



The Law Society of
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Mortgage Brokerages, Lenders and Administrators Act

The new *Mortgage Brokerages, Lenders and Administrators Act* came into full effect July 1, 2008. The *Act* regulates the following activities:

- carrying on the business of dealing in mortgages in Ontario
- carrying on business of trading mortgages in Ontario
- carrying on business as a mortgage lender in Ontario and
- carrying on the business of administering mortgages in Ontario.

The Superintendent of Financial Services is issuing four types of licences.

As of July 1, 2008 any person or entity carrying on business, in Ontario, of dealing or trading in mortgages, administering mortgages or as a mortgage lender and any individual dealing or trading in mortgages in Ontario, must be licensed with FSCO pursuant to the new Act unless an exemption applies.

Exemption for lawyers

The Law Society was successful in advocating for the exemption of lawyers from regulation under the Act. Under the regulations, lawyers are exempt from the requirement to be licensed if they are dealing in mortgages (except for soliciting a person to borrow money on the security of real property), trading in mortgages or administering mortgages as currently defined in the Act provided that the lawyer is acting in his or her professional capacity as a lawyer on behalf of a client and does not hold himself or herself out as carrying on these activities.

However, lawyers engaging in activities regulated under that Act that do not fall within the realm of the above exemption must apply for a licence.

More information is available on [the Financial Services Commission of Ontario website](#).

