

MORTGAGE BORROWER RELATIONSHIP DISCLOSURE DOCUMENT & SERVICE AGREEMENT:

The following form was developed by the Real Estate Council of Alberta to assist borrowers in understanding their relationship with mortgage brokerages. For a variety of reasons, a mortgage professional may not always be able to obtain the lowest rate or best terms in the market place for a particular borrower. The terms of the purchase contract, type of property, property value, borrower's employment status, borrower's financial position and credit history are some factors that might affect rates and terms.

MORTGAGE BROKERAGE'S ROLE

This is not intended to be an all inclusive list but in general terms the following document describes the mortgage brokerage's role and resulting obligations to you. You are encouraged to discuss this document with your mortgage brokerage representative and ask any questions you may have.

In general terms a **mortgage broker** can be described as a matchmaker between a borrower and a lender with the goal of originating a mortgage loan. Typically, a mortgage broker draws from a pool of various lenders to find the right match.



Verico Compass Mortgage Group
the mortgage brokerage (we)
and

Full Name

Full Name

1. Term of Agreement

1.1 This Agreement begins on _____ at _____ (time). It ends on the funding of the loan, mortgage or other financing.

2. Services

- 2.1 We will collect your personal information to determine your identity and credit eligibility.
- 2.2 We will submit your financing application and other documentation to the lender.

3. Personal and confidential information

- 3.1 You give your consent to us to collect, maintain, use, and disclose your personal information for the purpose of this Agreement and for all uses consistent with arranging and/or renewing loans, mortgages or other financing.
- 3.2 You agree, we will collect your personal information from any person or source that has personal information about you. You authorize them to release your personal information to us.
- 3.3 You agree we can provide your personal information and financing application to each potential lender, insurer, insurance agent/broker or service provider, and they may receive this information maintain records relating to you, including your Social Insurance Number if you provide it.
- 3.4 You agree, each potential lender, and we can verify any information from any source for the purposes of this agreement and arranging and/or renewing loans, mortgages or other financing.
- 3.5 You agree we will retain your personal information for safe keeping in accordance with the *Real Estate Act of Alberta*, the *Personal Information Protection Act (PIPA)* and the *Personal Information Protection and Electronic Documents Act (PIPEDA)*, whether or not your financing is approved or funded. You agree, we may send the application and personal information to a corporate office of the brokerage and hold the information securely with access restricted to individuals having a need to deal with the information.
- 3.6 We will not:
 - a) give out any of your confidential information without your consent, unless required by law.
 - b) use confidential information we receive from you or that we get from performing under this agreement for any other purpose than those in this agreement unless you agree in writing.
- 3.7 Our duty to keep your information confidential continues after this agreement ends.

- 3.8 You understand the use of the information is to determine your credit eligibility.
- 3.9 You agree we may advise your **real estate professional (if applicable)** about the progress of your application.

Initial to consent: _____ **Initial to consent:** _____

4. Our responsibilities

- 4.1 We will review your personal information and documents received to confirm your identity and your credit eligibility. If further verification is required, we will notify all parties to any potential transaction of any changes.
- 4.2 We may provide related financial services.
- 4.3 We will act as an intermediary between you and lender(s).
- a) Our responsibilities to you in an intermediary relationship include:
- i. be honest;
 - ii. exercise reasonable care and skill;
 - iii. gather your intended property and financial information to determine the lending options available to you;
 - iv. disclose and explain finance options for your consideration;
 - v. complete and submit documentation to the lender; and
 - vi. keep you informed of the progress of your application.
- b) Our responsibilities to the lender are:
- i. be honest;
 - ii. exercise reasonable care and skill;
 - iii. complete and submit documentation to the lender;
 - iv. disclose what steps were taken to verify information and documentation as part of the application process; and
 - v. keep the lender informed of the progress of the application.

5. Your responsibilities:

- 5.1 Communicate and cooperate with us.
- 5.2 Be honest
- 5.3 Give us personal and financial information and keep us updated on any changes.
- 5.4 Pay all applicable expenses for: specific fees e.g. property appraisal, default mortgage insurance, title insurance etc
- 5.5 Pay for any costs we incur to verify your personal information (if applicable you would be notified in advance of any charges that may be incurred).

