# TRAINING CURRICULUM

Mortgage Brokerage Qualification Program
Responsible Officer

AUTORITÉ DES MARCHÉS FINANCIERS
Direction de la qualification

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# Introduction

The decision to develop a training curriculum for the functions of a responsible officer was made in response to the Government of Québec's will, expressed in Bill 141, to transfer the regulation of the mortgage brokerage profession from the *Organisme d'autoréglementation du courtage immobilier du Québec* (OACIQ) to the *Autorité des marchés financiers* (AMF).

While not the product of an analysis of the profession, this curriculum was developed using the competency framework for agency executive officers, which outlines the professional competencies evaluated by the OACIQ. An initial training curriculum consisting of **five competencies** was submitted to experts in the field and specialists from the educational sector and then validated on January 28, 2019.

The five competencies making up the training curriculum illustrate the full scope of tasks and operations that can be accomplished by a mortgage broker in the functions of a responsible officer. The training curriculum therefore includes every aspect that must be mastered to practise ethically, in accordance with consumer rights; it also takes into consideration the fact that many competencies are perfected over time, with practical experience. All the competencies can be covered in a training activity for people who may undertake the role of responsible officer in the future. They can also be covered in professional development activities for people wishing to improve their practice.

The training curriculum's competencies are integrated into groups of skills, knowledge, strategies, and contents. They allow candidates to develop their professional practice in accordance with the AMF's requirements for the responsible officer occupation.

Every competency is split into components and then further, into subcomponents, in order for its nature and scope as well as the underlying evaluation objective to be explicit. The components and subcomponents are presented in the form of processes or results. They may be formulated identically for different competencies, yet each one is contextualized based on the competency to which it refers.

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To provide further specifications, a list of related contents is included with each competency subcomponent. The contents offer indications on the products, knowledge, behaviours or attitudes required to master the competency subcomponent. Each module of the training curriculum is therefore divided into four major parts:

- The **achievement context** provides information about the situation in which the competency is exercised at entry level on the job market. It allows the competency's scope, importance and field of application to be determined and better understood; it also specifies typical situations and the degree of autonomy and responsibility required.
- The **competency components** and **competency subcomponents** define the competency's nature and scope.
- The related **contents** specify the object of the evaluation and will be addressed in the exam preparation material.
- **Performance criteria** define the requirements used to determine whether each competency component has been achieved.

Due to the information it provides, the training curriculum is at once:

- An internal tool that provides the framework for the development of study material, exam questions and licensing exams;
- A pedagogical planning tool that guides trainers in their course development;
- An exam preparation tool that instructs candidates on the nature and scope of the evaluated competencies.

## Certification

The AMF also publishes an evaluation curriculum outlining the content evaluated in the certification exams. In this curriculum, **only the first competency and the competency components adapted to the AMF's mandate have been selected for developing certification examinations.**

In the evaluation curriculum, the competency components are weighted to quantify their relative importance in the exam. Many factors influence weighting, namely the component's importance for consumer protection as well as the complexity and scope of its underlying concepts and contents.

To help candidates prepare for the exams, the AMF publishes a preparation manual for each module of the evaluation curriculum.

# COMPETENCY 1

## Competency statement

**Set up an ethical professional practice in compliance with the rules of ethics governing the management of a mortgage brokerage firm**

## Achievement context

For a mortgage brokerage firm

- Based on
  - Mortgage brokerage laws and regulations
  - *Civil Code of Québec* (C.C.Q.)
  - *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations
  - Jurisprudence/Case law
  - Financial Transactions and Reports Analysis Centre of Canada (FINTRAC)
  - Compliant mortgage brokerage contracts
  - Mortgage deeds/Acts constituting immovable hypothecs
- Using
  - Web, digital and paper reference sources
  - Necessary equipment, material and technology tools

## Performance criteria for the competency as a whole

- Set up an ethical professional practice for a responsible officer in compliance with the laws and regulations in effect
- Comply with the laws and regulations in effect
- Comply with ethical obligations and duties

