



FSCO Licence Number: 11616

**POLICIES & PROCEDURES MANUAL  
SECTION 4**

**2017**

The forms in this section are not to be considered mandated. They are simply suggestions of information to be used as guidelines. Each Brokerage is encouraged to design and utilize their own documentation for their purpose.

**DISCLAIMER** - *The sample documents attached are provided for general information purposes only. Your use of any of these sample documents is at your own risk, and you should not use any of these sample documents without first seeking legal and other professional advice. The provision of these sample documents (and the documents themselves) do not constitute legal advice or opinions of any kind, or any advertising or solicitation. No lawyer-client, advisory, fiduciary or other relationship is created between The Canadian Mortgage Brokers Association of Ontario (CMBA) and any person accessing or otherwise using any of the sample documents. CMBA and its affiliates (and any of their respective directors, officers, agents, contractors, interns, suppliers and employees) will not be liable for any damages, losses or causes of action of any nature arising from any use of any of the sample documents or the provision of these sample documents.*

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Points Agreement

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## ACCEPTANCE AGREEMENT

I, the undersigned, have read and agree to the terms and conditions contained in the mortgage loan Commitment ("Commitment") for a First/Second mortgage, against the property located at \_\_\_\_\_ provided by ProFunding Financial Services Inc.

I acknowledge receipt of this Commitment, and of one copy of the Disclosure to Borrower, executed by me \_\_\_\_\_.

In consideration of the Broker arranging the above mortgage for me, I hereby agree to pay a brokerage fee of \_\_\_\_\_ as indicated on the Disclosure to Borrower. I also agree to pay all legal fees and disbursements related to this transaction.

I acknowledge and agree that a fee ("Finder's Fee") in the amount of \$\_\_\_\_\_ will be paid to the Broker by the lender with respect to this transaction, and that payment of such fee is acceptable to me.

It is further agreed that in the event this transaction is unable to close because title to the property is found to be unsatisfactory in the unrestricted discretion of the Lender's solicitor, or if information contained in the Application of Mortgage proves to be incorrect, inaccurate, or in any manner whatsoever, misleading, or if I should decline or omit to take up the amount granted to me in accordance with the Commitment, then all fees and charges as indicated on the Disclosure to Borrower, PLUS a processing fee equivalent to the Finder's Fee as indicated above, will become due and payable forthwith to the Broker.

\_\_\_\_\_  
Applicant Signature                      Date

\_\_\_\_\_  
Co-Applicant Signature                      Date

\_\_\_\_\_  
Applicant Name (please print)

\_\_\_\_\_  
Co-Applicant Name (please print)

