

Mortgage Broker Regulators' Council of Canada (MBRCC) **Code of Conduct for the Mortgage Brokering Sector**

The MBRCC is a forum for Canadian mortgage broker regulators to collaborate and promote regulatory consistency to serve the public interest. The MBRCC developed this plain-language Code of Conduct (Code) to promote high standards of conduct to protect consumers of mortgage brokering services.

The ten principles in the Code outline professional behaviour and conduct expectations that Canadians should expect when working with mortgage brokers. Mortgage brokers should conduct their business following these common principles, while ensuring compliance with all applicable laws, regulations, rules or regulatory codes within their respective jurisdiction. Any stricter or more specific requirements, rules or standards of conduct take priority over the Code.

Beyond professional conduct expectations, the MBRCC supports a vibrant and inclusive working environment, where industry representatives do not discriminate or participate in discrimination against any person or entity and where they are not subject to discrimination.

The common principles for conduct in the Canadian mortgage brokering sector are:



- 1. Compliance / Outcomes:** Regulated persons and entities must comply with legislative and regulatory requirements. They should take reasonable steps to ensure their staff and third-party partners also comply. Their conduct should embody the principles included in this Code.



- 2. Accountability:** Regulated persons and entities must act in a responsible / accountable manner. They must exercise care, due diligence and sound judgement in providing products and services.



- 3. Honesty:** Regulated persons and entities must conduct their activities in a truthful, clear and transparent manner. They must not mislead, hide or obscure material information.



- 4. Competence:** Regulated persons must have and maintain the skills, knowledge and aptitudes necessary for their business activities. They should decline to act when they are unable to provide products / services in accordance with this Code.



- 5. Suitability:** Regulated persons and entities must take reasonable steps to present products / services that are suitable for their client(s). They must have a sound understanding of how the products / services match the disclosed circumstances of their client(s).



- 6. Disclosure:** Regulated persons and entities must fully disclose material information to applicable parties in a transaction. Disclosures must be meaningful and made in an honest and timely manner.



- 7. Management of Conflicts of Interest:** Regulated persons and entities must identify and disclose actual, potential and / or perceived conflicts of interest to applicable parties in a transaction. They should have documented policies for managing such conflicts.



- 8. Security and Confidentiality:** Regulated persons and entities must protect their clients' information. They must use and disclose it only for purposes for which the client has given consent or as compelled by law.



- 9. Stewardship:** Regulated persons and entities should act ethically, with integrity and respect. They should foster a culture of compliance. Their conduct should not undermine the public's confidence in the mortgage brokering sector.



- 10. Co-operation with Regulators:** Regulated persons and entities must co-operate with mortgage brokering regulators. They should report possible violations of laws, regulations or this Code to the appropriate authority.