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# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1. Understand the legal framework for mortgage brokerage** | | |
| **1.1 Distinguish among the provisions of the *Civil Code of Québec* (C.C.Q.) that apply to responsible officers in mortgage brokerage firms** | • Legal persons and legal business forms<br>• Respect of privacy<br>• Respect of family life<br>• Property and ownership<br>• Administration of the property of others<br>• Civil liability<br>• Management of the business of another<br>• Receipt of a payment not due and unjust enrichment<br>• Modalities of obligations<br>• Payment<br>• Contracts of enterprise or for services<br>• Mandate<br>• Contracts of partnership and of association | • Clearly distinguish among the provisions that apply to responsible officers |

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# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
| --- | --- | --- |
| **1.2 Distinguish among the other sources of law that apply to responsible officers in mortgage brokerage firms** | • *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations<br>• *Act respecting the protection of personal information in the private sector* (APPIPS)<br>• *Bank Act*<br>• *Trust and Loan Companies Act*<br>• *Insurance Companies Act*<br>• *Cooperative Credit Associations Act*<br>• *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA)<br>• *Competition Act*<br>• *Real Estate Brokerage Act*<br>• Regulation respecting land registration<br>• *Canada Mortgage and Housing Corporation Act*<br>• *Bankruptcy and Insolvency Act*<br>• *Consumer Protection Act*<br>• *Taxation Act* and *Income Tax Act*<br>• *Act respecting municipal taxation*<br>• *Act respecting the Québec sales tax* | • Correctly distinguish among the purposes of the laws and regulations that apply to responsible officers in mortgage brokerage firms<br>• Have an adequate understanding of the scope of the laws and regulations<br>• Correctly understand the definition of mortgage broker and the broker's field of activity<br>• Correctly understand the responsible officer's role |

# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1.2 Distinguish among the other sources of law that apply to responsible officers in mortgage brokerage firms (*continued*)** | • *Excise Tax Act*<br>• *Code of Civil Procedure* (C.C.P.) and legal hypothecs<br>• Jurisprudence/Case law<br>• Financial Transactions and Reports Analysis Centre of Canada (FINTRAC) | |
| **2. Ensure that the rules governing the activities of a responsible officer in a mortgage brokerage firm are integrated into the professional practice** | | |
| **2.1 Explain the role of mortgage brokerage regulatory authorities** | • *Autorité des marchés financiers* (AMF)<br>• Mortgage Broker Regulators' Council of Canada (MBRCC)<br>• Mortgage Professionals Canada | • Correctly distinguish among the regulatory authorities that grant the right to practise<br>• Clearly identify other mortgage brokerage authorities |
| **2.2 Ensure that the ethical obligations and duties prescribed by the laws and regulations in effect are integrated into the professional practice** | • Ethical obligations and duties of mortgage brokers and responsible officers in mortgage brokerage firms | • Appropriately interpret the ethical obligations and duties prescribed by the laws and regulations in effect |

# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **2.3 Ensure that the obligations and duties set out in the other legal sources applicable to the practice of responsible officers are integrated into the professional practice** | • Obligations under the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations<br>– Right to practise<br>– Liability insurance<br>– Advertising<br>– Remuneration<br>– Collaboration<br>• Obligation to comply with the provisions of the *Act respecting the protection of personal information in the private sector* (APPIPS)<br>• *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (PCMLTFA)<br>• *Competition Act*<br>• Fraud prevention<br>• Record and register keeping<br>• Tax legislation | • Accurately apply the provisions of the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations<br>• Accurately apply the provisions of the *Act respecting the protection of personal information in the private sector* (APPIPS)<br>• Accurately apply the provisions of the *Competition Act*<br>• Accurately apply the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing* Act (PCMLTFA)<br>• Accurately apply tax legislation |

*Draft version*

# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **3. Supervise the professional activities of a mortgage brokerage firm** | | |
| **3.1 Support the work of clerical and support staff** | • Verification of the work performed<br>• Regulated acts<br>• Control measures | • Ensure that acts are performed within the limits provided by the applicable laws and regulations |
| **3.2 Support the professional activities of mortgage brokers** | • Compliance standards for mortgage broker records<br>– Licence validity and restrictions<br>– Probationary period rules<br>– Trainees<br>– Conduct of mortgage brokerage transactions<br>– Rules of conduct for mortgage brokers<br>– Compliance with professional development requirements | • Correctly understand the terms and conditions of licence issue and restrictions<br>• Closely supervise trainees' probationary periods<br>• Adequately supervise the conduct of mortgage brokerage transactions<br>• Supervise compliance with mortgage broker rules of conduct |
| **3.3 Examine complaints** | • Investigation and complaint examination process<br>• Concept of natural justice<br>• Solutions and settlement<br>• Role of regulatory authorities | • Examine complaints in a fair and equitable manner<br>• Comply with the laws and regulations in effect |

# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **4. Ensure compliance of the mortgage brokerage firm's brokerage transactions** | | |
| **4.1 Ensure the mortgage brokerage firm's right to direct** | • Qualifications of responsible officers<br>• Professional development<br>• Payment of fees and operating expenses<br>• Insurance | • Comply with regulatory requirements relating to the operation of a mortgage brokerage firm |

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# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **4.2 Ensure compliance of the mortgage brokerage firm's records** | • Audit process<br>• Compliance standards for client files<br>– Proof of identity<br>– Right to enter into a contract<br>– Right to represent<br>– Brokerage contract<br>– Client authorizations<br>– Credit check<br>– Proof of income<br>– Liabilities<br>– Balance sheet<br>– Financial statements<br>– Copy of promise to purchase<br>– Lender's letter of commitment signed by the client<br>– Other documents relevant for underwriting purposes (proof of down payment, property description sheet, municipal taxes, etc.) | • Ensure the accuracy of records<br>• Ensure the compliance of mortgage brokerage transaction records based on the laws and regulations in effect<br>• Ensure the compliance of mortgage brokers' records based on the laws and regulations in effect |
| **4.3 Ensure compliance of the mortgage brokerage firm's transaction books and records** | • Audit process<br>• Accounting books and separate account<br>• Compliance standards for commissions registers<br>• Compliance standards for incentives registers | • Ensure the completeness of the audit process<br>• Ensure the accuracy of books and records<br>• Ensure the compliance of various registers with the laws and regulations in effect |

*Draft version*

# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
| --- | --- | --- |
| **5. Maintain professional relationships with government authorities and regulatory authorities** | | |
| **5.1 Deliver the documents and reports required by the regulatory authorities** | • Types of documents and reports required by the regulatory authorities<br>• Delivery rules | • Ensure the accuracy of the documents delivered<br>• Deliver the documents within the prescribed time |
| **5.2 Cooperate with inspectors and investigators** | • Regulatory authority's role<br>• Rights and obligations of responsible officers<br>• Rights and obligations of mortgage brokers<br>• Inspection process<br>– Elements sought by inspectors<br>• Investigation process<br>– Elements sought by investigators | • Correctly identify the concepts of inspection and investigation<br>• Effectively cooperate with inspectors and investigators<br>• Correctly understand the role of regulatory authorities<br>• Correctly understand the rights and obligations of responsible officers and mortgage brokers |

# COMPETENCY 1

| Competency components and subcomponents | Contents | Performance criteria |
| --- | --- | --- |
| **5.3 Ensure the mortgage brokerage firm's compliance with tax obligations** | • Business taxes<br>• GST/QST<br>• Payroll contributions and deductions<br>• Tax instalments<br>• Fraud prevention | • Correctly understand business taxation<br>• Correctly understand business obligations relating to payroll contributions and deductions<br>• Have an adequate understanding of personal tax and the importance of tax instalments |

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# COMPETENCY 2

The following competency is a general competency for responsible officers. It can be taught by educational institutions to individuals who would like to assume the duties of a responsible officer at a later time. It can also be taught to individuals who want to upgrade their knowledge.

