

Client Engagement Letter

Integrity

Thank you for choosing _____ (“Mortgage Advisor”) and _____ (“Brokerage”) to facilitate your application for mortgage financing. We are proud to provide the highest standards of professionalism and conduct ourselves with the utmost integrity in providing our services to you; we will never commit fraud or falsify application documents. You can be secure in the knowledge that our advice is given with your best interests in mind.

Confidentiality

Your Private Information (“Private Information”) and its security is important to us. Over the course of arranging your mortgage financing we will request, and be privy to, much of your personal information including SIN numbers, bank account history, employment, financial statements, etc. Be assured you can provide your personal information knowing that we will only collect the information necessary to achieve your financing goals. We do not sell your information to a third party. Your information and documents are stored in a secure, encrypted service. All conversations and notes we make are kept confidential. If we discover illegal or fraudulent activity we may be required to report these findings to the appropriate authorities.

Disclosure

Our office arrangement involves sharing Private Information with our Brokerage and/or MA Mortgage Architects Inc. and may include shared services such as photocopying, telephone, internet, fax, email, mail and software applications and programs. We will share the information you provide to us with third-party service providers including but not limited to lenders, insurers, law firms and appraisers.

Communication

Our role is to guide you through the mortgage financing process and explain the details of the mortgage you may obtain, providing you regular updates throughout. We will also assist you in dealing with appraisers and insurance agents. Our goal is to simplify the process for you to obtain you the best possible mortgage.

At no point are we able to guarantee financing. We cannot guarantee that we will be able to obtain financing for you, even if you are pre-qualified or when a lender commits to financing. We cannot guarantee that the lender will fulfill its mortgage commitment to you, particularly if circumstances change after you are approved for financing.

Process

During the application process we will ask you to provide us with Private Information and financial documents that prospective lenders may request before considering your application. Our goal is to pre-qualify your application with our knowledge of lending rules and guidelines. If we are successful in arranging financing for you, the lender will deliver a Mortgage Commitment. The Mortgage Commitment will provide terms and conditions specific to the mortgage funding. Lenders may ask for additional information to determine your creditworthiness before and after providing a Mortgage Commitment. Our goal is to fulfill all the funding conditions as quickly as possible. Timing to fulfill the funding conditions cannot be guaranteed and is often dependent on how quickly documents or information can be obtained from you or from other sources.

The Proceeds of Crime (Money Laundering) and Terrorist Financing Act

The Canadian federal government has enacted the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (the “Act”). The Act imposes obligations on our Mortgage Advisors and employees to record certain client transactions and report any “suspicious transactions” to an agency of the federal government; that is, financial transactions we reasonably suspect are related to the commission of a money-laundering offence. Further, the Act prohibits our Mortgage Advisors and

employees from informing clients that a suspicious transaction has been identified, or from disclosing to clients the contents of a report when made.

You should also be aware that under provisions of the Act certain authorities may have the power to seize our mail or enter our premises:

- The Financial Transactions and Reports Analysis Centre of Canada (“FINTRAC”) have the authority to enter our firm, without a search warrant, to determine if we are complying with the Act. FINTRAC officials will be able to access our computer and data-processing system, examine and copy file information and records and reproduce any information or record; and
- The Canada Revenue Agency have the authority to seize, retain and open mail that it reasonably believes contains \$10,000 or more in cash or monetary instruments.

The Act may require our Mortgage Advisors and employees to disclose confidential client information, particularly as it relates to the transfer of cash more than \$10,000 in one or more transactions. Our obligations under the Act are not optional.

Termination of Engagement

You may terminate this engagement at any time by providing us with written notice. We may terminate this engagement at any time by providing you with written notice, which may be for reasons including, but not limited to:

- you provide us with false, incomplete or misleading information;
- you ask us to do something unethical or illegal;
- you fail to cooperate with us; or
- we cannot find suitable financing for you despite our best efforts to do so

Compensation

Generally, the lender pays us a fee for arranging your mortgage. The fee we are paid varies depending on the lender and the nature of the financing obtained. We will disclose our fee to you upon request and/or in a disclosure statement we provide to you.

If financing from a private or alternative lender is required, or if construction financing is required, you must pay a fee to the Brokerage to arrange the financing. The fee we charge varies depending on the amount and nature of the financing required. We will disclose our fee and obtain your approval before you enter into a financing or mortgage commitment. Although our fees are generally paid by the lender, you may have to pay other expenses in connection with the financing arranged. These expenses include but are not limited to:

- legal fees and disbursements, title searches, title insurance, mortgage processing, Property Transfer Taxes, provincial and federal taxes;
- appraisal fees;
- strata document retrieval fees; or
- fees charged by the lender.

Protection

Our Mortgage Advisor may provide you with options for mortgage life insurance, critical illness and disability to protect your investment and your family. While these insurance policies are optional we prefer to verify that you have adequate coverage in place. Our partners for insurance products include, but are not limited to:

- a) Mortgage Protection Plan through Manulife; and
- b) a referral to a qualified insurance agent.

Agreement

We rely on the information you provide to us. It is important that you promptly provide us with the information we request. You warrant to us that the information you provide to us in the mortgage application process is true, complete and accurate



and that you understand that it is being used to determine your creditworthiness. You also confirm that this engagement letter is the entire agreement between us, and that we have not made, and you have not relied on, any guarantee, promise or representation that is not included herein. You authorize us to obtain any further information we may require from any source (including, for example, credit bureau) and you confirm that each source is authorized to provide us with the information we request. You also understand, acknowledge and agree that the information given in the mortgage application, as well as other information we obtain in relation to your credit history, may be disclosed to potential mortgage lenders, mortgage insurers, service providers or organizations providing technological or other support services related to facilitating your mortgage and the operation of our Brokerage.

By signing this agreement, you grant our Mortgage Advisor(s) and Brokerage permission to contact you in the future to discuss your mortgage transaction. You also provide consent under Canada's Anti-Spam Legislation for us to send you communications about the latest mortgage news, events and services we believe may be of interest to you.

Thank you for your trust and we look forward to working with you. Please confirm that you agree with the terms and conditions of this engagement letter by dating and signing below and returning it to our office.

Yours truly,

Client Signature

Client Signature

Client Name

Client Name

Date

Date