



canada mortgage brokers inc.

14 - 3650 Langstaff Road Suite 275 Woodbridge, Ontario L4L 9A8
Telephone (416) 410-1315 Fax (416) 410-1315 www.cmbcanadamortgage.com

Independent Mortgage Contractor Agreement

This agreement dated as of the _____ day of _____, 20____.

Between:

C.M.B. Canada Mortgage Brokers Inc.

Hereinafter called the ("Mortgage Brokerage" or "Brokerage")

A company formed under the Companies Act of the province of Ontario,

-and-

_____ ,

Hereinafter called the

("Mortgage Broker" or "Mortgage Agent" or
"Mortgage Associate or "Sub-mortgage broker"
or "Independent Mortgage Contractor")

Residing at _____ .

Date of Birth _____ (mm/dd/yyyy) Email _____

Telephone _____ Fax _____.

1. Recitals:

1.1 The Mortgage Brokerage is duly registered as a Mortgage Brokerage or Broker in Ontario Licence # 10134 British Columbia FIC # X300202 and Alberta RECA, and other provinces that may be added or changed without notice, and owns all facilities and equipment required to conduct a Mortgage Brokerage business.

1.2 The Mortgage Agent, Associate, Sub-mortgage broker is an Independent Mortgage Contractor desiring access to such facilities and equipment for the purpose of conducting therefrom a mortgage business.

1.3 This agreement is not intended to create any relationship between the Independent Mortgage Contractor and the Mortgage Brokerage except that of two independent contracting parties relating to provision of the services of the Independent Mortgage Contractor on the terms set out.

_____ Initials

2. Witnesses:

2.1 In consideration of the sum of TWO (\$2.00) Dollars, or other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto), the parties hereby agree each with the other of them as follows:

3. Qualifications

3.1 The Independent Mortgage Contractor represents and warrants that they are duly registered as a Mortgage Agent or Mortgage Broker or Mortgage Associate or Sub-mortgage broker having met the requirements to transact mortgages in their respective province or territory, and pursuant to and as defined in their Provincial Mortgage Acts or Mortgage Laws. The Independent Mortgage Contractor agrees to abide by all requirements established by their Provincial Mortgage Acts from time to time governing the conduct of Independent Mortgage Contractors. The Independent Mortgage Contractor agrees to increase their knowledge of the mortgage business in order to maintain a high level of competence. The Independent Mortgage Contractor agrees to abide by the Code of Ethics and Standards of Business Practice established by their licensing bodies and further agrees to be a member in good standing of any/all Provincial Mortgage Associations that the Company belongs.

3.2 The Independent Mortgage Contractor shall devote such portions of his or her time and energy as Independent Contractor deems appropriate to the furtherance of the Independent Mortgage Contractor's business. Such business shall be conducted subject to all laws applicable to the business.

4. Duties and Responsibilities of Independent Mortgage Contractors

4.1 For the purposes of the mortgage applications, the Independent Mortgage Contractor agrees to use the CMB Worksheet, CMB Introduction referred to in Schedule 2 and 3 attached or such other forms provided by the Mortgage Brokerage including mortgage documents on the mortgage software. Independent Mortgage Contractors agree to complete the CMB Worksheet, CMB Introduction forms on behalf of the Mortgage Applicant and to submit such worksheet to the lenders via the mortgage software. The Independent Mortgage Contractor shall ensure that the CMB Worksheet, CMB Introduction forms or mortgage applications are signed by all Mortgage Applicants.

4.2 If the mortgage application is approved, the Independent Mortgage Contractor will send directly to each Mortgage Applicant, to the address in the Mortgage Applicant's Application or electronically, a Disclosure to Borrower and an Amortization Schedule two business days prior to presenting a commitment letter confirming the amount and conditions of the Mortgage and any documentation or certificate that the lender wishes to provide relating to the Mortgage. If the Mortgage is not approved, the Independent Mortgage Contractor will contact the Mortgage Applicant directly to advise him or her that the Mortgage has been declined.