## Competency statement

**Establish a mortgage brokerage firm**

## Achievement context

For a mortgage brokerage firm

- Based on
  - Mortgage brokerage laws and regulations
  - *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations
  - Standards, procedures and guidelines
- Using
  - Business plan
  - Financial documents
  - Financial calculator

## Performance criteria for the competency as a whole

- Set up a mortgage brokerage firm in compliance with the laws and regulations in effect
- Comply with the ethical obligations and duties governing mortgage brokerage

*Draft version*

# COMPETENCY 2

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1. Plan the purchase or establishment of a mortgage brokerage firm** | | |
| **1.1 Conduct a market and competitive analysis** | • Purpose of the market analysis<br>– Products and services<br>– Clientele<br>– Location<br>– Price<br>– Promotion<br>– Competition<br>• Data collection methods<br>• Market analysis presentations<br>• Limitations | • Collect data efficiently<br>• Prepare realistic market forecasts<br>• Make judicious decisions |
| **1.2 Draft the mortgage brokerage firm's business plan** | • Business plan components<br>– Description of business activities<br>– Operating plan<br>– Market and competitive analysis<br>– Business position relative to competitors<br>– Marketing plan<br>– Human resources plan<br>– SWOT analysis<br>– Feasibility study | • Clearly distinguish among business plan components and their purposes<br>• Correctly understand the development of a business plan for a mortgage brokerage firm<br>• Format the business plan appropriately |

*Draft version*

# COMPETENCY 2

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1.3 Obtain financing** | • Start-up programs<br>• Negotiation process with financial institutions<br>• Negotiation techniques<br>• Financing terms and conditions | • Be properly informed about start-up programs<br>• Correctly prepare the presentation for lenders<br>• Correctly anticipate questions and objections<br>• Prepare convincing arguments to obtain financing<br>• Adequately negotiate financing terms and conditions |
| **1.4 Establish the mortgage brokerage firm** | • Legal business forms<br>– Characteristics of different forms of businesses<br>✓ Federal incorporation<br>✓ Provincial incorporation<br>✓ Limited liability partnership (LLP)<br>✓ Sole proprietorship<br>– Terms and conditions of creating different forms of businesses<br>– Operating structures<br>– Registration | • Correctly distinguish among the various forms of businesses, the terms of their constitution and operation<br>• Adequately know the business registration process |

# COMPETENCY 2

| Competency components and subcomponents | Contents | Performance criteria |
| --- | --- | --- |
| **2. Organize the activities of a mortgage brokerage firm** | | |
| **2.1 Obtain the required authorizations** | • Terms and conditions under the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations<br>• Qualification of responsible officers<br>• Terms and conditions under tax laws<br>• Local authorizations (occupancy permit) | • Adequately explain the terms and conditions for licensing mortgage brokerage firms<br>• Correctly understand the qualification requirements for responsible officers |
| **2.2 Organize the professional activities of the mortgage brokerage firm** | • Recruitment of mortgage brokers<br>• Recruitment of clerical and support staff<br>• Organization of work and outsourcing of activities<br>• Organization of material and financial resources<br>• Organization of information and communications resources<br>• Agreements with financial institutions, credit reporting agencies and other partners | • Recruit staff in accordance with the laws and regulations in effect<br>• Organize work effectively and efficiently<br>• Organize material and financial resources efficiently<br>• Organize information resources and communications in accordance with the laws and regulations in effect<br>• Make agreements in accordance with the rules of ethics under the laws and regulations in effect |

*Draft version*

# COMPETENCY 2

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **3. Promote the mortgage brokerage firm** | | |
| **3.1 Advertise the firm's mortgage brokerage services** | • Determine the promotional strategies in the business plan<br>– Public relations<br>– Referrals<br>– Website<br>– Direct marketing | • Adequately determine promotional strategies<br>• Ensure a clear link with the business plan |
| **3.2 Participate in networking and promotion activities** | • Types of networking and promotional activities<br>• Ethical and professional obligations of brokers and mortgage brokerage firms relating to advertising and promotional activities | • Correctly understand the rules of ethics and conduct relating to networking and promotional activities |
| **3.3 Ensure the compliance of promotional activities with the laws and regulations in effect** | • Rules for unsolicited communications<br>• *Act respecting lotteries, publicity contests and amusement machines* | • Correctly apply the laws and regulations in effect |

# COMPETENCY 3

The following competency is a general competency for responsible officers. It can be taught by educational institutions to individuals who would like to assume the duties of a responsible officer at a later time. It can also be taught to individuals who want to upgrade their knowledge.

