



radius financial 

*Products, Underwriting
Guidelines & Loyalty
Programs_E*

May 23rd, 2014

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PRODUCTS

Ratewise Mortgage – CMHC 5 year term (client pays premium):

- » Owner Occupied only – fully qualifying
- » Up to 95% LTV Purchase, 80% LTV Refinance & Equity Take Out
- » Minimum beacon 620
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » Maximum amortization 25 years, minimum 20 years
- » Standard refinancing options available with Radius
- » Penalty – greater of 3 months interest or IRD – only available when there is a bona fide arm's length sale of the property
- » Portable & Assumable with Qualification

product options

	ratewise - 45	ratewise - 90
Rate	P*-10bps	P*-05bps
Rate Hold	45 days	90 days
Pre-Payment Privileges	10/10 10% annual pre-payment on anniversary date 10% increase in payments once/year non-cumulative	10/10 10% annual pre-payment on anniversary date 10% increase in payments once/year non-cumulative

* P= standard 5 year rate, subject to change without notice.

Radius – Standard Mortgage Products 1, 2, 3, 4 & 5 Year Fixed & 3 year Adjustable Rate Mortgage “ARM”

1. CMHC Standard (1, 2, 3, 4 & 5 year Fixed Terms, Quick Close and 3 year ARM) (client pays premium):

- » Fully qualified, owner occupied, 1-2 units, up to 95% LTV, 3-4 units up to 90%
- » 95% LTV Purchase, 80% LTV Refinance & Equity Take Out
- » Minimum 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+,
- » Maximum amortization 25 years
- » Minimum amortization 20 years (monthly)
- » Traditional down payment own resources
- » **Add backs are allowed for fully qualified business for self clients(Capital Cost Allowance/Business Vehicle/Business Use of Home/Motor Vehicle Expense)**
- » **Retained earnings for BFS clients must be consistent over the years & are considered on an exception basis**

2. CMHC Non-Standard (5 year Fixed Terms & 3 year ARM):

Flex Down payment (client pays premium) – owner occupied, 1-2 units, 90.1 to 95% LTV:

- » Fully qualified
- » 650 beacon, GDS/TDS 35/42, 680 beacon, GDS/TDS 39/44
- » Secondary homes allowed
- » **1.5% closing cost can be borrowed under this program**
- » Down payment: LOC/Lender Credit/Personal Loan/Sweat Equity/Lender Cash back/Radius banked Basis points (up to 1% of loan amount)

Income Property (client pays premium):

- » 1-4 units up to 80% LTV Purchase, Refinance & Equity Take Out
- » Minimum 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » Fully qualified
- » Corporate & company names allowed with personal guarantees
- » BFS must verify income through 3rd party source
- » See Full Rental Scenario Calculations on Page 8/9.

New Immigrants (Permanent Resident Status) (client pays premium):

- » 1-2 units up to 95% LTV Purchase & up to 80% LTV Refinance, 3-4 units up to 90% LTV Purchase, up to 80% Refinance & Equity Take Out
- » Minimum 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » **Must have established SIN number**
- » No minimum period of residency
- » Alternative sources of credit: rent plus savings or 3 of the following for a 12 month period; utilities/cable/insurance/savings/childcare expenses
- » Down payment can be gifted or borrowed depending on product type i.e. Flex Down (**min 650 beacon**)

Non Permanent Resident (No Resident Status) (client pays premium):

- » Owner occupied 1 unit up to 90% LTV Purchase
- » Minimum 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » Foreign workers with a valid Canadian Employment Authorization form (WORK PERMIT - must be valid for a minimum 1 yr after closing)
- » US Citizens only
- » 3rd party validation of income required
- » Down payment can be gifted from immediate family member

3. **Genworth Standard Products (5 year Fixed Term Only) (client pays premium)**

- » Fully qualified, owner occupied, 1-2 units, up to 95% LTV, 3-4 units up to 90%
- » 95 % for Purchases, 80% for Refinance & Equity Take Out
- » Minimum 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+,
- » Maximum amortization 25 years
- » Minimum amortization 20 years (monthly)
- » **Add backs are NOT allowed for qualifying BFS clients (Capital Cost Allowance/Business Vehicle/Business Use of Home/Motor Vehicle Expense)**
- » **Retained earnings for BFS clients must be consistent over the years & are considered on an exception basis**
- » Traditional down payment own resources

4. **Genworth Non-Standard Products (5 year Fixed Term Only)**

Secondary Homes (Type A Properties Only) (client pays premium) – owner occupied **max 1 unit** 95% LTV Purchase, 80% LTV Refinance & Equity Take Out

- » Fully qualified
- » 620+ beacon
- » Gifted down payment allowed: full qualification
- » N/A to New to Canada and BFS ALT A stated
- » Max mortgage amount \$700K major cities and \$600K rest of Canada
- » GDS/TDS 35/42 or 39/44 if beacon 680+

BFS Alt A (client pays premium) – owner occupied, 1-2 units, 90% LTV Purchase, 80% LTV Refinance & Equity Take Out:

- » Beacons: 620-upto 80%; 650-upto 90%;
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » **Sole Proprietor/Partnership: If income is reasonable; Proof of Business, Summary of Business Activities and most recent NOA or Affidavit confirming no taxes owing.**
- » **Corporation: If income is reasonable; Proof of Business, Business Financials and most recent NOA or Affidavit confirming no taxes owing**
- » **If Gross & Net Income is requested for income reasonability, T1 Generals & NOA for Sole Proprietor/Partnership or Financial Statements, NOA & Articles of Incorporation will be required.)**
- » **Dividend income can be increased by 15%**
- » **Commissioned clients DO NOT qualify under ALT A program as their income is provable**
- » No tax arrears, previous bankruptcy, no mtg arrears last 7 years and no delinquency last 12 months
- » Max 1 Alt A mortgage per client
- » 5% Down payment own resources remaining can be gifted

Investment Property (client pays premium):

- » 1-4 units up to 80% LTV Purchase & Refinance
- » 640 beacon up to 75% LTV, 660 beacon 75.1-80% LTV
- » GDS/TDS 39/44
- » Fully qualified
- » Corporate & company name allowed with personal guarantees
- » BFS must verify income through 3rd party source
- » Down payment from own resources
- » See Full Rental Scenario Calculations on Page 8/9.