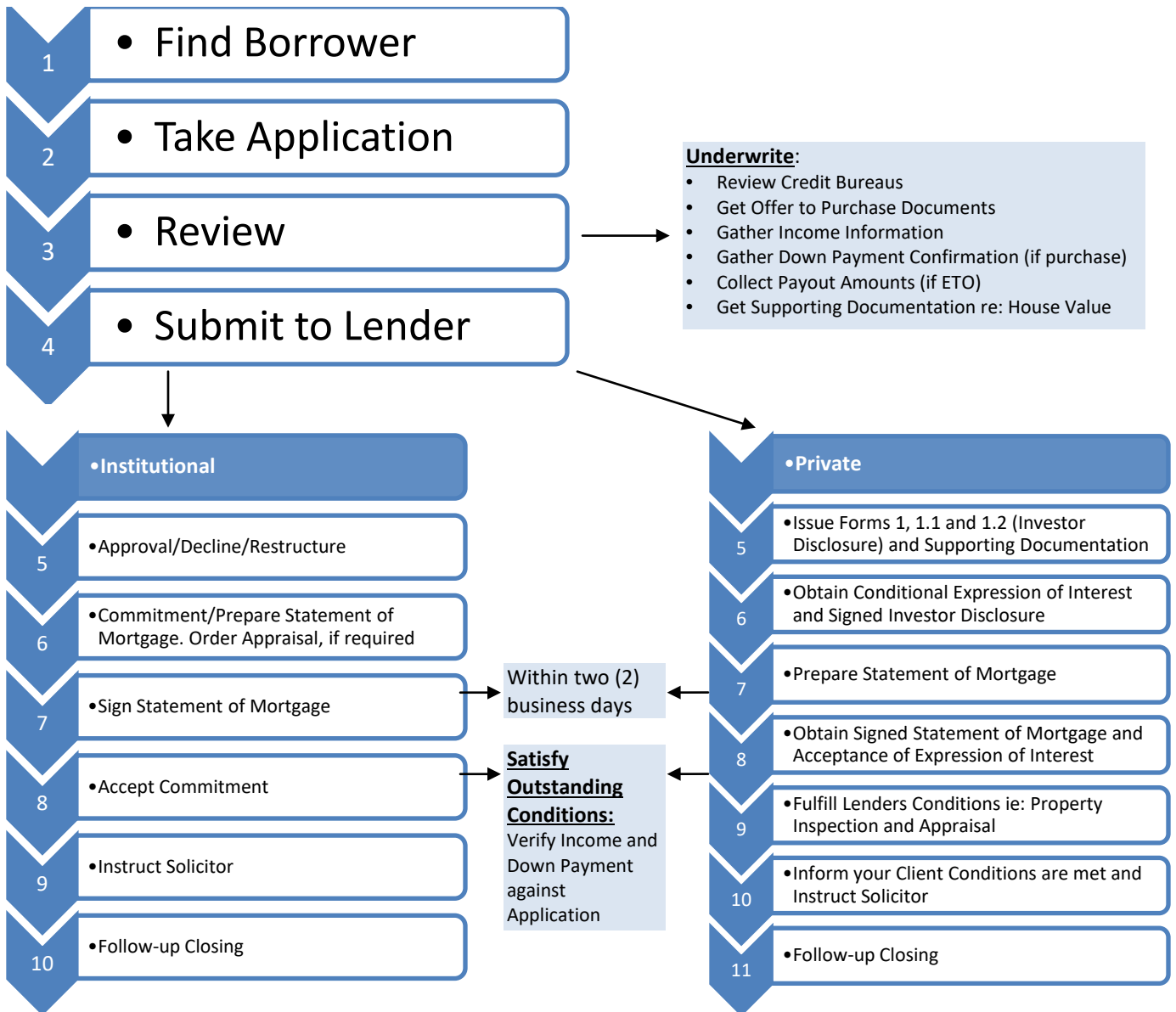
\_\_\_\_\_  
Witness    Date

\_\_\_\_\_  
ProFunding Financial Services Inc. File Number



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# RESIDENTIAL MORTGAGE APPLICATION FLOW CHART





FSCO Licence Number: 11616

## CLIENT ACKNOWLEDGEMENT

### GENERAL TERMS

ProFunding Financial Services Inc. is a licensed Mortgage Brokerage operating in the Province of Ontario. This document is written in plain English, from your perspective: The words "I", "me", and "my" mean each client who signs this document below, and the word "you" means our Mortgage Brokerage (hereinafter referred to as "the brokerage"). All words and phrases contained in this Agreement are to be construed in the singular, plural, masculine, feminine or neuter according to the context.

### OBLIGATIONS

I warrant and confirm that all information I provide to you in connection with any mortgage application or other service you provide (a transaction) will be true and correct, and I acknowledge that you and any lenders or other persons to whom you submit that information will be relying on it in order to consider our application and/or determine our creditworthiness. I hereby release you from all claims in damages or otherwise that we may have in connection with or arising from any use, disclosure or release of any of our personal information, and that I will indemnify you against and save you harmless from any and all claims in damages or otherwise which may be made by any third party in connection with or arising from any personal or other information that we have provided to you. I will pay all legal, property appraisal, and registration fees and other costs or expenses incurred by you in connection with a transaction, such costs to be disclosed to me and agreed to before they are incurred by you.

### COMPENSATION

By signing below, I am acknowledging my understanding that the Mortgage Agent or Mortgage Broker who has affixed their signature below will receive compensation for arranging this mortgage in the form of commissions paid to the Brokerage on the completion of this transaction. Such Commissions may take the form of:

- **Brokerage Fees** you may charge for providing our services, such fees to be disclosed to me fully in advance, and contained in the Ontario Disclosure to Borrower provided to me at the time you present to me any Mortgage Commitment from a Lender;
- **Finder's Fees** provided to you by the Lender;
- **Efficiency Bonus** amounts provided to you by the Lender, based on the percentage of applications received to deals funded by that lender; and
- **Volume Bonus** amounts provided to you by the Lender. Volume Bonuses are additional commissions provided to the Agent/Broker as a result of the total mortgage dollar volume referred to and funded by a specific Lender in a given year by:
  - Any company you are affiliated with nationally; and/or
  - This brokerage in general; and/or
  - The individual Mortgage Agent or Mortgage Broker performing this transaction.

