



QUICK REFERENCE GUIDE ON THE AMENDMENTS TO THE *REAL ESTATE BROKERAGE ACT*

Real estate and mortgage brokerage activities are currently governed by the Real Estate Brokerage Act (REBA) enforced by the Organisme d'autoréglementation du courtage immobilier du Québec (OACIQ), under the authority of the Ministère des Finances du Québec. Under the REBA, the Organisme d'autoréglementation du courtage immobilier du Québec (OACIQ) acts as a regulator to protect the public by overseeing the activities of real estate and mortgage brokerage licence holders. Here are the key amendments to the REBA made by Bill 141 and the dates to remember.

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| Subject | Measure | Description | Date to remember |
|-------------------------------|---|--|---|
| BROKERAGE TRANSACTION | New definition | Brokerage transaction means all actions taken as part of the performance of a brokerage contract, by which a person is hired to act, for compensation, as intermediary for the sale or purchase of an immovable. It also includes the actions taken with a view to concluding a real estate brokerage contract. | July 13, 2018 |
| LEASING BROKERAGE | Supervision reviewed | Licence holders performing leasing brokerage transactions are subject to the obligations of the REBA even when carrying out a leasing transaction. Other companies or individuals who do not hold a licence may now carry out leasing brokerage transactions, but cannot use a title leading others to believe that they are real estate brokers. Only OACIQ licence holders may use the title of real estate broker or real estate agency. Therefore, real estate brokers from outside Québec will not be able to practise in Québec without being registered as real estate brokers with the OACIQ. | July 13, 2018 |
| MORTGAGE BROKERAGE | Transfer to the AMF | The Autorité des marchés financiers (AMF) will oversee mortgage brokerage. The OACIQ will transfer the information to it. | On May 1, 2020 |
| | Notice of intention to carry on mortgage brokerage activities | The full-service licence holders and real estate agencies are required to inform the OACIQ no later than August 19, 2019, of their wish to retain the right to carry on mortgage brokerage activities so that the OACIQ can inform the AMF. | Send the notice no later than August 1, 2019 |
| | Notice to carry on mortgage brokerage activities | The full-service licence holders, whose real estate agency does not wish to transfer its mortgage activities, are required to inform the OACIQ of their intention to act as mortgage brokers so that the OACIQ can inform the AMF. | December 1, 2019 |
| | Mortgage referral (client referrals) | The real estate broker who does not hold an AMF's certificate may continue to refer clients directly to mortgage lenders and be compensated by them if this compensation does not depend on the conclusion of the loan (e.g. a lump sum, an annual amount). He may refer clients to mortgage brokers and receive from them a share of their commission because the Act respecting the distribution of financial products and services allows mortgage brokers to share their commission with real estate brokers. To receive compensation based on the conclusion of a mortgage loan, the real estate broker will have to obtain a mortgage broker certificate. For more details, see the page dedicated to the transfer of mortgage brokerage supervision on the AMF's website. | May 1, 2020 |
| BROKERAGE CONTRACTS AND FORMS | Brokerage forms | The existing forms remain in force. Brokerage forms continue to be developed by the OACIQ and approved by the Finance Minister who determines those that are mandatory. | July 13, 2018 |
| | Right of withdrawal | The right of withdrawal is reinforced. The client can no longer waive his right of withdrawal that allows them to terminate their contract within three days of receipt of a duplicate of contract signed by both parties. | June 13, 2019 |

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| ANNUAL GENERAL MEETING (AGM) | Removal of the annual general meeting | The AGM is abolished. The OACIQ will maintain a discussion channel with brokers, especially through its annual report. | July 13, 2018 |
| GOVERNANCE | Mortgage representative on the board of directors | There will be no mortgage brokerage representative on the board of directors. | No later than May 1, 2020 |
| | Review of the composition of the board of directors | The board of directors is made up of 6 directors appointed by the Minister of Finance and 6 directors elected by licence holders, including 3 working primarily in the residential brokerage field and 3 working primarily in the commercial brokerage field. | |
| | Election of the Chairman of the Board of Directors | The chair of the board of directors is elected by the members of the board of directors among the individuals appointed by the government. | |
| | Election of directors | Directors are no longer elected by region | |
| FINES | Increase of fines imposed by the discipline committee | The minimum threshold for fines imposed by the Discipline Committee on offending brokers or agencies increases from \$1,000 to \$2,000, whereas the maximum threshold goes from \$12,500 to \$50,000. | July 13, 2018 |
| | Increase of fines for illegal brokerage practice | The threshold for fines regarding illegal brokerage by a natural person increases from a minimum of \$1,500 to \$2,500 and a maximum of \$20,000 to \$62,500. For legal persons, the minimum threshold goes from \$3,000 to \$5,000, while the maximum threshold goes from \$40,000 to \$125,000. | |
| BEGINNER BROKER | Obligation to supervise new brokers by agency executive officers | The notion of beginner broker is replaced by the obligation to oversee licence holders by agency executive officers. | July 13, 2018 |
| FONDS D'ASSURANCE RESPONSABILITÉ PROFESSIONNELLE DU COURTAGE IMMOBILIER DU QUÉBEC (FARCIQ) | Change in governance for FARCIQ | The FARCIQ Board of Directors becomes a professional liability insurance decision-making committee (PLIDC). Members of this committee are appointed by the OACIQ Board of Directors as before. This committee will be responsible for claim processing. The OACIQ continues to hold an insurer's licence and is subject to the rules set out in the <i>Insurers Act</i> . | June 13, 2019 |
| DISCIPLINE COMMITTEE | Extension of the mandate of the chair and vice-chair | The mandates of the chair and vice-chair of the discipline committee are extended from three to five years. | July 13, 2018 |