

**APPROVED GUIDELINES ISSUED BY MORTGAGE
BANKING ASSOCIATION OF NIGERIA (MBAN)**

FOR

MORTGAGE BROKERAGE OPERATIONS

IN

NIGERIA

AUGUST 2013

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1.0 INTRODUCTION

Mortgage Brokerage is the act of soliciting for borrowers and negotiating, finding and placing mortgage and providing advisory services for a fee by licensed professional mortgage brokers

The term ‘Mortgage Broker’ is used to refer to both corporate entities and individuals that deal in mortgage Brokerage.

In these guidelines, licensed Corporate Mortgage Brokers shall be referred to as ‘Mortgage Brokerage Companies/Operators’, while licensed individual mortgage brokers shall be referred to either as ‘Mortgage Brokers’ or ‘Mortgage Agents’.

1.1 DEFINITIONS

(a) MORTGAGE BROKERAGE COMPANY/OPERATOR

- A duly licensed corporate entity that employs licensed mortgage brokers/ agents for the purpose of mortgage Brokerage activities.

(b) MORTGAGE BROKER

- A duly licensed financial professional/ individual who acts, for himself or employed by a licensed mortgage brokerage operator, as agent between borrowers seeking mortgage loans and the Mortgage Loan Originators that offer such lending services.

(c) MORTGAGE AGENT

- A licensed individual employed by the mortgage broker/brokerage operator for the purposes of soliciting and qualifying prospective borrowers and processing their mortgage loan applications.

(d) MORTGAGE LOAN ORIGINATORS/LENDERS

- Licensed Deposit Taking Primary Mortgage and Commercial Banks that provide mortgage to borrowers to buy, build, or renovate houses / properties.

(e) INSTITUTIONAL INVESTORS

- Institutional investors like insurance companies, pensions fund managers, mortgage investment companies (like REIT) with long term funds to invest in mortgages.

2.0 REGULATION/SUPERVISION

1. Mortgage Banking Association of Nigeria (MBAN) is the Self-Regulatory Body duly authorized by the Central Bank of Nigeria (CBN) for registration and supervision of the mortgage brokerage operators and mortgage brokerage activities in the Mortgage Banking Sector in Nigeria.
2. MBAN Shall:
 - (i) Provide regulatory / supervisory service including registration, monitoring and enforcing discipline/ compliance within the Sector to protect the interest of the public.
 - (ii) Provide standards of practice and regulate the business rules by which mortgage brokerage activities will operate.

2.1 REGISTRATION / LICENSING

1. To be able to practise as a Mortgage Brokerage Operator in Nigeria, a person (corporate or individual) shall register with and must be duly licensed by the Mortgage Banking Association of Nigeria (MBAN)
2. MBAN is responsible for issuing and revoking registration licences. MBAN shall provide for three (3) types of licences to be issued, namely:
 - (i) Mortgage Brokerage Company/Operator Licence
 - (ii) Mortgage Broker Licence
 - (iii) Mortgage Agent Licence
3. Mortgage Brokerage Companies/Operators Licence will be issued to corporate entities that carry on the business of dealing in mortgages (i.e. mortgage Brokerage), while Mortgage Brokers' and Mortgage Agents' Licences are issued to individuals.
4. Mortgage Brokers' licence is valid for 4 years then subject to review while Mortgage Agents' licence is valid for 2 years then subject to review.

NOTE

MBAN has the right to refuse to issue or renew a licence, suspend a licence or propose to impose or amend conditions on a licence if the applicant does not meet the requirement for licensing (see Supervision / Revocation of Licence).

2.2 UNLICENSED EMPLOYEES

A Mortgage Broker may employ unlicensed individuals to perform any role that does not require a mortgage brokering licence and such roles include Office Administration, Accounting, Information Technology (IT), Secretarial Services and other duties that typically do not require a mortgage licence.