4.3 The Independent Mortgage Contractor represents, warrants and covenants that entering into and performance of this Agreement by the Independent Mortgage Contractor shall not contravene, breach or infringe any Laws, including but not limited to, Mortgage Brokerage legislation, any contract, fiduciary obligations, or rights of other persons (including without limitation any confidentiality, moral, or intellectual property rights of any nature whatsoever).

4.4 The Independent Mortgage Contractor must complete a CMB Marketing Plan and be actively working part-time or full-time in the Mortgage Industry.

5. Mortgage Brokerage Obligations

5.1 The Mortgage Brokerage agrees to provide the Independent Mortgage Contractor with 24 – hour telephone answering and such other facilities and services which may be made available by the Company from time to time in its sole discretion.

_____ Initials

5.2 The Mortgage Brokerage agrees to assist the Independent Mortgage Contractor by exerting

reasonable commercial efforts to establish a strong brand name as well as by providing advice, coaching, training and support reasonably considered by the Mortgage Brokerage in its sole discretion to be necessary to permit the Independent Mortgage Contractor to be a productive Independent Mortgage Contractor.

5.3 The Mortgage Brokerage agrees to exert reasonable commercial efforts to create beneficial business generation opportunities and relationships with Lenders, Centers of Influence (COIs) and strategic partners of which the Independent Mortgage Contractor may avail himself or herself.

5.4 The Mortgage Brokerage may at its sole discretion sell, refer or introduce any products, services, and bonus programs to help it generate revenue. The Independent Mortgage Contractor may receive benefits or compensation from these products, services, and bonus programs, and only while the Independent Mortgage Contractor is licensed at the Mortgage Brokerage.

5.5 The Mortgage Brokerage may at its sole discretion change or amend the lenders, rules, certifications, buydown calculations, interest rates, and commission rates, on the CMB Lender List.

6. Commissions

6.1 In all cases, commissions calculated in accordance with the schedule set forth in Appendix 1 hereto will become due and payable to the Independent Mortgage Contractor only if, as and when they are received by the Mortgage Brokerage and that all files are properly documented as requested by the Provincial Mandates for the Mortgage Brokerage, or to Mortgage Brokerage Standards of Practice and is determined at its sole discretion. If a commission is not received by the Mortgage Brokerage, the Mortgage Brokerage is not liable to the Independent Mortgage Contractor for payment of the Independent Mortgage Contractor's portion of such commission. The Independent Mortgage Contractor is and remains responsible for the timely follow-up with, and collection of commissions from the lenders, borrowers, or the barristers or solicitors performing services.

7. Expenses Payable by Mortgage Agent

7.1 The Independent Mortgage Contractor shall maintain an office in their home or elsewhere that is registered with their provincial licensing bodies, from which to conduct business and be responsible for the payment of all expenses. Without restricting the generality of the foregoing, the Independent Mortgage Contractor agrees to be responsible for the following expenses whenever incurred by or with the authority of the Independent Mortgage Contractor: travel; entertainment; food; lodging; fuel; repair; maintenance and insurance of automobiles(including liability insurance); advertising; pagers; postage costs; all long distance telephone calls; all long distance fax charges; photocopying; credit reports; association fees; use of head office fees; annual fees payable by the Independent Mortgage Contractor to maintain his or her registration under their Provincial Mortgage Act; extraordinary promotional expenses; fines or penalties (or both); business cards; promotional items (such as pens, calendars, newsletters, letterhead etc.,) courier fees; individual's portion of the costs of Errors and Omissions Insurance which may be effected in the sole discretion of the Mortgage Brokerage.

7.2 All the forgoing expenses which are not paid directly by the Independent Mortgage Contractor are hereby specifically and expressly authorized by the Independent Mortgage Contractor to be withheld and deducted by the Mortgage Brokerage from any and all commissions earned by and payable to the Independent Mortgage Contractor.

