

CMB Standard Policies and Practices

1. General Requirements

- 1.1 Any persons wishing to hold a licence at CMB must meet experience, education, and business practices levels. All persons providing mortgages to clients need to be licensed with FSRA, BCFSa, and CMB.
- 1.2 No Independent Mortgage Contractor is to receive monies or non monetary incentives from other mortgage brokerages, agents or clients. Commissions and incentives are to be paid to CMB at all times.
- 1.3 Any and all forms of commission or payments made to C.M.B. Canada Mortgage Brokers Inc., are to be only deposited to it's account, or cheque mailed to the brokerage, and no cheque pickups may be intercepted by unauthorized officers of CMB.
- 1.4 All dealings with other mortgage brokerages on a co-broker arrangement requires approval from CMB. No mortgage applications may be submitted for approval on behalf of other CMB Independent Mortgage Contractors, without authority from CMB.
- 1.5 Any fees paid to affiliates for a mortgage referral must be paid from CMB. Your affiliate or COI must be approved by CMB and signed up using the CMB Mortgage Referral Program Agreement.
- 1.6 Any CMB office that is open to the public must be approved by CMB and registered with the FSRA, BCFSa, or any respective licensing body.
- 1.7 CMB does not use a Trust Fund Account.
- 1.8 CMB, Independent Mortgage Contractors, Executive Recruiters, CMB representatives, or agents cannot accept monies up front for unfunded residential mortgages, even though the industry allows this practice.
- 1.9 Errors and Omissions insurance is paid for by CMB at this time. All Independent Mortgage Contractors properly licensed with the FSRA, BCFSa, and CMB are covered under policy # 5761052.

2. File Audit, Storage, Receiving Documents, and Review

- 2.1 All files are audited by CMB and no commissions are paid for incomplete files or missing forms. Please fax or email the complete file to CMB head office after it is advanced. The Client Identification and File Closure Form must accompany each file.
- 2.2 Standard Insurance applications/waivers, under the forms section of Filogix Expert, are to be signed by each mortgage applicant. This applies to all files even if the mortgage agent holds an insurance licence.
- 2.3 All records by the mortgage brokerage after January 2011 are stored in Electronic Format. CMB preserves all hard copies for 6 years. CMB will return certain client documents to the client if they make a written request to our Privacy and Compliance Officer. FSRA, BCFSa, or RECA would also need to approve this request.
- 2.4 Every agent must receive documents directly from the customers. CMB prefers that clients fax or email any outstanding items to the agent directly. Never alter any document provided by the client. Always confirm the employment information is correct.

3. Requirements of Suitability, Market Risks, Disclosures, and Affordability

- 3.1 CMB Worksheet or CMB Introduction forms must be signed by each applicant and Mortgage applications can be reviewed with CMB head office if unsure of suitability.
- 3.2 Each borrower must be offered a budget worksheet review for affordability.
- 3.3 Each borrower must be offered the Suitability Questionnaire on the Consent Form.
- 3.4 Each borrower must be offered a review of the handout titled Understanding the Risks of Getting a Mortgage.
- 3.5 Every Disclosure to Borrower Form must be completed using the most recent guidelines and tips to the form titled "Tips to Completing the Disclosure to Borrower Form."
- 3.6 Every borrower must be offered Insurance / Mortgage Protection Plan
- 3.7 Every borrower, or lender / investor must be a [Permitted Client](#) or be approved by the Principal Broker prior to trading, soliciting, or acting in any mortgage transaction.

4. Identification, Ownership of Properties

- 4.1 CMB Independent Mortgage Contractors must confirm identification of all applicants, with original copies of two government pieces of identification and complete the File Identification section of the closing file form.
- 4.2 Ownership of each property to be mortgaged must be confirmed prior to submitting the file to any lender, and to ensure all owners of the property are aware of a request for a mortgage on their property.

5. Lender List, Submission, Closing Ratios, Commercial Mortgages

- 5.1 Any lenders not listed on the CMB Lender List must be approved by CMB. The CMB Lender List must be followed for rates, products, buydowns, submissions, and certifications.
- 5.2 CMB Independent Mortgage Contractors wishing to provide commercial mortgages to clients need special approval from CMB. CMB has commercial forms to be used to deal with clients. Contact CMB Head Office if you wish to get more details.
- 5.3 Any approved commitment, that is canceled by an Independent Mortgage Contractor, must be reported to CMB Head Office, and a note written to the mortgage file. Also, the Independent Mortgage Contractor must contact the lender to review all canceled mortgage approvals / commitments.
- 5.4 Funding Rate must be at no less than 75%. Independent Mortgage Contractors must maintain a closing ratio over 75%, for all lenders. The closing ratio is the number of closed mortgage commitments divided by the number of approved mortgage commitments.
- 5.5 Rate must be at no less than 65%. Mortgage approvals divided by Mortgage applications submitted.
- 5.6 All deals are submitted to the CMB Reviewer by Expert. Also documents are reviewed by CMB must be uploaded on Floify, or other document storage of CMB, prior to submission to Lenders. Deals that are incomplete cannot be submitted for approvals.

6. Marketing, Advertising, Materials, Forms, Websites, & Public Messaging

- 6.1 All advertising materials, mortgage rates, mail outs, websites, and business cards are to be approved by CMB. All promotional materials must include our brokerage name, licence number, the agent's position, and agent licence number.
- 6.2 Independent Mortgage Contractors must notify CMB, FSRA, BCFSa and RECA within 3 business days of any change in phone number, fax number, address, email or mailing address.

7. Customer Complaints, Customer Relations & Legal Affairs

7.1 All customer complaints whether written or verbal must be referred to our Privacy and Compliance Officer, Rose Simone. clientadvocate@cmbcanadamortgage.com

7.2 All dealings, or cases that may result in legal proceedings must be referred to the Privacy and Compliance Officer, Victor Simone, Principal Broker.

8. Equifax, Filogix Expert, CMB Hosted Agent Webpage

8.1 A CMB Worksheet must be signed by all applicants prior to loading a deal onto Expert and prior to requesting a credit report.

8.2 Independent Mortgage Contractors cannot request their own credit report or submit their own mortgage applications to and lender for approval. Please contact the broker of record for help on your own mortgage applications and credit reports.

8.3 Equifax reports cannot be given to borrowers. All borrower requests for a credit report must be made directly by the borrowers to Equifax Canada.

8.4 Access to Filogix Expert is suspended if your licence moves to another brokerage, or you exit the mortgage business. CMB may consider co-brokering your client files to your new brokerage for your convenience at its sole discretion.

8.5 Customized CMB Worksheet, business card proof for your printer/designer, and a mortgage rates webpage is provided to all active Independent Mortgage Contractors by CMB.

9. Cybersecurity

9.1 The Principal Broker is assigned to manage private information, deal with the licensing bodies, and provide ongoing information.

9.2 Third party programs will be used to protect with end to end encryption : Filogix Expert, Floify, Pipedrive, Microsoft Office, PDFFiller, DocuSign, Toky

9.3 All communications will be through software provided in 9.2 or any new programs as determined by Victor Simone, Principal Broker.

C.M.B. Canada Mortgage Brokers Inc.

Standard Policies of Practice

Updated January 5, 2024

Victor Simone, Mortgage Broker

Independent Mortgage Contractor

Name :

Date :

C.M.B. Canada Mortgage Brokers Inc.

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