3.0 MORTGAGE BROKERAGE OPERATIONS

3.1 PERMISSIBLE ACTIVITIES

A mortgage broker shall engage in the following activities:

- (a) Solicits mortgage between borrowers and lenders
- (b) Sources from various Mortgage Originators/Lenders, the loans that best suit customer' (borrowers') needs and circumstances at the most favourable rates and terms available.
- (c) Renders financial advisory services to mortgage customers.
- (d) Assists borrowers in completing processes for loan applications/origination
- (e) Offers mortgage documentation support services to prepare customers for mortgages.
- (f) Collects all necessary documentation required by the lender for final approval.
- (g) Verifies data/documents collected.
- (h) Submits loan packages to the lender for final approval.
- (i) Ensures loan closing/monitoring and mentoring

3.2 NON - PERMISSIBLE ACTIVITIES

A Mortgage Broker shall not engage in the following activities:

- (a) Undertake direct mortgage lending to Borrowers

- (b) Unlawful brokerage practices
- (c) Counseling or advising anyone to give false or deceptive information in a mortgage transaction.
- (d) Obstruct the regulators from performing their duties or withholding any information/documents relevant to an inquiry
- (e) Providing false or misleading information to the regulators
- (f) Collecting deposits or investment fund from the public/customers
- (g) Mortgage administration
- (h) Estate or Estate Services Management Services

4.0 LICENSING REQUIREMENTS

4.1 MORTGAGE BROKERAGE COMPANY/OPERATOR

1. Any corporate organisation seeking a licence as a Mortgage Brokerage Operator in Nigeria shall apply by writing an Application Letter to the Mortgage Banking Association of Nigeria (MBAN). The application shall be accompanied with the following:
 - a. A non-refundable application fee of ₦100,000.00 (One Hundred Thousand Naira Only) or any amount that may be determined by MBAN from time to time, in bank draft, payable to MBAN.
 - b. The application must state a verifiable address for its operations in Nigeria. Not a post office box.
 - c. Photocopy of certificate of incorporation.
 - d. Copy of the Memorandum and Articles of Association.
 - e. Particulars of persons who are the directors of the Brokerage Company (form CAC 7)

- f. Particulars of the individual to be designated as the Principal Mortgage Broker along with two (2) references and photocopies of his/her academic/professional certificates.
 - g. The Principal Broker must have acquired at least:
 - i. Seven (7) years Post- Qualification Experience in a Mortgage Bank with at least three (3) years at the CEO or Senior Management Level; or
 - ii. Seven (7) years Post- Qualification Experience in a Commercial Bank with at least three (3) years at the CEO or Senior Management Level; or
 - iii. Ten (10) years Post- Qualification Experience in Other Financial Institutions with at least three (3) years at the CEO or Senior Management Level; with evidence of involvement in mortgage or mortgage related transactions or activities
 - h. Company Profile / Feasibility Report
 - i. Evidence of Membership of Mortgage Banking Association of Nigeria (MBAN)
 - j. A non-refundable Initial Registration Fee that may be determined by MBAN and payable to MBAN
 - k. An Annual Subscription/ Membership Renewal Fee that may be determined by MBAN and payable to MBAN
1. The application will be subjected to an appraisal which could lead to Approval, if successful. MBAN may impose, amend or vary conditions for licensing as deemed appropriate.
 2. In determining whether a corporate person is suitable to be licensed as a mortgage brokerage operator, MBAN shall have regard to the following circumstances.
 - a. Whether, having regard to its financial position, the company can reasonably be expected to be financially responsible in the conduct of its business.
 - b. Whether the past conduct of any director or officer of the Corporate Entity affords reasonable ground for belief that the business of the company will be carried on in accordance with the laws and with integrity and honesty.

- c. Whether the company is not carrying on activities that contravene or will contravene the regulations / laws, if the company is licensed.
- d. Whether a director or officer of the company has made a false statement or has provided false information to MBAN with respect to the application for a licence.