You may also receive additional non-monetary compensation from a Lender, in the form of:

- Rewards "points" that can be exchanged for most goods and services
- Other "points" that may be redeemed to discount interest rates on future mortgage business for other customers
- Travel rewards (airfare, vacations, etc.)
- Educational or Conference attendance tickets at reduced or no charge
- Marketing materials or other co-operative advertising

If there are specific compensation benefits for you to offer me a mortgage from one company over another, you will fully disclose this information to me as part of the mortgage application process so that I may make a fully informed decision regarding the placement of my mortgage with specific lenders.

**COLLECTION OF IDENTIFICATION FOR THE PURPOSE OF FRAUD PREVENTION**

I will provide one piece of identification, in the form of a Driver’s Licence, Age of Majority Card, Passport, or other appropriate documentation as requested by you and documented below by you in order for you to ensure my identity for the purposes of this transaction. I understand and agree that this identification information will be provided to both the Lender and my Solicitor for the purpose of identity verification and fraud prevention with regard to this transaction.

**ORIGINAL DOCUMENTATION**

In order to facilitate this transaction, I agree to provide you with any and all original documentation requested by the Lender as a condition of the mortgage. You agree to return all original documentation to me when requested, at no charge.

**DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST**

I acknowledge that I have a right to, and you have a fiduciary responsibility to, provide me with sound advice and to recommend the appropriate mortgage product, features, term, amortization, rate, etc. to suit my specific needs and without regard to the form or amount of remuneration you will receive as a result of this transaction.

You will also discuss with me, and disclose to me in writing, any potential or actual conflicts of interest related to the arrangement of my mortgage, in order to enable me to make an informed decision about this transaction. For the purposes of this transaction, the following represent actual or perceived conflicts of interest:


I acknowledge that you are acting solely on my behalf and are not representing any interests of the Lender, save your fiduciary responsibilities to them, as part of facilitating this transaction.

I acknowledge that during the previous fiscal year, this brokerage acted on behalf of \_\_\_\_ different lenders, but that no one lender represented 50% or more of their business during that year. I understand that your brokerage does/does not in any capacity operate as a Lender.

I acknowledge that you may compensate other individuals or entities in a monetary or non-monetary fashion, and that such compensation may including referral fees, service fees, or other fees and that these fees must be disclosed to me. For the purposes of this transaction, the following individuals/entities received remuneration:

<b>Individual/Entity Name</b>	<b>Type of Fee / Service Provided</b>	<b>Amount of Fee</b>

I agree that, in the case of a Reverse Mortgage, I will provide a signed statement from my lawyer indicating that I have received independent legal advice regarding this transaction.

**CLIENT RISK PROFILE FORM**

I acknowledge that I have completed a Client Risk Profile form, and that this form will be maintained in my file to reflect my risk profile for the purposes of proper analysis of the borrowing products and services you may recommend to me.

**COMMUNICATIONS WITH PARTIES INVOLVED IN THIS TRANSACTION**

I authorize your brokerage to notify and or communicate with any other parties to obtaining a mortgage approval including lenders, mortgage insurers, other mortgage brokerage’s or any other 3<sup>rd</sup> party service provider relevant to this transaction. When my application for a mortgage has been approved I provide authorization to communicate and disclose information

regarding the status to my lawyer, the real estate agent, or other third-party (appraiser, etc.) involved in this transaction. Only where such information is relevant to this transaction and the party in question.

INDEMNIFICATION OF BROKERAGE REGARDING LENDER/INSURER REQUIREMENTS

I understand that any information you provide to me regarding potential mortgage approvals, products available to me, or other details about this mortgage transaction are based on your understanding of my personal financial situation as I have disclosed to you, the information contained in my Credit Bureau report, and the information provided to you by any Lender with whom you have been discussing my mortgage transaction. You will inform me whenever this information includes estimates or assumptions on your part based on other information I have provided. I acknowledge that any and all mortgage approvals and commitments provided to me are done so providing I meet all outstanding conditions associated with those approvals and commitments, that the withdrawal of those conditions is at the sole discretion of the Lender, and that the Lender retains the right to request additional information from me at any point up to and including the Closing Date of the mortgage transaction in order to satisfy their underwriting requirements. I also understand that my failure to meet these conditions may result in the mortgage not proceeding, and that this decision is at the sole discretion of the Lender.

