

Policies & Procedures Updates

Email Communication With Clients, Prospective Borrowers & Lenders

All email communication with clients, prospective borrowers, lenders and prospective lenders must be communicated via the brokerage provided email account with the @maobroker.com. Mortgage Associates Ontario Inc. does not permit agents to communicate with clients, prospective borrowers, lenders and prospective lenders via personal email accounts such as @gmail.com, @yahoo.com or their personal website/domain email account.

Agent Protection of Data

Any documentation not further required, must be stored electronically on the agent/broker's computer or safe cloud storage service for a period of 6 years beyond the date of the last interaction with the client pertaining to the mortgage, and must be provided to Mortgage Associates Ontario Inc immediately upon request.

Investor Disclosure Forms

The government authorized investor disclosure form, also known as ON Form 1 Investor/Lender Disclosure Form, must be submitted for review prior to the issuance of the form to the investor. The Investor Disclosure form must be submitted via Private Mortgage Review Form completed on the Mortgage Associates Ontario Inc website broker portal (<https://mortgageassociatesontario.com/wp-login.php>) using the brokerage provided login credentials, and submitted to head office for head office review and signature of a broker designated by head office to confirm details and suitability of the investor disclosure form.

If any corrections or changes to the investor disclosure form are suggested by the head office designated broker, the agent or broker must make those changes and re-submit the investor disclosure form for further review, along with any additional documentation requested by head office.

The government authorized investor disclosure form also known as ON Form 1 Investor/Lender Disclosure Form must be completed for all private mortgage transactions where the agent or broker is representing the lender. This also applies to private mortgage transactions where the agent or broker is representing a lender whom is a family member, spouse, girlfriend, boyfriend, friend, associate, business associate, etc. There is no exemption to this policy, regardless of the relationship status between the agent or broker and said lender/investor.

For mortgage transactions where the lender/investor has opted out of their right to an appraisal report from an accredited professional appraiser, in determining a property value and the condition of the property, mortgage agents and mortgage brokers must present the

investor/lender with the Mortgage Associates Ontario Inc Appraisal Waiver Form to be signed and acknowledged by the investor/lender.

An investor disclosure form is not required as per MBLAA Ontario Regulation 188/08 Section 2 (1) and 2 (2) found at (<https://www.ontario.ca/laws/regulation/080188#BK2>) where the investor has provided evidence to the principal broker or designated compliance officer as being part of the designated class of investors whom are exempt from signing the investor disclosure form.

Errors and Omissions Insurance

Mortgage agents and Mortgage Brokers must comply in full with Mortgage Associates Ontario Inc. policies and procedures manual (subject to change without notice) in conjunction with MBLAA Ontario Regulations, to be eligible to make a claim under Mortgage Associates Ontario Inc's errors and omissions insurance policy. Mortgage agents and mortgage brokers whom are in breach of the Mortgage Associates Ontario Inc. policies and procedures manual and/or the MBLAA Ontario Regulations, indemnify Mortgage Associates Ontario Inc., its successors, officers, directors, shareholders, agents, consultants, counsel and employees harmless from any and all actions, causes of action, claims, demands, costs, liabilities, losses, penalties, fines, expenses and damages arising out of, or in connection with any breach of the policies and procedures manual and/or MBLAA Ontario Regulations or by any act, mismanagement, embezzlement, neglect, misrepresentation, default, or omission made by the Mortgage Agent or Mortgage Broker.

REMUNERATION

Mortgage Associates Ontario Inc reserves the right to withhold fees or other remuneration for dealing and trading in mortgages on its behalf, for non-compliant mortgage transactions that do not meet the MBLAA compliance requirements and/or Mortgage Associates Ontario Inc.'s compliance process and this policies and procedures manual requirements.

Mortgage Agents and Mortgage Brokers licenced under Mortgage Associates Ontario Inc. are not permitted to receive any direct or indirect monetary compensation or remuneration from any lender/investor, borrower(s), or mortgage agent/broker from another brokerage directly to their personal name or their corporation, directly, for completed or incomplete mortgage transactions. All fees, remuneration/monetary compensation for dealing and trading in mortgage transactions, whether complete or incomplete, must be made to Mortgage Associates Ontario Inc. for distribution.

DEALING WITH BORROWERS AND LENDERS

Role of the brokerage:

In cases where the mortgage or the mortgage broker represents a lender/investor and does not charge a fee or does not intend to receive any monetary remuneration for having arranged said

mortgage, the mortgage agent or mortgage broker must still complete and submit the ON Form 1 Investor/Lender Disclosure Form to be reviewed and signed by head office or the head office designated broker prior to the submission of the Investor/Lender Disclosure Form to the lender for signing. Upon completion of said mortgage, the mortgage agent or broker must submit the completed and signed ON Form 1 Investor/Lender Disclosure Form. This policy applies regardless if the mortgage agent/broker is representing a lender whom is a family member, spouse, girlfriend, boyfriend, friend, associate, business associate, etc. There is no exception to this policy, regardless of the relationship status between the agent or broker and said lender/investor.