



September 18, 2025

To all real estate brokers and property management managers
under *The Real Estate Services Act*

Province of Manitoba

Re: Wire Transfer Deposits under *The Real Estate Services Act*

When *The Real Estate Services Act* ("RESA") came into force, it introduced new provisions allowing brokerages to conduct more of their business electronically. This includes allowances to accept deposits and make payments via electronic fund transfer.

Manitoba Financial Services Agency ("MFSA") staff have received inquiries as to whether it would be acceptable for brokerages to accept a deposit related to the purchase or lease of real estate via wire transfer. While RESA does not contain provisions related specifically to wire transfers, there are two issues related to this practice that would be of concern. The first issue is related to the security of brokerage trust accounts and the trust funds they hold and the second relates to record keeping.

To accept a deposit by wire transfer, a brokerage must provide its trust account number to a third party. A brokerage who provides its trust account number to a third party introduces an element of risk into their business practice and opens the door to potential unauthorized access to its account and trust funds. This is especially true if an account number is provided by electronic means, for example by text message or email. This risk can take many forms whether that be a message inadvertently sent to the wrong person or a malicious party intercepting or skimming information from messages.

Considering record keeping, Part 6 of the *Real Estate Services Regulation* ("Regulation") stipulates that registrants must keep certain records in connection with their business. For a brokerage, these records include trust records connected to the real estate services it provides. As per the Regulation, trust records include information such as the date a deposit is received, the identity of the person making a deposit, and the trade in real estate that the deposit relates to. Due to the nature of wire transfers and the limited information that is provided when such a deposit is made, a brokerage would encounter challenges in satisfying its obligations under the Regulation if wire transfers were to be accepted in a brokerage's general trust account as these accounts typically hold funds for multiple transactions.

While wire transfer deposits may introduce an element of risk, MFSA staff are cognizant of the fact that a deposit made by way of an electronic fund transfer that does not require a brokerage to provide its trust account number to a third party can pose potential issues as these types of deposits can be subject to limits on the amount of funds that may be transferred at one time and/or the number of fund transfers that may be completed in a single day. Further, staff are aware that the public is increasingly looking to conduct transactions using electronic means for both the convenience and speed that these means provide.

To satisfy concerns over security and record keeping, while not introducing unnecessary administrative burden, MFSA staff are prepared to allow brokerages to accept deposits by wire transfer provided the following requirements are satisfied:

1. The brokerage opens a separate trust account at a financial institution in Manitoba solely for the purpose of receiving wire transfer deposits. The name on this trust account must be the name of the brokerage along with the words "wire transfer trust", for example ABC Realty Inc. Wire Transfer Trust. All wire transfer deposits must be deposited into this account.
2. In accordance with Section 5.4 of the Regulation, the brokerage must advise the registrar of its intention to open a wire transfer trust account. Along with the information required by Section 5.4, the notice must also include the name on the account.
3. When opening the trust account at a financial institution, the brokerage's managing registrant (i.e., the real estate broker for a real estate brokerage or property management manager for a property management brokerage), must complete the Brokerage's Letter of Direction to Financial Institution form with a representative from the financial institution and submit the original form to the MFSA's office. The letter of direction may be found on the MFSA's website.
4. When a wire transfer is deposited into a brokerage's wire transfer trust account, the brokerage must transfer the money into its general trust account by the end of the next business day after the deposit is received. This transfer may be done by electronic fund transfer from the wire transfer trust account to the general trust account.
5. To satisfy its record keeping requirements under Part 6 of the Regulation, a brokerage must be able to collect and record the identifying information set out in Section 6.2(1), enter the required details into its trust records, and properly reconcile its deposits and accounts. To this end, brokerages should consider how they will identify wire transfer deposits to comply with these requirements.

Brokerages considering accepting deposits by wire transfer should recall that under RESA a wire transfer deposit is a cash deposit and therefore the brokerage must issue a receipt to both the offeror and the offeree when such a deposit is received.

Questions concerning wire transfer deposits and the requirements set out in this notice may be sent to realestate@gov.mb.ca to the attention of the Real Estate Division's compliance department.



Keith Schinkel
Registrar
The Real Estate Services Act