

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 includes all the brokers and agents of the Brokerage;

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

1. Brokerage agrees to accept and comply with the terms and conditions and procedures, including referral fees, set out in the Guidelines for Mortgage Professionals, attached hereto as Schedule "A" and as may be amended by SHBC from time to time.
 2. SHBC has the sole and absolute discretion to amend referral fees at any time.
 3. SHBC will not pay referral fees to Brokerage for open mortgages or lines of credit.
 4. 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.
 5. 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.
 6. Brokerage acknowledges and agrees that SHBC will only accept the appraisal report prepared by the SHBC's pre-approved appraisers.
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II. BROKERAGE'S OBLIGATION

1. 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.
 2. 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.
 3. 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.
 4. Brokerage shall comply with SHBC's lending policies and guidelines.
 5. 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.
 6. Brokerage obtains the following consents or any other documents from each customer in connection with each mortgage application:
 - a) consent to the exchange of personal information between the Brokerage and SHBC specifically to the mortgage application and its completion and the servicing;
 - b) SHBC's privacy consent to authorize SHBC to obtain personal information in relation to the customer's credit including obtaining a credit report; and
 - c) any other documents that SHBC may require in connection with mortgage application.
 7. 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.
 8. Brokerage is a registered and/or licensed mortgage Brokerage according to the provincial or territorial legislation in the jurisdiction in which the Brokerage practices.
 9. 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.
 10. Brokerage shall indemnify and hold SHBC and its affiliates, directors, officers, agents, employees, successors and assigns harmless from and against, and shall reimburse the same with respect to, any all losses, damages, demands, claims, liabilities, costs and expenses, including reasonable attorneys' fees from any cause whatsoever, incurred by reason of or arising out of or in connection with:
 - a) any breach of any representation, warranty or covenant of this Agreement;
 - b) any errors, omissions, or misrepresentation whether done intentionally, negligently or otherwise with respect to any mortgage application;
 - c) any willful misconduct, fraud or bad faith in performance of the services provided pursuant to or in connection with this Agreement;
 - d) any claim by a customer relating in any way to the terms and conditions of the mortgage application, including the way the documents were misrepresented by the Brokerage; or
 - e) any failure by the Brokerage to obtain the consents required.
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III. SHBC'S OBLIGATION

1. SHBC will provide consistent underwriting practice based upon SHBC's current underwriting guidelines/procedures/manuals and internal policies.
2. SHBC will ensure that the decisions and reviews are made within an acceptable time period.
3. SHBC will compensate the Brokerage based upon the amount and the term of the mortgage in accordance with the Guidelines for Mortgage Professionals provided by SHBC.
4. SHBC will provide the Brokerage with updated Guidelines for Mortgage Professionals and information about the SHBC's products when available.

IV. GENERAL PROVISION

1. Brokerage will be a non-exclusive agent of SHBC, and will not represent that it is in any employment or partnership relationship with SHBC at all time.
 2. Any misrepresentation may result in the relationship between SHBC and the Brokerage being terminated and may also result in any or applications currently in process being cancelled.
 3. Either party shall have the right to terminate this Agreement with or without causes by:
 - a) providing a prior written notice to the other party, or
 - b) immediately by SHBC if the Brokerage breaches any of the terms or conditions of this Agreement.
 4. Any such termination will not affect the rights and obligations of the parties under this Agreement prior to the date of termination.
 5. 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.
 6. 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.
 7. 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.
 8. This Agreement shall commence on the Effective Date.
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NAME/ TITLE (PLEASE PRINT)

PRINCIPAL BROKER

SIGNATURE

DATE

NAME/ TITLE (PLEASE PRINT)

SHINHAN BANK CANADA

SIGNATURE

DATE

Schedule A Referral Fee Schedule

■ Residential Mortgage Fee

Term	Rate	Amount
2 Years	0.30%	Disbursed Amount x Fee rate
3 Years	0.40%	
5 Years	0.60%	

** Exclusions: Open Mortgage, Line of Credit or Personal Loan*

■ Commercial Mortgage Fee

Term	Rate	Amount
3 Years	0.20%	Disbursed Amount x Fee rate (Up to \$10,000)
5 Years	0.30%	

** Exclusions:*

- Open Mortgage, Business Loan(Credit) or Business Line of Credit

** Minimum Requirements:*

- Eligible Loan Amount: \$1 Million or greater