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Issue No. 48 – January 2025

# BULLETIN

## Code of Conduct

### Mortgage Brokerages and Brokers

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Pursuant to section 5 (a) of the **Mortgage Brokerages and Brokers Act** the Superintendent of Mortgage Brokerages and Mortgage Brokers is pleased to establish the following Code of Conduct for Mortgage Brokerages and Brokers effective April 1, 2025.

#### CODE OF CONDUCT

1. A licensee shall comply with the **Mortgage Brokerages and Brokers Act** (Act), Mortgage Brokerages and Brokers Regulations, the code of conduct as well as the terms and conditions of a licence issued under the Act; and the licensee shall not counsel, advise or knowingly assist a person to contravene the Act, the regulations, licensing conditions or any other law that is applicable or relevant to the business of brokering of mortgages on behalf of a brokerage.
2. The licensee shall promote and protect the best interests of their client and in the course of business with every person, act with courtesy, fairness, honesty, good faith and integrity.
3. A licensee shall not engage in conduct, including an act or omission, relevant to the practice of the profession that would be regarded as disgraceful, dishonourable or unprofessional.
4. A licensee shall not obstruct or attempt to obstruct: (i) the administration or attempted administration of the Act; (ii) any person from making a complaint to the Superintendent; or (iii) the Superintendent from making an inquiry with respect to a complaint or otherwise or from receiving accurate or complete information in response to such an inquiry.
5. In the course of business a licensee shall not act or continue to act for a client where the interests of the licensee may conflict with the interests of the client unless the licensee has: (i) at the earliest practicable opportunity disclosed to a client or prospective client any transaction or relationship that could be expected to give rise to a conflict of interest; (ii) taken steps to ensure that the client or prospective client

has demonstrated an understanding of the conflict or potential conflict of interest; and (iii) provided the above information in writing to a borrower despite the actual or potential conflict of interest.

6. A licensee shall take all reasonable steps to ensure that any mortgage presented for consideration is most suitable for the borrower based on the consideration of the features of the proposed mortgage options.
7. A licensee who acts on behalf of a client shall take reasonable steps to determine the material facts that would affect a person's decision to acquire or dispose of a property and at the earliest practicable opportunity, disclose these material facts to the client.
8. In the course of business a licensee shall not knowingly make an inaccurate or misleading representation nor engage in or be a party to misrepresentation or any fraudulent or unethical practice.
9. Except where otherwise authorized or required by law, a licensee shall not disclose to a third party any confidential information of a client respecting a trade in real estate without obtaining the client's written consent.
10. In the course of business, a licensee shall not intimidate or coerce any person or subject any person to undue pressure nor shall the licensee use or omit to use information known to the licensee about the characteristics or circumstances of a client or prospective client, in a manner that exploits or takes unfair advantage of any person.
11. A licensee shall demonstrate knowledge, skill, judgment and competence in providing professional services, and complete continuing education requirements as set out by the Superintendent. If the licensee is not able to provide the services with knowledge, skill, judgement, and competence or is not authorized by law to provide the services, the licensee shall advise a person to obtain services from another service provider. Further, a licensee shall not discourage a client or prospective client from seeking a particular kind of service from another person who is able to provide the service with knowledge, skill, judgment and competence or is authorized by law to provide the service.

Questions and inquiries may be directed to 709-729-2595 or [fsrd@gov.nl.ca](mailto:fsrd@gov.nl.ca).



**Jennifer Crummey**

Superintendent of Mortgage Brokerages and Mortgage Brokers (effective April 1, 2025)  
January 30, 2025