

## **MORTGAGE BROKERAGE AGREEMENT**

This Agreement made as of the \_\_\_\_\_ day of \_\_\_\_\_ 20 (the "Effective Date").

Between **Shinhan Bank Canada ("SHBC")**

and \_\_\_\_\_ *[BROKERAGE NAME INSERT]* ("**Brokerage**")

**WHEREAS** Brokerage is in the business of arranging mortgages between mortgagors and mortgagees;

**AND WHEREAS** SHBC is an institutional lender and wishes to use the Brokerage to arrange SHBC mortgages with potential mortgagors according to the terms of this Agreement;

**THEREFORE**, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, SHBC and Brokerage agree as follows:

### **I. PROCESSING AND SERVICES**

- a. Brokerage agrees to accept and comply with the terms and conditions and procedures set out in the 'Guidelines for Mortgages Professionals' attached hereto as Schedule "A" and as may be amended by SHBC from time to time.
- b. Brokerage fees are set out in the 'Guidelines for Mortgage Professionals' and as may be amended by SHBC from time to time.
- c. SHBC has the sole and absolute discretion to amend the Brokerage Fees at any time.
- d. SHBC will not pay referral fees to Brokerage for commercial mortgages or demand loans
- e. SHBC will not pay referral fees to Brokerage when the customer already consulted mortgage product with SHBC's branch prior to the date of referral
- f. In the event a potential mortgagor carries over an existing mortgage contract into a new mortgage, referral fees shall only be payable to Brokerage by SHBC on new money added to the outstanding mortgage principal amount.
- g. Brokerage acknowledges and agrees that SHBC will only accept the appraisal report prepared by the SHBC's pre-approved appraisers.

## II. BROKERAGE'S OBLIGATION

- a. Brokerage shall carry out all of its duties under this Agreement diligently and expeditiously, in a professional, efficient, safe, reasonable and prudent manner, with the standard of care practiced by a reasonable Brokerage under substantially similar circumstances.
- b. Brokerage will not act as a representative for an applicant in respect of a mortgage loan if the Brokerage has reasonable grounds to believe that the application is unlawful.
- c. Brokerage shall comply with all laws, rules and regulations applicable to the Brokerage including, but not limited to, laws, rules and regulations relating to anti-money laundering, consumer protection and disclosure requirements.
- d. Brokerage shall take reasonable steps to verify the identity of every applicant, co-applicant and /or guarantor and notify SHBC if such identity cannot be verified.
- e. Brokerage shall disclose to all potential mortgagors, in a timely manner, all such information required to be disclosed by mortgage Brokerage under the appropriate federal, provincial and local laws and regulations, including but not limited to, the Brokerage fees payable by SHBC to the Brokerage.
- f. Brokerage is a registered and/or licensed mortgage Brokerage according to the provincial or territorial legislation in the jurisdiction in which the Brokerage practices.

## III. SHBC's OBLIGATION

- a. SHBC will provide consistent underwriting practice based upon SHBC's current 'Loan Policies & Guidelines' and "Loan Manual".
  - b. SHBC will ensure that the decisions and reviews are made an acceptable time period.
  - c. SHBC will compensate the Brokerage based upon the amount and the term of the mortgage in accordance with provided 'Guidelines for Mortgage Professionals'.
  - d. SHBC will deposit the Brokerage Fees directly into Brokerage's SHBC account within 5 business days. In the event that the Brokerages do not have SHBC account, bank draft or money order can be used for fees payment.
  - e. SHBC will provide to the Brokerage, updated 'Guidelines for Mortgage Professionals' and information about the SHBC's products when available.
-

**IV. GENERAL PROVISION**

- a. Either party shall have the right to terminate this Agreement immediately with or without causes by providing notice in writing to the other party
- b. Any such termination will not affect the rights and obligations of the parties under this Agreement prior to the date of termination
- c. This Agreement will be governed by, and the rights and liabilities of the parties determined and interpreted in accordance with the laws of the province or territory in which the Brokerage is located and the laws of Canada, and no failure or delay on the part of either party in exercising any power, right or remedy under this agreement shall operate as a waiver of such power, right or remedy.
- d. In the event that any one or more provisions contained in this agreement shall be invalid, illegal or unenforceable in any way, the remaining provisions hereof shall not be affected or impaired thereby.
- e. Brokerage will provide to SHBC upon request, a copy of its Broker Certificate of Registration, renewed Mortgage Broker License, or (and) insurance policies evidencing coverage.
- f. This Agreement shall commence on the Effective Date.
- g. This Agreement constitutes the entire agreement between the parties relating to the matters to which it pertains and may be amended or modified only with the mutual written consent of the parties.

\_\_\_\_\_  
NAME/ TITLE (PLEASE PRINT)  
**Designated Individual/CEO**

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE

***Young Sam Park***  
\_\_\_\_\_  
Chief Credit Officer  
SHINHAN BANK CANADA

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
DATE