DISCLOSURE OF MATERIAL RISKS

I acknowledge that you have disclosed to me the general risks to me associated with this mortgage, including:

- Affordability of this mortgage (including Principal, Interest, and Taxes) given my current financial situation (up to, and including, creating and reviewing a home budget for our current financial circumstances)
- Risk to this mortgage and my overall financial situation should I lose employment
- Risk of being charged NSF Fees charged by the Lender should any mortgage payments be returned by my financial institution
- Risk of having to pay administrative or discharge fees at the end of the term of this mortgage should I choose not to renew with this Lender, or should I pay this mortgage out in advance
- Risk of falling into arrears, and the impacts to me of doing so, including risks of default and foreclosure
- Prepayment penalties for paying out this mortgage early, and how they are calculated
- Interest Rate Differential penalties for paying out this mortgage early, and how they are calculated
- Risks of my property depreciating in value, resulting in potential loss of equity
- Risks of interest rates increasing after the renewal date at the end of the term, and potential negative impact on my personal financial situation and home budget should my payment potentially increase at that time
- Risk of having a fixed-rate mortgage, when mortgage rates may decrease in the short, medium, or long term over the course of the term of my mortgage, and the potential interest savings lost as a result of my locking in my mortgage interest rate for a fixed term

CREDIT BUREAU AND PRIVACY AUTHORIZATION

You may collect information during the course of my relationship with you from credit bureau, other financial institutions, and references I provide you. You may also disclose Information to credit bureau and financial institutions. (The word "Information" means financial and financially-related information about me, including, but not limited to, information to identify me or qualify me for products and services, or information that you need for regulatory requirements.) You may use the Information to identify me, protect us both from fraud and error, understand my needs and eligibility for services, recommend particular products and services to meet my needs, provide ongoing service, and comply with legal and regulatory requirements. Access to my information will be given only to individuals who have a need to know it, such as individuals who are responsible for servicing my account, for regulatory compliance, credit adjudication or for marketing. If the mortgage is insured, the insurer may obtain a credit report and other information about me, from any credit bureau or reporting agency and / or from you. You may retain my application and other personal information whether or not any transaction is ultimately complete.

ATTESTATION

By signing below, I acknowledge receipt of a copy of this form and have reviewed the information contained therein. I also acknowledge that I have received this form more than 2 business days prior to the signing of the actual mortgage instrument, unless I waive this requirement as well by initialing \_\_\_\_\_

\_\_\_\_\_  
Applicant Signature Date

\_\_\_\_\_  
Co-Applicant Signature Date

\_\_\_\_\_  
Applicant Name (please print)

\_\_\_\_\_  
Co-Applicant Name (please print)

\_\_\_\_\_  
Applicant Identification Type

\_\_\_\_\_  
Co-Applicant Identification Type

\_\_\_\_\_  
Applicant Identification Number

\_\_\_\_\_  
Co-Applicant Identification Number

\_\_\_\_\_  
Authorized Agent Signature Date

\_\_\_\_\_  
ProFunding Financial Services Inc. File Number



ProFunding Financial Services Inc.

FSCO Licence Number: 11616

**PRIVATE LENDER PROFILE FORM**

Lender Name:	Primary Contact:
Address:	Preferred Contact Method:
City:	Telephone:
Province:	Mobile:
Postal:	Email:

Identification Type:	Identification Number:
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**Total Approximate Amount Available for Mortgage Investments:**

Approximate Income	
¢	Under \$25,000
¢	\$25,000-\$49,999
¢	\$50,000-\$74,999
¢	\$75,000-\$99,999
¢	\$100,000-\$199,999
¢	\$200,000-\$999,999
¢	Over \$1,000,000

Approximate Net Worth	
¢	Under \$20,000
¢	\$20,000-\$34,999
¢	\$35,000-\$59,999
¢	\$60,000-\$99,999
¢	\$100,000-\$199,999
¢	\$200,000-\$999,999
¢	Over \$1,000,000

Investment Objectives			
¢	Safety	¢	Growth
¢	Income	¢	Aggressive Growth
¢	Balanced	¢	Speculative

Other Objectives	
¢	Tax Savings
¢	Retirement Planning
¢	Education Planning
¢	Estate Planning