## Competency statement

**Manage the human resources of a mortgage brokerage firm**

## Achievement context

For a mortgage brokerage firm

- Based on
  - Human resources management laws and regulations
  - *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations
  - Standards, procedures and guidelines
- Using
  - Human resources management policies and procedures
  - Computerized tools

## Performance criteria for the competency as a whole

- Manage a mortgage brokerage firm's human resources in accordance with best management practices
- Comply with the laws and regulations in effect
- Comply with the ethical obligations and duties governing mortgage brokerage

# *Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1. Distinguish among the sources of law that apply to human resources management in mortgage brokerage firms** | | |
| **1.1 Distinguish the sources of law that apply to human resources management for clerical and support staff** | • *Canadian Charter of Rights and Freedoms*<br>• *Charter of Human Rights and Freedoms*<br>• *Charter of the French language*<br>• *Civil Code of Québec* (C.C.Q.) – Contract of employment<br>• Labour *Code*<br>• *Act respecting labour standards*<br>• *Pay Equity Act*<br>• *Act respecting occupational health and safety*<br>• *Act respecting industrial accidents and occupational* diseases | • Correctly distinguish among the sources of law that apply to human resources management |

*Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1.2 Distinguish among the sources of law that apply to human resources management for mortgage brokers and responsible officers** | • Requirements under the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations<br>– Qualification of mortgage brokers, limitations and restrictions<br>– Honesty of mortgage brokers<br>– Professional development file<br>– Ethical obligations and duties<br>– Obligations of responsible officers | • Correctly understand the requirements under the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations |
| **2. Manage the recruitment activities of a mortgage brokerage firm** | | |
| **2.1 Establish recruitment policies and procedures** | • Responsibilities<br>• Recruitment process for clerical and support staff<br>• Recruitment process for mortgage brokers<br>• Definition of recruitment methods<br>– Internal<br>– External | • Establish clear responsibilities<br>• Ensure the efficiency of the recruitment process<br>• Ensure compliance of policies and procedures with the laws and regulations in effect<br>• Correctly distinguish among recruitment methods |

# *Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
| --- | --- | --- |
| **2.2 Define the position to be filled** | • Position description<br>– Duties<br>– Requirements and qualifications<br>– Legal requirements | • Prepare a precise description of the position to be filled<br>• Ensure compliance of the description with the laws and regulations in effect |
| **2.3 Prepare the offer of employment** | • Selection of recruitment method<br>• Rules for drafting offers of employment<br>• Legal requirements | • Efficiently and effectively select the recruitment method<br>• Draft the offer in compliance with style conventions<br>• Comply with the laws and regulations in effect |
| **2.4 Organize and conduct selection interviews** | • Preselection of candidates<br>• Scheduling of interviews<br>• Preparation of letters or calls to candidates<br>• Preparation of interview questions, scenarios and evaluation grids<br>• Processing of results<br>• Legal requirements | • Organize interviews effectively and efficiently<br>• Ensure the effectiveness of the selection tools<br>• Comply with the laws and regulations in effect |

*Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **2.5 Ensure the integration of new clerical and support staff** | • Welcome and information<br>• Employee file<br>– Compensation and benefits<br>– Tax requirements<br>• Job training<br>• Unregulated tasks | • Correctly understand the provisions of the laws and regulations in effect<br>• Correctly integrate clerical and support staff |
| **2.6 Ensure the integration of new mortgage brokers** | • Welcome and information<br>• Employee file<br>– Compensation and benefits<br>– Tax requirements<br>• Probationary period<br>– File<br>– Regulated tasks<br>– Supervision<br>– Obligations of the supervisor and the firm<br>– Recommendation to the AMF<br>• Attachment of the mortgage broker to the firm<br>• Job training | • Correctly understand the provisions of the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations |

*Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **3. Manage compensation for a mortgage brokerage firm** | | |
| **3.1 Establish compensation policies and procedures for the mortgage brokerage firm's salaried employees** | • Responsibilities of the responsible officer<br>• Internal and external equity<br>• Components of overall compensation<br>– Seniority<br>– Qualifications<br>– Work schedule<br>– Salary<br>– Overtime<br>– Benefits<br>✓ Group insurance<br>✓ Vacation<br>✓ Sick leave and disability leave<br>✓ Work-related accidents<br>✓ Maternity and parental leave<br>✓ Special leave<br>✓ Other benefits<br>– Performance bonus<br>• Minimum requirements<br>• Taxation and payroll contributions<br>• Outsourcing | • Adequately understand compensation-related requirements<br>• Correctly distinguish among internal and external equity<br>• Understand the main taxation concepts relating to compensation |

*Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **3.2 Establish compensation policies for mortgage brokers** | • Requirements under the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations<br>• Processing<br>• Processing in the event of a replacement<br>• Taxation of commissions<br>• Bonuses<br>• File opening and other fees | • Adequately understand the requirements of mortgage broker compensation<br>• Understand the main taxation concepts relating to commissions paid to mortgage brokers |
| **3.3 Compensate mortgage brokerage firm staff** | • Implementation of a payroll processing system<br>• Implementation of a commissions management system<br>• Payroll contributions and deductions<br>• Work-related accidents | • Accurately process payroll<br>• Accurately process commissions<br>• Ensure accuracy of payroll contributions and deductions |

*Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
| --- | --- | --- |
| **4. Manage occupational health and safety** | | |
| **4.1 Establish occupational health and safety policies and procedures** | • *Act respecting occupational health and safety*<br>– Object of the Act<br>– Rights and duties of salaried employees and mortgage brokers<br>– Rights and duties of employers<br>• *Act respecting industrial accidents and occupational diseases*<br>– Definition of an "industrial accident"<br>– Definition of "injury"<br>– Definition of "recurrence"<br>– Definition of occupational disease | • Correctly identify the purpose of occupational health and safety laws and regulations |
| **4.2 Determine occupational health and safety risks** | • Obligations of employers<br>• Determination of risk of injury based on sector of activity<br>• Psychological and sexual harassment | • Adequately understand the obligations of employers regarding occupational health and safety<br>• Correctly determine the risk of an employment injury |
| **4.3 Implement preventive measures** | • Standards and regulations<br>• Individual health and safety equipment | • Implement relevant preventive measures |

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# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **5. Manage the training of mortgage brokerage firm staff** | | |
| **5.1 Establish training policies and procedures** | • *Act to promote workforce skills development and recognition*<br>– Purpose of the Act<br>– Obligations under the Act<br>– Regulation<br>– Exemptions<br>– Eligible activities<br>– Recording of hours of training<br>• *Act respecting the distribution of financial products and* services (Distribution Act) and its regulations<br>– Compulsory professional development obligations for mortgage brokers and responsible officers<br>– Recording of hours of professional development<br>– Obligations of responsible officers<br>• Probationary periods | • Distinguish among the professional development obligations of clerical and support staff as well as mortgage brokers |

# *Draft version*

## COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **5.2 Define staff training needs** | • Methods of analyzing training needs<br>• Definition of a competency development plan<br>• Creation of an individual training plan | • Accurately assess the improvements to be made to employee performance<br>• Establish specific training priorities |
| **5.3 Ensure the professional development of staff and mortgage brokers** | • Selection of training activities<br>• Monitoring of participant attendance<br>• Monitoring of mortgage brokers' professional development units | • Ensure the relevance of the selected training activities based on the competency development plan and individual training plans |
| **5.4 Update training records** | • Updating of training records<br>• Requirements under the *Act to promote workforce skills development and recognition* and the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations | • Keep training records in accordance with the laws and regulations in effect |

*Draft version*

# COMPETENCY 3

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **6. Evaluate the performance of mortgage brokerage firm staff** | | |
| **6.1 Evaluate the performance of clerical and support staff** | • Performance objectives<br>• Evaluation tools<br>• Evaluation feedback | • Accurately evaluate the performance of clerical and support staff |
| **6.2 Apply the corrective action plan** | • Determination of corrective actions<br>• Performance improvement plan<br>• Follow-up on the performance improvement plan | • Accurately determine corrective actions<br>• Effectively follow up on the performance improvement plan |
| **6.3 Apply disciplinary measures** | • Labour law<br>• Concept of natural justice<br>• Graduated sanctions process | • Correctly apply principles of natural justice and gradation of sanctions |

# COMPETENCY 4

This is a general competency for responsible officers. It can be taught by educational institutions to individuals who would like to assume the duties of a responsible officer at a later time. It can also be taught to individuals who want to upgrade their knowledge.