4.2 MORTGAGE BROKERS / AGENTS

1. Any person seeking a licence as a Mortgage Broker / Agent in Nigeria shall apply on the appropriate Application Form to Mortgage Banking Association of Nigeria (MBAN). The application shall be accompanied with the following.
 - a. Non- refundable application fee for broker and or agent that may be determined from time to time, and payable in bank draft to MBAN
 - b. The application must state a verifiable address for service in Nigeria; and Not a Post Office Box.
 - c. Curriculum Vitae of the applicant along with two (2) professional references.
 - d. The applicant must have acquired at least four (4) years post qualification experience in the case of Broker or 2 years in the case of Agent in a Mortgage, and/ or Commercial Bank, as well as in the Financial Services Industry.
 - e. Recommendation from a mortgage operator to deal in mortgages on its behalf.
 - f. In addition
 - i. Applicant must have successfully completed an approved education/ course/training programme in Mortgage Banking/Brokerage
 - ii. Applicant must have been licensed and has practised as mortgage agent for at least 24 months
 - g. Non – refundable licensing fee applicable to Broker or Agent that may be determined by MBAN and payable to MBAN

- h. Annual subscription/ membership renewal fees payable by Broker and/or Agent as may be determined by MBAN and payable to MBAN
- 2 In determining whether an individual is suitable to be licensed as a mortgage broker or agent, MBAN shall have regard to the following circumstances;
- a. Whether the individual's past conduct affords reasonable grounds for belief that he or she will deal in mortgages in accordance with the law and with integrity and honesty.
 - b. Whether the individual is carrying on activities that do not contravene or will contravene the regulation/guidelines if he /she is licensed.
 - c. Whether the individual has made a false statement or has provided false information to MBAN with respect to the application for the licence.

5.0 POST REGISTRATION SUPERVISORY REQUIREMENTS

1. A mortgage brokerage operator/broker shall notify MBAN promptly after a change of its /his/her business address.
2. A brokerage operator shall
 - a. promptly after registration, deliver to MBAN a list of the names and addresses of mortgage brokers/agents employed by the Company.
 - b. ensure that every mortgage broker/agent under its employment is registered as individual member of MBAN on a continuous basis.
 - c. during the currency of its registration, promptly notify and advise the name and address of each new mortgage broker/agent employed or ceased to be in its employment.
 - d. if a mortgage broker/agent ceases to be employed, the notice must also state the reason (s) for disengagement.
3. Termination of employment of a mortgage broker/agent working under a brokerage operator firm translates to a suspension of the registration of the broker/agent until:
 - a. notice in writing has been received by MBAN from another brokerage operator of the employment of the broker/agent.
 - b. the employment has been approved in writing by MBAN

CAVEAT

- (i) MBAN may at any time vary or review any condition of licence or impose additional conditions.
- (j) Where a licence is granted subject to conditions, the brokerage operator shall comply with those conditions to the satisfaction of MBAN within such a period as MBAN may deem appropriate in the circumstances. Any brokerage operator that fails to comply with such condition shall be guilty of an offence.

6.0 MANAGING THE BROKERAGE FIRM

6.1 THE PRINCIPAL BROKER

1. A Mortgage Brokerage Company/Operator must have a person designated as its principal broker. The person so designated must satisfy the following criteria:
 - 1.1 The person is a licensed mortgage broker who is authorized on its behalf
 - 1.2 The person is a director or officer of the mortgage brokerage /company
 - 1.3 The person must have satisfied the qualification requirements or acquired at least seven (7) years of post-qualification experience in a mortgage or commercial Bank with at least three (3) years at senior management level
2. The Principal broker in the brokerage firm shall take reasonable steps to ensure that the brokerage operator and each broker and agent authorized to deal in mortgages on its behalf, complies with every requirement established in this guidelines
3. The principal broker shall ensure that the brokerage staff take reasonable steps to deal with any contravention in the requirements established in the guidelines by the brokerage firm or by a broker or agent authorized to deal in mortgages on its behalf.
4. The principal broker of a brokerage company shall review its policies and procedure to determine whether they are reasonably designed to ensure that:
 - (a) the brokerage operator and each broker and agent authorized to deal in mortgages on its behalf comply with every requirement under the guidelines;
 - (b) that each broker and agent authorized to deal in mortgages on behalf of the brokerage operator is adequately supervised

5. The principal Broker shall recommend to the brokerage Company that it should make changes in its policies and procedures, if necessary to ensure that standards are maintained / achieved.