Risk Tolerance	
¢	None
¢	Extremely Low
¢	Very Low
¢	Low
¢	Low-Medium
¢	Medium
¢	Medium-High
¢	High
¢	Aggressive
¢	Speculative

Time Horizon	
¢	< 1 Year
¢	1 - < 3 Years
¢	3 - < 5 Years
¢	5 - < 10 Years
¢	11 - < 20 Years
¢	20 + Years

Mortgage Lending Experience	
¢	< 1 Year
¢	1 - < 3 Years
¢	3 - < 5 Years
¢	Over 5 Years

Mortgage Knowledge	
¢	Sophisticated
¢	Good
¢	Fair
¢	Novice

Assets/Liabilities Breakdown			
Investments		Mortgages	
RRSP		Loans	
Princ. Res		Other	
Total Assets		Total Liab.	
<b>Total Net Worth</b>			

Signatories below hereby certify that the information provided above is complete and accurate to the best of our knowledge. We understand that you will use this information in part to recommend suitable mortgage investments, and will also consider any underwriting guidelines which we will provide to you for your files. We understand that mortgage investments are in no way guaranteed by the client, the Agent or Broker, the Brokerage, or the Government of Ontario, and understand the inherent risks associated with these types of transactions.

\_\_\_\_\_  
Client Signature

\_\_\_\_\_  
Joint Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Agent/Broker Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Principal Broker Approval

\_\_\_\_\_  
Date

ProFunding Financial Services Inc.

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**CLIENT RISK PROFILE FORM**

<b>Borrower Name:</b>	<b>Co-Borrower Name:</b>
<b>Address:</b>	<b>City, Province, Postal Code:</b>
<b>Telephone:</b>	<b>Email:</b>

**Risk Profile Questions**

Please read the statements below, and check the circle that best represents your opinion, with 1 being **Strongly Disagree** and 10 being **Strongly Agree**

	Strongly Disagree										Strongly Agree									
	1	2	3	4	5	6	7	8	9	10	1	2	3	4	5	6	7	8	9	10
I am concerned about an unexpected expense impacting my ability to pay a mortgage.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am concerned about job loss and being able to pay a mortgage.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have confidence in my long-term financial health.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is important that I have stability in my monthly payment.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I have concerns about the impact of future interest rate movements.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to pay off my mortgage faster than the amortization period.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to increase my monthly payments to pay down my principal faster.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to make a lump-sum payment on my mortgage once per year.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am not comfortable with fluctuations in the value of my home.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I am prepared to make significant changes to my discretionary spending habits in order to afford a mortgage.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I do not expect to sell my property and move for at least five years from now.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I do not expect any major life changes or major expenditure changes for my home budget within the near future	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

I/We certify that the statements made above are true and correct to the best of my knowledge. I/We understand that you will make recommendations to me/us regarding specific mortgage products and services based on the answers to the questions above, explain any and all risks associated with these mortgage loans to me/us, and use this information in part to determine the overall affordability of any mortgage loan based on my/our current lifestyle.

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**WAIVER**

I/We understand that the specific mortgage we are asking you to arrange for me/us, including elements such as rate type, prepayment privileges, monthly payments, and other features of the mortgage falls outside of the risk profile indicated based on my/our answers to the questions above. You have fully explained all of these risks to me/us, including any changes that I/we may be required to make changes to my/our discretionary spending habits in order to fully afford this mortgage, and I/we direct you to complete this transaction for me/us with complete knowledge of these material risks and the potential for harm to my/our overall financial situation as a result of this mortgage.

\_\_\_\_\_  
Borrower Signature

\_\_\_\_\_  
Co-Borrower Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



FSCO Licence Number: 11616

## CORPORATION AGREEMENT

This Agreement between \_\_\_\_\_ (Brokerage)

And \_\_\_\_\_ (Corporation)

And \_\_\_\_\_ (Agent);

Whereas \_\_\_\_\_ is licensed by FSCO as a mortgage broker/mortgage agent, and is authorized to deal in mortgages on behalf of the Brokerage;

And whereas \_\_\_\_\_ hereby directs the Brokerage to pay all compensation for mortgage related activities to the Corporation.

