salespersons' Corporations

WHEREAS:

(A) A remuneration payable by a registered mortgage broker as a result of a mortgage broker activity requires the recipient of the remuneration to be registered under the Act;

(B) The Manitoba Securities Commission has received various representations from industry that a salesperson registered under the Act, if permitted, may choose to structure his or her business in a manner which would include the payment of remuneration paid by a mortgage broker to a corporation controlled by the salesperson;

(C) The Manitoba Securities Commission has determined, subject to the terms and conditions set out in this order, that it would not be prejudicial to the public interest to exempt certain corporations controlled by a salesperson from the registration requirements of the Act for the sole purpose of permitting the corporation to receive remuneration from a mortgage broker relating to a mortgage broker activity.

IT IS ORDERED:

1. THAT pursuant to section 55 of the Act that a corporation is exempt from the registration requirement in section 2 of the Act, solely in connection with receiving remuneration from a mortgage broker registered under the Act, subject to the following terms and conditions:

- a. The corporation must be incorporated under the laws of Canada or a province or territory of Canada, all of whose

directors, officers and shareholders are salespersons of the same broker or family members of those salespersons;

- b. The Corporation and mortgage broker have a written contract under which the mortgage broker is liable for the acts or omissions of the corporation that relate to a mortgage broker activity; and
- c. Upon the request of staff of the Commission, the Corporation will make any and all of its books and records available for inspection by Commission staff.

BY ORDER OF THE COMMISSION

Director – Legal