6.2 THE MORTGAGE BROKER/ AGENT

1. A mortgage broker or agent shall not do or omit to do anything that might reasonably be expected to result in the brokerage firm on whose behalf he or she is authorized to deal in mortgages to contravene or fail to comply with a requirement established under this guidelines.
2. A mortgage broker or agent shall not receive, directly or indirectly, any fee or other remuneration for dealing in mortgages from a person or entity other than the brokerage operator on whose behalf he / she is authorized to deal in mortgages.
3. A broker or agent does not contravene (2) above by reason only that he or she receives a fee or remuneration from the brokerage company on whose behalf he / she is authorized to deal in mortgages that is paid from another person or entity for services provided by the broker or agent.
4. Despite (2) and (3) above, a broker or agent may receive, directly or indirectly, an incentive other than money from an outside brokerage (i.e. a brokerage that is not the broker's or agent's brokerage) or a financial institution / Bank for dealing in mortgages if all of the following conditions are satisfied:
 - i) The broker or agent has the consent of his or her brokerage.
 - ii) If his/her brokerage and the outside brokerage or financial institution have a written agreement governing the provision of the incentive to the broker or agent.
 - iii) The broker or agent has a written agreement with the outside brokerage operator or Mortgage Loan Originating Bank governing the provision of the incentive to him / her
 - iv) Both agreements require the outside brokerage company or Mortgage Originating Bank to give his brokerage particulars about the following matter both periodically and upon request.
 - The incentive provided by the outside brokerage company or mortgage originating bank to the broker or agent during the applicable period.

6.3 STANDARDS OF PRACTICE

1. POLICIES AND PROCEDURES

1. A brokerage operator shall establish and implement policies and procedures that are reasonably designed to ensure that the brokerage operator and every broker and agent authorized to deal in mortgage on its behalf complies with the requirements of the guidelines.
2. A brokerage operator shall establish and implement policies and procedures that suitably provide for adequate supervision of every broker and agent authorized to deal in mortgages on its behalf.
3. In particular and without limiting the generality of 1 and 2 above, the brokerage operator shall establish and implement policies and procedures in respect of the following:
 - a. the description of the role of the brokerage operator in relation to borrowers and lender and its disclosure to borrowers and lenders.
 - b. the verification of the identity of borrowers, lenders and investors.
 - c. the determination of the suitability of a mortgage or investment in a mortgage for borrower, lender or investor as the case may be.
 - d. the identification of the material risk of a mortgage or investment in a mortgage for borrower, lender or investor, as the case may be and their disclosure to the borrower lender or investor, as the case may be.
 - e. the identification of potential conflict and interest between the brokerage operator or any Broker or Agent authorized to deal in mortgages on its behalf and a borrower, lender or investor who is represented by the brokerage, and their disclosure to the borrower, lender or investor as the case may be.
 - f. the provision of incentives other than money for dealing in mortgage to brokers and agents who are authorized by another brokerage operator to act on its behalf, if the brokerage operator provides incentives to any brokers or agent of the other brokerage company.

2. COMPLAINTS PROCESS

1. A brokerage company shall establish a process for resolving complaints from the public about the mortgage business activities of the brokerage company or of any broker or agent authorized to deal in mortgage on its behalf.
2. The brokerage operator shall designate one or more individuals to receive and attempt to resolve complaints from the public and each designated individual must be an employee of the brokerage company or someone who is otherwise authorized to act on its behalf.
3. The brokerage operator shall keep a record of all written complaints received from the public by the brokerage company and all written responses by the brokerage company.

3. AUTHORISATION OF BROKERS/AGENTS

- I. A brokerage operator shall not authorize an individual to deal in mortgages on its behalf unless the brokerage company takes reasonable steps to satisfy itself that the individual is eligible to be licensed or had been duly licensed as a broker or agent by MBAN
- II. A brokerage operator shall not authorize an individual to deal in mortgages on its behalf if the brokerage operator knows that the individual is a broker or agent who is authorized to deal in mortgages on behalf of another brokerage company.
- III. A brokerage operator shall immediately notify MBAN if the brokerage operator believes that there may be reasonable grounds upon which MBAN could determine that a broker or agent is not suitable to be licensed.