The Corporation hereby declares:

1. all brokers and agents affiliated or associated with the Corporation are authorized to deal in mortgages only on behalf of the Brokerage;
2. the Corporation does not carry on the business of dealing or trading in mortgages other than providing the services of the Agent to the Brokerage;
3. the Corporation will not carry on the business of a mortgage lender unless it does so solely through the Brokerage;
4. the Corporation and its members will not represent to the public, directly or indirectly, that the Corporation carries on the business of dealing in mortgages or as a mortgage lender;
5. the Corporation will not receive, directly or indirectly, revenue for dealing or trading in mortgages from any person or entity other than the Brokerage;
6. a majority of the Corporation's directors are brokers or agents of the Brokerage;
7. a majority of the equity of the Corporation is legally and beneficially owned, directly or indirectly, by one or more brokers or agents of the Brokerage;
8. the Corporation agrees not to hinder or obstruct the Brokerage or the Principal Broker in the performance of their duties under the MBLAA, and not to hinder or obstruct the Agent in the performance of his duties under the Act;
9. the Corporation agrees to abide fully with Ontario Regulation 407/07, as amended by Ontario Regulation 186/08, or subsequent legislation respecting this Agreement.

The Agent hereby declares:

1. the Agent will not receive compensation for dealing in mortgages from any other party or entity except as outlined in this Agreement;
2. the Agent will not direct any other party or entity to direct compensation for dealing or trading in mortgages to the Corporation, but will direct payment of those funds to the Brokerage;
3. the Agent agrees to abide fully with Ontario Regulation 186/08 or subsequent legislation respecting this Agreement.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Per: \_\_\_\_\_  
Authorized Representative of Brokerage

Per: \_\_\_\_\_  
Authorized Representative of Corporation

Per: \_\_\_\_\_  
Agent

**CERTIFICATION FORM**  
DESIGNATED CLASS OF LENDERS AND INVESTORS

The Mortgage Brokerages, Lenders and Administrators Act, 2006 of Ontario defines the designated classes of lenders and investors as follows:

*Initial on appropriate line(s)*

1. An administrator or trustee of a registered pension plan within the meaning of subsection 248 (1) of the *Income Tax Act* (Canada). \_\_\_\_\_
2. A person or entity who is registered as an adviser or dealer under the *Securities Act* when the person or entity is acting as a principal or as an agent or trustee for accounts that are fully managed by the person or entity. \_\_\_\_\_
3. A person or entity who is registered under securities legislation in another province or territory of Canada with a status comparable to that described in paragraph 2 when the person or entity is acting as a principal or as an agent or trustee for accounts that are fully managed by the person or entity. \_\_\_\_\_
4. A person or entity, other than an individual, who has net assets of at least \$5 million as reflected in its most recently-prepared financial statements and who provides written confirmation of this to the brokerage. \_\_\_\_\_
5. An individual who, alone or together with his or her spouse, has net assets of at least \$5 million and who provides written confirmation of this to the brokerage. \_\_\_\_\_
6. An individual who, alone or together with his or her spouse, beneficially owns financial assets (being cash, securities within the meaning of the *Securities Act*, the cash surrender value of a life insurance contract, a deposit or evidence of a deposit) that have an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$1 million and who provides written confirmation of this to the brokerage. \_\_\_\_\_
7. An individual whose net income before taxes in each of the two most recent years exceeded \$200,000 or whose net income before taxes in each of those years combined with that of his or her spouse in each of those years exceeded \$300,000, who has a reasonable expectation of exceeding the same net income or combined net income, as the case may be, in the current year and who provides written confirmation of this to the brokerage. \_\_\_\_\_
8. A person or entity in respect of which all of the owners of interests, other than the owners of voting securities required by law to be owned by directors, are persons or entities described in paragraphs 1 to 8 (para. 1 to 12 of *O.R. 188/08 (2)*). \_\_\_\_\_

As a designated lender / investor the Brokerage is not obligated to give you the investor disclosure form or other supporting documentation that may be required under the *Mortgage Brokerages, Lender and Administrators Act, 2006*. You are entitled to received this form if you request it, and to receive any supporting documentation that you feel is necessary in making an informed decision about the mortgage investment being offered to you an any given time. You may sign a mortgage commitment immediately upon being offered a mortgage investment should you so elect.

ProFunding Financial Services Inc. will always be representing (circle one) The Lender / Both the Lender and the Borrower(s) / The Borrower(s) in the mortgages we offer you unless we advise you in writing otherwise.