## Competency statement

**Manage the material and financial resources of a mortgage brokerage firm**

## Achievement context

For a mortgage brokerage firm

- Based on
  - Mortgage brokerage laws and legislation
  - *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations
  - Standards, procedures and guidelines
- Using
  - Financial documents
  - Computerized tools
  - Financial calculator

## Performance criteria for the competency as a whole

- Optimally manage a mortgage brokerage firm's material and financial resources
- Comply with the laws and regulations in effect
- Comply with the ethical obligations and duties governing mortgage brokerage

# COMPETENCY 4

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1. Establish policies and procedures relating to material and financial resource management** | | |
| **1.1 Establish policies and procedures relating to material resource management** | • Components of a material resource management policy<br>– Persons responsible<br>– Delegation<br>– Cost/Price<br>– Sources of goods and services<br>– Recycling<br>• Purchasing procedures<br>• Approvals<br>• Legal requirements | • Distinguish among the components of material resource management |
| **1.2 Establish policies and procedures relating to financial resource management** | • Components of a financial resource management policy<br>– Persons responsible<br>– Delegation<br>– Outsourcing<br>– Call for tenders<br>– Book entry procedures<br>– Legal standards | • Ensure the clarity of the financial resource policy<br>• Comply with standards set by government authorities |

# *Draft version*

# COMPETENCY 4

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **2. Manage the mortgage brokerage firm's goods and services** | | |
| **2.1 Inventory the mortgage brokerage firm's material resources** | • Concepts of material resources<br>– Furniture<br>– Office supplies<br>– Equipment<br>• Services | • Accurately inventory the mortgage brokerage firm's material resources |
| **2.2 Analyze the mortgage brokerage firm's material resource needs** | • Calculation methods for goods and services needs based on financial statements, budgets (projections, acquisitions, etc.) and cash flows | • Accurately analyze the mortgage brokerage firm's material resource needs |
| **2.3 Determine comparative advantages of purchasing or leasing** | • Purchase price<br>• Leasing costs<br>• Maintenance costs<br>• Interest rate<br>• Amortization period<br>• Tax benefits | • Optimize the cost of goods or services |

*Draft version*

# COMPETENCY 4

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **3. Manage IT and telecommunications services** | | |
| **3.1 Evaluate offers for IT resources** | • Service offering comparison methods<br>– Price<br>– Data<br>– Bandwidth<br>– Server management<br>– Security<br>– Website management | • Select the best offer based on the services requires |
| **3.2 Evaluate offers for telecommunications** | • Package comparison methods<br>• Devices<br>• Price<br>• Data<br>• Bandwidth | • Select the best package based on the services requires |
| **3.3 Follow up on service provider agreements** | • Invoice validation<br>• Approval | • Optimize service invoicing |

*Draft version*

# COMPETENCY 4

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **4. Monitor the mortgage brokerage firm's financial situation** | | |
| **4.1 Distinguish among the components of financial accounting** | • Cash basis vs accrual basis accounting<br>• Concepts of credit and debit<br>• Main financial statements | • Correctly identify the components of financial accounting |
| **4.2 Estimate fixed and variable expenses using financial statements** | • Main accounting items<br>• Concept of fixed and variable expenses<br>• Concept of liquidity<br>• Estimation methods | • Adequately estimate fixed and variable expenses using financial statements |
| **4.3 Estimate the mortgage brokerage firm's revenue using financial statements** | • Main accounting items<br>• Mortgage brokers' commission revenue<br>• Referral revenue<br>• Service and rental revenue<br>• Estimation method | • Adequately estimate the mortgage brokerage firm's revenue using financial statements |

*Draft version*

# COMPETENCY 4

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **4.4 Prepare projected financial statements** | • Projected financial statement items<br>• Financial statement preparation methods | • Prepare projected financial statements consistent with disclosure requirements |
| **4.5 Manage the mortgage brokerage firm's revenue** | • Commission management<br>• Referral management<br>• Registers<br>• Compliance with the laws and regulations in effect | • Manage revenue in accordance with the laws and regulations in effect |
| **4.6 Manage the mortgage brokerage firm's expenses** | • Management of fixed expenses<br>– Rent/Loan<br>– Movable property<br>– Other assets<br>• Management of variable expenses<br>– Office equipment expenses<br>– Utility and telecommunications expenses<br>– Travel and hospitality expenses<br>– Compensation<br>– Management of payroll contributions and deductions<br>– Mortgage brokers commissions<br>– Miscellaneous | • Manage expenses in accordance with the laws and regulations in effect |