4. RECORD KEEPING

1. A brokerage operator shall maintain the following records:
 - I. Complete and accurate financial records of its licensed activities
 - II. Complete records of every mortgage application, mortgage instrument and mortgage renewal agreement received or arranged by the brokerage company.

- III. Complete and accurate records of any other agreement entered into by the brokerage company in the course of dealing in mortgages
 - IV. Complete and accurate records of all documents or written information given to or obtained from a borrower or prospective borrower, a lender or prospective lender, an investor or prospective investor or any other person or entity in the course of mortgage brokerage business and activities.
2. A brokerage operator shall take adequate precautions, appropriate to the form of its records, to guard against the falsification of the records.
 3. A brokerage operator shall retain records as follows.
 - I. Record that relates to a mortgage or mortgage renewal agreement, as the case may be, for at least six (6) years of the mortgage or renewal or other expiry of the mortgage transaction.
 - II. All records that relate to a purchase or sale or trade in mortgages for at least six (6) years after the trade completion date or other expiry of the transaction.
 - III. All other records that are required for (I) above or that the brokerage company is otherwise required to create or maintain by the regulation for at least six (6) years
 - IV. Record described in subsection (I), (II), and (III) above at its principal place of business, or if the brokerage operator has notified MBAN that it keeps records at other specified premises, at those premises.
 - V. Despite subsection (IV), records in electronic form need not be retained at the premises described in that subsection if those records can be retrieved from those premises in an understandable electronic and paper form promptly upon request.

5. CUSTOMER RELATIONS

1. A brokerage operator shall take reasonable steps to verify the identity of the borrowers, lenders, and investors involved in a mortgage transaction.
2. The brokerage operator must advise the other parties in a transaction if it is unable to verify the identity of the borrower, lender, or investor.

3. A brokerage operator must not complete any transaction if it feels such a transaction is unlawful.
4. If the information provided to a customer is suspicious, the brokerage operator must inform any and all lenders involved in the transaction, as soon as possible.
5. If a brokerage operator arranges a mortgage through a lender, it shall not issue a guarantee to the lender in respect to the mortgage.
6. A brokerage operator shall not coerce a borrower or lender or investor into obtaining a product or service from a particular person or entity, including the brokerage company, as a condition for obtaining another service from the brokerage operator.
7. For the purposes of (6) above, a brokerage operator does not coerce a borrower, lender or investor as the case may be by virtue of offering a service to the borrower, lender or investor on more favourable terms that it would otherwise offer.

6. RETURN OF DOCUMENTS

1. A brokerage operator shall not unreasonably withhold any deed, instrument or other documents from their owners.
2. A brokerage operator shall promptly, without charge, return deeds, instruments or other documents to their owners when requested in writing to do so by the owner or owners' agent.

7. INFORMATION ABOUT THE BROKERAGE

1. Brokerage Operator shall disclose in writing to prospective borrower or lender the following information about the nature of its relationship with borrowers and lenders:
 - a. Information about whether, and when the brokerage operator is acting as
 - i. A representative of the lender but not the borrower in a transaction
 - ii. A representative of borrower but not the lender in a transaction
 - iii. A representative of both the borrower and the lender in a transaction and is not giving preference to the interest of either.

8. COMPENSATION

1. A Mortgage Broker would be entitled to receive compensation for its role in facilitating transactions.
2. Total compensation shall be in form of commission (generally reflected as a percentage of the loan amount) and / or other fees oftentimes labeled “processing fees”, “application fees”, “administration fees” and “document preparation fees”.
3. the method of compensation can vary from transaction to transaction and in specific transaction, a broker’s compensation can be paid by borrower as commission”, by the lender as a “rebate “, or a combination of the two.
4. MBAN as the supervisory body has the authority to intervene as an Arbitrator in the event of exorbitant compensation charge by Mortgage Broker for services rendered.
5. A Mortgage Broker can charge a client any amounts within the limits stipulated by MBAN as below:

Loan Amount (M)	Brokerage Commissions (Max)
>N100M	0.50%
N50M- N100M	0.75%
N20M- N49M	1.00%
N10M - N19M	1.50%
Below N10M	2.00%

6. A brokerage operator shall disclose to the borrower all anticipated compensations being received from all sources, including from the borrower and the lender.
7. No costs and expenses of making a loan may be charged to a borrower which have not been paid, incurred or reasonably earned by the brokerage operator.
8. The brokerage operator shall obtain the borrower’s written acknowledgement that the brokerage company made the said disclosures.

9. MORTGAGE LOAN DISCLOSURE

To ensure that there is enough information to make an informed decision regarding the suitability of a mortgage transaction, a brokerage operator shall

- a. Disclose costs and expenses associated with the loan to the proposed borrower within 3 business days of receiving loan application or before the borrower becomes obligated on the transaction, whichever is earlier.
- b. The cost and expenses shall include, but not limited to:
 - Broker's commission
 - Appraisal fees
 - Loan discount fees (point)
 - Credit reporting fee
 - Fire insurance fee.
 - e t c.
- c. The statement of the disclosure shall also include:
 - Any financial benefits the broker might receive and
 - General information about the loan, including
 - The proposed interest rate, whether it is a fixed or variable rate,
 - The proposed monthly loan payment,
 - The total number of installments and the loan term
- d. The nature of the relationship between the brokerage operator and lender under the proposed mortgage
- e. The role of the mortgage broker
- f. Any potential conflicts of interest
- g. The risk associated with the proposed mortgage
- h. Estimated costs
- i. The cost of borrowing.

7.0 SUSPENSION/REVOCAION OF LICENCE

1. MBAN may
 - Renew or refuse to renew a licence
 - Suspend or revoke a licence
2. A Mortgage Brokerage Company/Operator's licence will be automatically suspended or revoked if;
 - a. It fails to have at least one licensed mortgage broker.

- b. It fails to make reasonable arrangement for the retention of the records required by the standard of practice in this guidelines or fails to inform MBAN about the location in which the records are to be kept.
 - c. If any deed, instrument or agreement signed by or on behalf of a borrower, lender or investor or any other document given to the brokerage operator by the borrower, lender or investor in connection with the brokerage operator's business of dealing in mortgages was willfully held/not returned after several demands.
 - d. If the brokerage operator has outstanding fees, unpaid charges or administrative penalties or for the failure to provide MBAN with information to be submitted or for reason which may be prescribed in the future.
 3. A Mortgage Broker's and Mortgage Agent's licence will be automatically suspended if the Mortgage Brokerage Company's licence is lost or suspended or if the Brokerage Operator no longer authorizes the broker or Agent to deal in mortgages on its behalf i.e. the brokerage operator terminates the Broker's or Agent's employment.
 4. An applicant whose mortgage broker's licence has been revoked, or whose application for a mortgage broker's licence or for renewal of such a licence has been refused, cannot apply for a mortgage broker's licence unless
 - a. 12 months have passed since the revocation or refusal; and
 - b. The applicant satisfies MBAN that new or other evidence is available that material circumstances have changed.
 5. Suspension order will be automatically revoked if the reason for the suspension is corrected and notified to MBAN.

8.0 COMPLIANCE AND ENFORCEMENT

1. Every Mortgage Brokerage Operator, Broker and Agent shall comply with all the requirements, rules and regulations contained in the guidelines, as well as circulars and supervisory letters issued by MBAN on mortgage brokerage activities from time to time.
2. MBAN shall have the right to enter or inspect a licence brokerage operator's premises, examine valuable, documents and records, require employees or those appearing to be employees to answer questions, produce documents or records,

- including data storage systems and remove any item that may be relevant to the inquiry or examination.
3. MBAN officials shall not be refused entry in view of (1) above.
 4. Where a licensee contravenes MBAN regulations, MBAN may
 - a. Issue a compliance order to correct the anomaly
 - b. Invoke administrative penalties and/or in addition to (a) above
 - c. Suspend or revoke the brokerage operator's/broker's/agent's licence.
 5. Impose administrative penalties for contravention of or failure to comply with MBAN regulations and such an administrative penalty may not exceed ₦100,000.00 in the case of a contravention or failure to comply by a Mortgage Broker or Agent or ₦200,000.00 in the case of Mortgage Brokerage Company.
 6. Where an administrative penalty is imposed in amount, the licensee must pay within 30 days except where the licensee makes an appeal, which must be within 15 days of receiving the penalty.