At the time of application we will make our best efforts to identify the borrower(s) in all of our mortgage applications. If we cannot do so for any reason, we will require the solicitor acting on your behalf to do so on closing, or advise you that we have been unable to identify the borrower(s).

All mortgage investments are accompanied by a level of risk. These risks may include the fact that the borrower may not be able to repay the mortgage on the maturity date, may be unable to meet his payments on your and or another mortgage on the property, may allow the property taxes to go into arrears and or the insurance may lapse or be cancelled, the property value may decrease during the term of the mortgage, and other risks that are inherent in any mortgage investment.

Thank you for investing in mortgages through ProFunding Financial Services Inc., B-350 Main St. East, Milton, ON, L9T 1P6

\_\_\_\_\_  
Broker Name

\_\_\_\_\_  
Broker Lic. No.

\_\_\_\_\_  
Broker Signature

I hereby certify that I qualify under one or more of the definitions of a designated classes of lenders and investors as indicated above.

Dated at \_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Investor Name

\_\_\_\_\_  
Investor Signature



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## **EMPLOYMENT UNDERSTANDING**

I, \_\_\_\_\_ hereby acknowledge that I have read and understand the Policies and Procedures Manual as provided by ProFunding Financial Services Inc.

I further acknowledge that if I am in breach of these protocols, then I am fully responsible for any and all civil, and/or criminal and/or administrative liabilities and/or sanctions incurred arising from said breach.

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Signed

\_\_\_\_\_  
Dated

\_\_\_\_\_  
Principal Broker Signature



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## NEW MORTGAGE AGENT OR ADMINISTRATOR APPLICANT EVALUATION FORM (INTERVIEW)

APPLICANT INFORMATION
Name
Applying for
Date
Interviewer

HIRING RECOMMENDATION
Hire <input type="checkbox"/> Not Hire <input type="checkbox"/>

CANDIDATE EVALUATION	Poor	Fair	Satisfactory	Good	Excellent
Knowledge of Specific Job Skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales History	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Related Education or Training	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Initiative/Sales Acumen	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication/Listening Skills	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Overall Attitude	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Likelihood of Success	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

<b>STRENGTHS</b>
<b>WEAKNESSES</b>
<b>ADDITIONAL COMMENTS</b>



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Mortgage Agent Name: \_\_\_\_\_

CLIENT'S NAME: \_\_\_\_\_ FILE #: \_\_\_\_\_ / \_\_\_\_\_  
File # Lender Reference #

PROPERTY: \_\_\_\_\_ MORTGAGE AMT \$ \_\_\_\_\_

LENDER: \_\_\_\_\_ CLOSING DATE: \_\_\_\_\_

Mortgage Type: Purchase \_\_\_\_\_, Refinance \_\_\_\_\_, Other \_\_\_\_\_

**\*PLEASE PACKAGE IN THIS ORDER**

- Signed** Client Agreement *(Copy given to client)*
- Credit Bureau report (NO COPY TO CLIENT)
- Signed** Lenders Commitment *(Copy given to client)*
- Signed** Ontario Disclosure to Borrower *(Copy given to client)*
- Initialed** Amortization Summary *(Copy given to client)*
- Signed** Life Insurance form – accepted/refused *(Copy given to client)*
- Void Cheque
- Direct Deposit Form *(Required by some lenders)*
- Solicitor Information
- Proof of Closings Costs (Bank Statement/Gift Letter=1.5%)
- Agreement of Purchase & Sale (\*all realtor forms)
- MLS listing
- Verification of down payment
  - 3 Months Bank Statements
  - Gift Letter
  - RRSP/GIC
  - Equity
    - Copy of existing mortgage (s)
    - Agreement of Purchase & Sale on existing property
  - Other \_\_\_\_\_
- Appraisal Enclosed / Waived or Lender Direct / Insured *(CMHC / Genworth/Canada Guaranty)*
- Other correspondence that is a condition of the deal *(ie. Bridge Finance)*
- Status as "Final" & forwarded to Compliance/Payroll

For each requirement choose only 2.