8. Standards of Practice and Policies

8.1 The Independent Mortgage Contractor shall adhere to the Mortgage Brokerage's Standards of Practice set by the Mortgage Brokerage from time to time, a copy of which is available from the Principal Broker on record for the time being in place. These Standards of Practice are subject to change without prior notice at the Mortgage Brokerage's sole option. All changes shall be provided in writing to the Mortgage Brokerage as soon as practicable after any such change has been authorized by the Mortgage Brokerage.

_____ Initials

9. Payments

9.1 The Independent Mortgage Contractor shall have no authority to bind the Mortgage Brokerage in any matter for anything unless expressly authorized to do so in advance and in writing. Under no circumstances shall the Mortgage Brokerage be responsible for any expense whatsoever incurred by the Independent Mortgage Contractor in the actual or purported performance of their duties. The Independent Mortgage Contractor is not to be paid directly by borrowers or lenders and all monies for Mortgage Services are to be paid to C.M.B. Canada Mortgage Brokers Inc.

10. Indemnity

10.1 The Independent Mortgage Contractor covenants and agrees that they will faithfully discharge the Independent Mortgage Contractor's duties hereunder and will at all times hereafter keep the Mortgage Brokerage indemnified against all losses, costs, damages, expenses, penalties, fines, actions and causes of action, which the Mortgage Brokerage may pay, sustain, or be put to be reason of any act, mismanagement, embezzlement, neglect, misrepresentation, default, of or by the Independent Mortgage Contractor.

11. Withholding

11.1 The Independent Mortgage Contractor agrees that the Mortgage Brokerage may withhold all amounts payable to the Independent Mortgage Consultant by the Mortgage Brokerage until it has funds in its possession that would otherwise be payable to a maximum amount the Mortgage Brokerage could be found to be liable to pay by reason of any anticipated loss, cost, damage, expense, penalty or fine to or of the Mortgage Brokerage attributable to the wrongful or negligent act or failure to act of the Independent Mortgage Contractor. An example would be the \$ 2,500.00 deductible on Errors and Omissions Insurance that fluctuates with the desired coverage arranged by the Mortgage Brokerage.

12. Set-off of Indebtedness

12.1 If and whenever pursuant to the terms of this agreement or otherwise the Independent Mortgage Contractor becomes liable to pay the Mortgage Brokerage any monies, then such monies may be deducted by the Mortgage Brokerage from any monies that may be due and owing to the Independent Mortgage Contractor.

13. Payments and Communication

13.1 All payments and communications which may be or are required to be given by the Independent Mortgage Contractor or the Mortgage Brokerage to the other of them, shall (in the absence of any specific provision to the contrary) be in writing and delivered to the Independent Mortgage Contractor or the Mortgage Brokerage(as the case may be) at the principal address of the Mortgage Brokerage(provided, in the case of the Independent Mortgage Contractor, the Mortgage Brokerage may instead if it deems it appropriate deliver or mail the same prepaid registered mail to the last home address of the Independent Mortgage Contractor appearing in the records of the Mortgage Brokerage). Any payment or communication so delivered, shall be conclusively deemed to have been received at the time of delivery.

14. Term and Termination

14.1 Term

The term of this Agreement shall be twelve (12) months from the Effective Date and shall automatically renew for additional twelve (12) month periods unless terminated earlier as provided below.

_____ Initials

14.2 Termination

The Independent Mortgage Contractor may cancel this Agreement at any time on fourteen (14) days written notice. Mortgage Agent may terminate this agreement without (14) days written notice if the Mortgage Brokerage fails to cure a default of a material obligation in this Agreement within thirty (30) days of receiving written notice specifying such default. The Mortgage Brokerage may terminate this agreement at any time and for any reason without prior notice.