9.0 RENDITION OF RETURNS

To create a pool of data and information on mortgage brokerage business and activities in Nigeria; provide industry –wide data for policy development and research and to provide avenue for off- site supervision and monitoring of mortgage brokerage, Mortgage Brokerage Operators are required to render the following Returns to MBAN:

9.1 QUARTERLY AND ANNUAL RETURNS

1. **QUARTERLY RETURNS**
 - a. Mortgage Loan Activities Return
 - b. Financial Statements.
2. **ANNUAL RETURNS**
 - a. Audited Financial Statements
 - b. Reports of External Auditors about the books, records and accounts of the Brokerage Company.

Note: The Annual Financial Statements must be prepared in accordance with International Financial Report Standards (IFRS) principles and must be audited by a qualified Accounting Body.

3. DEADLINE FOR SUBMISSION OF RETURNS

Every Mortgage Brokerage Company shall submit the required returns to MBAN within the period specified as follows:

- a. Quarterly Returns
 - Not later than twenty (20) days after the end of each calendar quarter

- b. Annual Returns
 - Not later than four (4) months after the end of each Mortgage Brokerage Company's Accounting Year.

9.2 OTHER MATTERS/CHANGES

The following reports / returns shall also be made by Mortgage Brokerage Operators as and when stated to MBAN:

1. LOCATION OF RECORDS

(1) If a Mortgage Brokerage Company/Operator intends to retain its records at premises other than its principal place of business, if any the brokerage operator shall notify MBAN and shall specify the premises at which the records are to be kept.

(2) Above (1) applies only with respect to the record that the brokerage is required to retain under the applicable standard of practice.

2. CHANGE OF ADDRESS FOR SERVICE

If a licensee changes its mailing address, the licensee shall give MBAN particulars of the new address not later than 15 days after the change occurs.

3. CHANGE OF OTHER CONTACT INFORMATION

If a licensee changes its e-mail address, phone number or fax number, the licensee shall give MBAN particulars of the new address or number not later than 15 days after the change occurs.

4. CHANGE OF PRINCIPAL PLACE OF BUSINESS

If a brokerage company changes the location of its principal place of business, shall notify MBAN not later than 15 days after the change occurs.

5. CHANGE OF OFFICES OPEN TO THE PUBLIC

If a mortgage brokerage company opens or closes an office that is open to the public, the brokerage operator shall notify MBAN not later than 15 days after doing so.

6. CHANGE OF DIRECTOR/OFFICER

1. If a brokerage changes one or more of its directors or officer or principal Broker, the brokerage operator shall notify MBAN not later than 5 days after the change occurs.
2. If a mortgage broker or agent ceases to be authorized to deal in mortgages on behalf of a brokerage operator, the brokerage operator shall notify MBAN not later than 5 days after the authority ceases.
3. A mortgage broker or agent who ceases to be authorized to deal in mortgages on behalf of a brokerage company shall notify MBAN not later than 5 days after the authority ceases.

11.0 OTHER MATTERS

10.1 Duty re-concurrent businesses

1. A brokerage operator that engages in another business concurrently with carrying on the business of dealing in mortgages shall not allow the other business to jeopardize its integrity, independence or competence when carrying on the business of dealing in mortgages.

10.2 Use of certain information

1. A brokerage company shall not use information obtained in the course of carrying on business for any purpose other than for which the information was obtained unless the brokerage company has written consent of the person or entity who is the subject of the information.

MORTGAGE BANKING ASSOCIATION OF NIGERIA

AUGUST 2013