6. Credit Bureau Consent:

- 6.1 You authorize us, and/or our lending partners, to obtain credit report(s) from Equifax or TransUnion.

7. Our fee

- 7.1 **We will be compensated for this mortgage transaction in the following ways (only checkmarked items apply/may apply):**

- By way of commission/income or fee paid by the lender
- By way of salary paid by the lender
- By charging you a fee
- By way of renewal commission from the lender if you keep the mortgage loan in force
- By way of commission/income depending on the length of the term or the amount of the mortgage
- Other

- 7.2 We may (will) also receive monies or non-monetary benefits from the lender that include (only items check marked may apply):

- Additional commission/income based on my volume of business with the lender
- Additional commission/income based on my efficiency with the lender
- Additional commission/income because you are paying a higher rate than otherwise available with this particular lender
- Travel/gifts
- Attendance at seminars or conferences
- Equity shares with the lender
- Other

8. Early end to this agreement

- 8.1 Despite the end date listed at the beginning of this agreement, the agreement ends immediately if any of these things happen:
- a) we both agree in writing to an earlier end date.
 - b) our licence to deal in mortgages is suspended or cancelled.
 - c) we are bankrupt, insolvent, or we are in receivership.
 - d) you materially breach this agreement and we give you written notice to end it, or we materially breach this agreement and you give us written notice to end it.

If the agreement ends for any of these reasons, there will be no effect on our rights and your rights under this agreement.

9. Other details about this agreement

- 9.1 The laws of the Province of Alberta govern this agreement.
- 9.3 Words in the singular meaning may be read as plural when required by the context.

- 9.4 The clause numbers will change as necessary, if there are changes in this agreement.
- 9.5 Any future changes to this agreement must be in writing and signed by both of us to be effective.
- 9.6 You agree the information provided to us and the financing application is true and correct.
- 9.7 You acknowledge this agreement accurately sets out what both of us agree to
- 9.8 You acknowledge that you have read and received a copy of this Agreement.

10. Contact information

- 10.1 You and we may communicate and deliver documents and information to each other in person, by mail, or electronically. You and we acknowledge there are risks with each of these methods and we have explained these risks to you.
- 10.2 We will use the following contact information for all written communications between both of us. Both of us must tell each other in writing within two business days of the change of this information.

Mortgage Brokerage Information:

Name: Verico Compass Mortgage Group
Local Office Address: 13120 St. Albert Trail NW Edmonton, AB T5L 4P6
Head Office Address: #108, 1405 St. Paul Street Kelowna, BC V1Y 2E4
Phone: 780-722-6287
Fax: 1-866-322-0592
Email: natalie@youredmontonmortgage.com
Mortgage Broker's Name: Natalie Wellings

Pursuant to the Real Estate Act, the brokerage is required to maintain your mortgage file for a minimum period of 3 years. This brokerages' file storage methods include maintaining paper and electronic files as well as electronic transmission and storage of such files. In addition to the storage methods listed above, we communicate by use of electronic devices and send data over the Internet, including but not limited to electronic mail. Such communications may include information that is confidential to you. Our firm employs measures in the use of computer technology designed to maintain data security. While we will use reasonable efforts to keep such communications and storage methods secure in accordance with our obligations under applicable laws and professional standards, you recognize and accept that we have no control over the unauthorized interception of these communications once they have been sent, and you consent to our use of these electronic devices during this engagement.

We, customer(s) of Verico Compass Mortgage Group and the Mortgage Broker listed in this agreement, as undersigned acknowledge, warrant and confirm:

- ⇒ that this consent is provided by me to arrange and/or renew loan(s) or other credit facilities
- ⇒ that the information given in the mortgage application form is true and correct and I/we understand that is being used to determine my/our credit responsibility and to evaluate and respond to my/our request for mortgage financing
- ⇒ that this consent is provided to give permission to **Verico Compass Mortgage Group and my Mortgage Broker** to contact me on an ongoing basis via telephone, email or regular mail for consideration of products and services that may be of interest to me in the future, for an unlimited period of time

Initial to consent: _____ **Initial to consent:** _____

Borrower's Information:

Address(s): _____

Phone: _____

Email: _____

Borrower Name(s): _____

Borrower Signature(s): _____

Date: _____

Please return the signed document to me by fax (1-866-322-0592) or email (natalie@youredmontonmortgage.com)