14.3 Effect of Termination

Upon termination of this Agreement for any reason, all rights and licenses granted under this Agreement shall terminate, and Independent Mortgage Contractor shall immediately cease use of the Mortgage Brokerage Service and Licensed Marks. The Mortgage Brokerage shall pay any amounts owed to the Independent Mortgage Contractor within 30 days of the effective date of termination. Any fees owing to the Independent Mortgage Contractor will be paid after a payment of commission by the lender.

15. Mortgage Brokerage Property

15.1 Upon any termination of this agreement, the Independent Mortgage Contractor will return to the Mortgage Brokerage all supplies and sales literature, received at any time by the Independent Mortgage Contractor from the Mortgage Brokerage. The Independent Mortgage Contractor agrees that if they fail to return any such items, the Independent Mortgage Contractor will pay forthwith to the Mortgage Brokerage the value of such items as are not returned to the Mortgage Brokerage.

16. Debts

16.1 In the event the Independent Mortgage Contractor is indebted to the Mortgage Brokerage, then the amount is payable on demand, and until such debt has been repaid, the amount outstanding from time to time shall bear interest at the rate of 21% per annum compounded annually (twenty-one percent per annum compounded annually).

17. Survival of Sections

17.1 Sections 10.0 through 16.1 inclusive hereof and this section 17.1 shall survive any termination of this agreement and shall endure to the benefit of and be binding upon the parties hereto and their respective heirs executors, administrators, successors and assigns.

18. Partial Invalidity

18.1 If any provision of this agreement or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of the agreement, or the application of such provision or part thereof to persons or circumstances other than those as to which it is held invalid and enforceable, shall not be affected thereby and each provision of the agreement shall be valid and enforced to the fullest extent permitted by law and be independent of every other provision of this agreement.

19. Waiver of Default

19.1 The Mortgage Brokerage or the Independent Mortgage Contractor may in its, their sole discretion waive any default of the Independent Mortgage Contractor or of the Mortgage Brokerage hereunder but no such waiver shall extend to or be taken in any manner whatsoever to affect any subsequent default or the rights resulting therefrom but rather shall apply only to the particular default waived. Without restricting the generality of the foregoing, it is agreed that no series of waivers by the Mortgage Brokerage or the Independent Mortgage Contractor of any series of defaults relating to the same obligation shall constitute a waiver of any subsequent default of the same nature.

_____ Initials

20. Warranty and Limitations

20.1 The Independent Mortgage Contractor is not authorized to represent or act as an agent of the Mortgage Brokerage, to bind, or represent the Mortgage Brokerage for any legally binding contracts, borrowing agreements, purchase agreements, sale agreements, legal actions brought to the Mortgage Brokerage or from the Mortgage Brokerage, loan agreements or other agreements not acknowledged by an authorized officer of the Mortgage Brokerage in writing.

20.2 Except as may be expressly provided in this Agreement, all services provided by the Mortgage Brokerage hereunder are provided "as is" without any warranty whatsoever. The Independent Mortgage Contractor recognizes that the "as is" clause of this agreement is an important part of the basis of this agreement, without which the Mortgage Brokerage would not have agreed to enter into this agreement. The Mortgage Brokerage expressly disclaims all other warranties, terms or conditions, express, implied, statutory, regarding the services, including any warranties of merchantability, title, fitness for particular purpose and infringement. No representation or other affirmation of fact, regarding the services shall be deemed a warranty for any purpose or give rise to any liability of the Mortgage Brokerage whatsoever. The Independent Mortgage Contractor acknowledges that it has relied on no warranties other than that express warranty in agreement.

21. Remedies, Assignments, Entirety of Agreement

21.1 All rights and remedies conferred in this agreement or at law or in equity or by statute are cumulative and may be exercised independently or in combination.

21.2 The agreement is personal to the Independent Mortgage Contractor and no rights or obligations of the Independent Mortgage Contractor hereunder shall be assigned. The Mortgage Brokerage may assign its rights and obligation hereunder to any successor to the business of the Mortgage Brokerage of any part thereof, whereupon the Mortgage Brokerage shall be relieved of all obligations hereunder arising subsequent to the date of such assignment.