- Verification of employment, *Applicant*; (please check all that apply)
  - Pay stub
  - LOE
  - If BFS(Specify) \_\_\_\_\_
- Verification of employment, *Co-App*; (please check all that apply)
  - Pay stub
  - LOE
  - If BFS (Specify) \_\_\_\_\_
- Verification of Income, *Applicant*; (please check all that apply)
  - T1 General & all schedules
  - NOA
  - Pension Income
  - Child Support Order
  - CCTB
  - Other \_\_\_\_\_
- Verification of Income, *Co-Applicant*; (please check all that apply)
  - T1 General & all schedules
  - NOA
  - Pension Income
  - Child Support Order
  - CCTB
  - Other \_\_\_\_\_

Declaration of Due Diligence in the Prevention of Fraud (Signature) \_\_\_\_\_

**REFERRAL SOURCE**

Name: \_\_\_\_\_ Realtor \_\_\_/ Other \_\_\_

Company: \_\_\_\_\_





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## AGREEMENT REGARDING NON-MONETARY COMPENSATION

This agreement between \_\_\_\_\_ (Brokerage)

And \_\_\_\_\_ (Lender)

And \_\_\_\_\_ (Agent)

Whereas \_\_\_\_\_ is licensed with FSCO as a mortgage broker/mortgage agent, and is authorized to deal the mortgages on behalf of the Brokerage;

And whereas the Lender (be it a financial institution or another brokerage) may offer non-monetary compensation for the placement of mortgage related products:

1. the Brokerage hereby consents to the payment of this compensation directly to the Agent;
2. the Lender agrees to provide, in writing, details of the particulars of compensation paid, periodically, and upon request by the Brokerage;
3. the Agent consents to the payment of this compensation directly to him;
4. all parties agree to abide by Ontario Regulation 187/08, Section 5, or as subsequently amended.

Signed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

Per: \_\_\_\_\_  
Authorized Representative of Brokerage

Per: \_\_\_\_\_  
Authorized Representative of Lender

Per: \_\_\_\_\_  
Agent



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## REFERENCE CHECK

Candidate Name:	Reference Contact Name:
Position Applied For:	Job Title:
Date:	Organization:
Reference Check Completed by:	Phone Number:

1. What were his/her areas of strength?
2. Can you describe for me the environment in which this salesperson would be the most successful?
3. What would you say was his/her biggest accomplishment?
4. How would you describe the applicant's energy level and stamina?
5. Please describe, with an example, the applicant's ability to problem-solve for a client.
6. How would you describe the applicant's negotiation skills? Please provide an example.
7. How would you describe the applicant's decision-making ability? Please provide an example.
8. How would you describe the applicant's judgment? Please provide an example.
9. Please describe the applicant's communication skills. Please provide an example.
10. How would you describe his/her interaction with customers?
11. Describe this person's relationships with co-workers. Please describe the type of conflict he/she encountered with co-workers.
12. How was (s)he perceived by others? (Specifically regarding attitude)
13. How did (s)he handle stress? What would (s)he do to cope? Give example.
14. Will you please comment on his/her organization and time-management skills? Please provide examples.
15. How would you describe the applicant's adaptability? Can you give me an example of when the applicant had to prove his/her ability to adapt?
16. What areas were identified for improvement in the candidate's performance?

NOTE: See Section 3.1.2 for more Effective Recruiting information.



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## RESOURCES

It is recommended that every Principal Broker, Broker, Agent and administrator familiarize themselves not only with the essence of the Mortgage Brokerages, Lenders and Administrators Act 2006 and accompanying Rules and Regulations, but also with the actual Legislation itself. Therefore we have provided the MBLAA, 2006 and the accompanying Rules & Regulations in the following Section. The links below are direct links for your reference of the same.

<http://www.ontario.ca/laws/statute/06m29>

<http://www.ontario.ca/laws/regulation/070406>

<http://www.ontario.ca/laws/regulation/070407>

<http://www.ontario.ca/laws/regulation/070408>

<http://www.ontario.ca/laws/regulation/070409>

<https://www.ontario.ca/laws/regulation/070410>

<http://www.ontario.ca/laws/regulation/080187>

<http://www.ontario.ca/laws/regulation/080188>

<http://www.ontario.ca/laws/regulation/080190>

<http://www.ontario.ca/laws/regulation/080191>

<http://www.ontario.ca/laws/regulation/080192>

<http://www.ontario.ca/laws/regulation/080193>

Mortgage Administrators

<http://www.ontario.ca/laws/regulation/080189>

<https://www.ontario.ca/laws/regulation/070411>

## Contributors

The writing and creation of this document was done with the help and assistance of many individuals. We cannot name them all, but want to give special thanks to the following contributors to this manual:

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