

Advisory

Exempt Market Dealer Activities and Lender Disclosure Requirements under the Mortgage Services Act

Date: October 6, 2026
Distribution: All Current MBA Registrants and Future MSA Licensees
Advisory Number: 26-038

PURPOSE

BC Financial Services Authority (BCFSA) is issuing this Advisory to inform licensees that, effective October 13, 2026, the Superintendent of Mortgage Services (Superintendent), under the Mortgage Services Act (MSA), will exercise regulatory forbearance in relation to: (i) exemptions applicable to exempt market dealers; and (ii) certain disclosure requirements applicable to licensed mortgage lenders. This regulatory forbearance applies to specified requirements under the Mortgage Services Act Regulation (the Regulation) and the Mortgage Services Rules (the Rules).

EXEMPT MARKET DEALER EXEMPTIONS

Section 3(2) of the Regulation exempts persons registered under the Securities Act in the category of investment dealer from the requirement to be licensed under Part 2 of the MSA when providing certain mortgage services in relation to securities of syndicated mortgages, other than qualified syndicated mortgages, provided that they comply with the Securities Act requirements.

The Superintendent will extend this exemption to exempt market dealers registered under the Securities Act who provide the same services in relation to securities of syndicated mortgages, other than qualified syndicated mortgages, provided that they remain in compliance with the Securities Act.

LENDER DISCLOSURE REQUIREMENTS

Section 73 of the Rules generally requires a licensee who engages in any of the activities described in section 8(1)(a) of the MSA to provide an information statement to the other person referred to in that provision. This information statement must be provided using prescribed [Form 5 \(Disclosure of Information Statement to Lender\)](#) and if applicable, [Form 5A \(Addendum for Construction and Development Mortgages\)](#).

The Superintendent will permit an exemption from the Form 5 and 5A disclosure requirement where the other person is a licensed mortgage lender under section 2(d) of the Rules and that mortgage lender has waived the receipt of the disclosure. The waiver may be provided orally or in writing, although a written waiver is recommended. A licensee must ensure that any waiver is appropriately documented and retained in accordance with the record-keeping requirements of the Rules.

EFFECT OF THIS ADVISORY

The activities described in this Advisory will remain in effect until otherwise directed.

QUESTIONS

Questions about the MSA can be sent to BCFSA at msa@bcfsa.ca.

Classification: **Public**

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