21.3 This agreement constitutes the entire agreement between the Mortgage Brokerage and the Independent Mortgage Contractor relative to the retention of the services of the Independent Mortgage Contractor by the Mortgage Brokerage and supersedes all understanding and prior agreements in that regard. It may not be changed orally but only by an agreement in writing.

23. General Provisions.

23.1 If the performance of this Agreement is prevented, restricted or interfered with by but not limited to: fire or other casualty or accident, strikes or labor disputes, any law, order, proclamation, regulations, ordinance, demand or requirement of any government agency, non payment of brokerage fees to the Mortgage Brokerage, or any other similar act or condition beyond the reasonable control of the parties hereto, the party so affected will, upon giving prompt notice to the other party, be excused from such performance during such prevention, restriction or interference. Each party agrees to comply with all applicable Canadian or United States Federal, Provincial or State and local laws and regulations in the performance of its respective obligations under this Agreement. This Agreement shall be governed by the laws of the Province of Ontario as applied to agreements made, entered into and performed entirely in Ontario between Canadian residents. No waiver of any term or condition of this Agreement will be valid or binding on a party unless the same has been mutually assented to in writing by both parties. The terms and conditions contained in this Agreement constitute the entire agreement between the parties with respect to the subject matter thereof and supersede all previous agreements and understandings, whether oral or written. Except as expressly set forth herein, no party may assign or delegate this Agreement or any of its rights or duties under this Agreement without the prior written consent of the other party hereto, which consent will not be unreasonably withheld; provided, however, that either party, without the consent of the other party, may assign or delegate its rights or obligations under this agreement to any person or entity that acquires or succeeds to all or substantially all of its business or assets.

_____ Initials.

In witness whereof the parties hereto have signed and sealed this agreement the _____ day of _____, 20____.

Signed, Sealed and Delivered

In the presence of

_____)

Witness

_____ .

Independent Mortgage Contractor(authorized signatory)

C.M.B. Canada Mortgage Brokers Inc.

_____)

Witness

By: _____.

per. Mortgage Brokerage(authorized signatory)

The Independent Mortgage Contractor is entitled to receive from the Mortgage Brokerage in respect of each mortgage transaction which the Independent Mortgage Contractor has been instrumental in originating, and for which commissions are subsequently received by C.M.B. Canada Mortgage Brokers Inc. ("funded transactions"), a commission calculated as follows;

a) On Mortgage Brokerage Assisted Business:

_____ % of Net Commission to Independent Mortgage Contractor

b) On Non-Mortgage Brokerage Assisted Business:

_____ % of Net Commission to Independent Mortgage Contractor

For the purposes of this page, the expression "Mortgage Brokerage Assisted Business" means funded transactions that were managed or coached by an internal underwriter at the Mortgage Brokerage. "Non-Mortgage Brokerage Assisted Business" means funded transactions completed entirely by the Independent Mortgage Contractor. Commissions on commercial mortgages and difficult to approve residential mortgages are negotiated between the Mortgage Brokerage and the Independent Mortgage Contractor on a per case basis, only in the case when the Independent Mortgage Contractor needs Mortgage Brokerage assistance to underwrite or fund the transactions.

Void Cheque

Direct deposit every 2 weeks, less any deductible expenses



Business Card Information

A digital file is prepared by CMB, using the information on page 1 of this Independent Mortgage Contractor Agreement, and you to take the digital file to the printer of your choice. Printing costs are the responsibility of the Independent Mortgage Contractor.

Default Address (X - pick one)

None Bolton Head Office

Licensed servicing address

Default Website (X – pick one)

None www.cmbcanadamortgage.com

Other _____ (must be CMB approved)

Default Information ; Independent Mortgage Contractor's name and title, Telephone and Fax number, Independent Mortgage Contractor Email, Brokerage and Independent Mortgage Contractor license numbers, name of the Mortgage Brokerage, and Mortgage Brokerage Logo.