# *Draft version*

# COMPETENCY 4

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **4.7 Reconcile accounts** | • Management of separate or trust accounts<br>• Bank reconciliation<br>• Reports to be submitted | • Manage separate or trust accounts appropriately<br>• Effectively reconcile the trust account |
| **4.8 Analyze the mortgage brokerage firm's financial performance** | • Analyze solvency<br>• Analyze profitability<br>• Analyze management<br>– Accounts payable payment period<br>– Recovery period for remuneration and referrals<br>• Variance analysis | • Accurately analyze the mortgage brokerage firm's financial performance |
| **4.9 Take the required corrective action** | • Actions to be taken depending on the situation | • Take appropriate action depending on the situation |

*Draft version*

# COMPETENCY 5

The following competency is a general competency for responsible officers. It can be taught by educational institutions to individuals who would like to assume the duties of a responsible officer at a later time. It can also be taught to individuals who want to upgrade their knowledge.

## Competency statement

**Manage a mortgage brokerage firm's documents**

## Achievement context

For a mortgage brokerage firm

- Based on
  - Mortgage brokerage laws and regulations
  - *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations
  - Standards, procedures and guidelines
- Using
  - Financial documents
  - Clients' nominative information

## Performance criteria for the competency as a whole

- Manage a mortgage brokerage firm's documents in accordance with the laws and regulations in effect
- Comply with the laws and regulations in effect
- Comply with the ethical obligations and duties governing mortgage brokerage

*Draft version*

# COMPETENCY 5

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **1. Establish document and information management policies and procedure** | | |
| **1.1 Establish document management policies and procedures** | • Legal requirements<br>• Components of a document management policy<br>– Persons responsible<br>– Delegation<br>• Approvals | • Identify the components of document management<br>• Comply with the *Act respecting the protection of personal information in the private sector* (APPIPS)<br>• Comply with the requirements of regulatory authorities |
| **1.2 Establish information confidentiality policies and procedures** | • Components of an information confidentiality policy<br>– Persons responsible<br>– Delegation<br>– Definition of nominative information<br>– Consents<br>– Information security<br>– Legal requirements | • Identify the components of an information confidentiality policy<br>• Comply with the *Act respecting the distribution of financial products and services* (Distribution Act) and its regulations |

*Draft version*

# COMPETENCY 5

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **2. Determine document management needs** | | |
| **2.1 Inventory information** | • Types of documents and media<br>• Information categories<br>• Responsibility for information | • Make a complete information inventory |
| **2.2 Analyze the mortgage brokerage firm's needs** | • Methods for analyzing document needs<br>– Record retention<br>✓ Physical files<br>✓ Computer files<br>✓ Cloud files | • Accurately analyze the mortgage brokerage firm's needs<br>• Comply with the laws and regulations in effect |

*Draft version*

# COMPETENCY 5

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **3. Classify documents** | | |
| **3.1 Adopt a classification plan suited to the mortgage brokerage firm's needs** | • Types of files and documents<br>• Standard classification plans | • Accurately define the mortgage brokerage firm's types of documents and files<br>• Adopt a classification plan suited to the mortgage brokerage firm's needs |
| **3.2 Codify documents** | • Document codification methods<br>• Data validation | • Accurately codify documents<br>• Verify data validity and compliance |

*Draft version*

# COMPETENCY 5

| Competency components and subcomponents | Contents | Performance criteria |
|---|---|---|
| **4. Ensure document management** | | |
| **4.1 Ensure the protection of documents and information** | • Security measures for physical documents<br>• Security measures for computer data<br>• Available systems | • Establish effective security for physical documents<br>• Establish effective security for computer data<br>• Comply with the laws and regulations in effect |
| **4.2 Process the data and documents to be archived or destroyed** | • Retention schedule for files and documents<br>• Methods for archiving or destroying documents or data<br>• Legal requirements | • Select documents based on a file and data retention schedule<br>• Archive or destroy documents in accordance with legislative requirements |

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