New To Canada (*client pays premium*):

- » 1-2 units up to 95% LTV Purchase
- » Minimum 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » Immigrated or relocated in the past 5 years
- » Minimum 3 months full time employed in Canada
- » Valid work visa or landed immigrant status
- » Debt outside of Canada must be included in ratios
- » Rental income outside of Canada excluded from ratios
- » Down payment from own resources up to 95% LTV
- » Down payment can be gifted or from corporate subsidy up to 90% LTV

5. Conventional 75 & 80 – CMHC 5 Year Fixed Term Only

Insurance Premiums:

- » 75.1 – 80% LTV: Client pays insurance premium
- » 75% LTV or Less: No insurance premium (add 5 bps to the rate for amortizations >25yrs)

- » Purchase, Refinance & Equity Take Out
- » Min 620 beacon
- » GDS/TDS 35/42 or 39/44 if beacon 680+
- » Maximum amortization 30 years; minimum 20 years
- » Owner occupied only
- » Investment properties, Rentals & Second residences client pays premium. Rate is priced as per our ALT A rates as noted on rate sheet
- » No cost for appraisals unless private purchase or power of sale
- » Must qualify based on CMHC guidelines

6. Radius Switch/Transfer:

- » Owner occupied up to 2 units,
- » Genworth & CMHC only up to 95% LTV
- » 3, 4 & 5 year fixed terms including RateWise & 3 year variable
- » Minimum \$75,000 mortgage amount
- » Minimum 20 year amortization, maximum 25 year amortization high ratio and 30 years for conventional
- » All major financial institutions accepted
- » Lenders penalties and administration fees may be capped up to \$1,000.00 provided it does not exceed the original loan amount
- » Properties must be registered as first mortgage charge
- » Broker requirements:
 - Application & signed commitment
 - Fully qualified income & employment
 - Genworth & CMHC insurance number
 - Mortgage statement/Renewal agreement
 - Executed payout/transfer authorization form
 - Executed pre-authorization form for mortgage payments
 - Confirmation of fire insurance
 - Confirmation of taxes paid or current balance
 - Copy of standard charge terms
- » 4 bps increase in rate or 15 bps decrease in commissions for all switch/transfers regardless of product
- » Standard discount and reward points apply
- » No cost switch/transfers available for Platinum brokers
- » POA not allowed

Radius Financial Rental Calculations

CMHC:

Min 620 Beacon
Maximum GDS/TDS:
35/42 or 39/44 if beacon 680+

To calculate borrowers Total Debt Service Ratio, 50% percent of rental income from the subject property may be included into the borrower's gross annual income.

- 1) *Subject Property is Owner Occupied Rental with a rental suite earning income*
(legal basement apt., duplex/fourplex):

$$\frac{\text{Principal} + \text{Interest} + \text{Other Debts}}{\text{Gross Income} + 50\% \text{ of rents}}$$

- 2) *Subject Property is a Pure Rental and borrowers principal residence has a rental suite earning income*

$$\frac{\text{Principal} + \text{Interest} + \text{Other Debts} + \text{Principal \& Interest on principal residence}}{\text{Gross Income} + 50\% \text{ of subject property rent} + 50\% \text{ of owner occupied rent}}$$

- 3) *Subject Property is Owner Occupied (O/O) and the borrower owns other rental properties*

$$\frac{\text{Principal} + \text{Interest} + \text{Taxes} + \text{Heat on O/O Property} + \text{Other Debts (no PITH rentals)}}{\text{Gross Income} + \text{Net Rents}^*}$$

- 4) *Subject Property is a Pure Rental and the borrower owns other rental properties*

$$\frac{\text{Principal} + \text{Interest} + \text{Taxes} + \text{Heat on Subject Property} + \text{Other Debts (no PITH rentals)}}{\text{Gross Income} + 50\% \text{ of Subject Rent} + \text{Net Rents}^*}$$

**Net Rental Income (GROSS RENTS LESS OPERATING EXPENSES):*

20% of gross rent is deducted for operating expenses (vacancy, maintenance & other management expenses)

Any NET Surplus is added to borrowers Gross Income & Any NET Shortfall must be added to Other Obligations

GENWORTH:

640 beacon up to 75% LTV, 660 beacon 75.1-80% LTV
Maximum GDS/TDS: 0/44

To calculate borrowers Total Debt Service Ratio either:
80% percent rental offset is used if subject property is a pure rental
or

50% rental addback is used if subject property has 1 unit that is owner occupied:

1) **Subject property is pure rental:**

$$\frac{\text{PITH} + \text{Other Debts} - (\text{Rental Income} \times 80\%)}{\text{Gross Employment Income}}$$

2) **Subject property 1-4 units, 1 unit is owner occupied, taxes and heat not included in TDSR**

$$\frac{\text{Principal \& Interest} + \text{Other Debts}}{\text{Annual Gross Income} + 50\% \text{ of Gross Rents}^*}$$

*100% of the gross rental income from subject property may be included in the borrower's gross annual income if property is located in Vancouver and Victoria. Where rental income can be confirmed using most recent T-1 Generals:

3) **Subject property is owner occupied and owner has other rental properties on the side, 2 options available:**

Where rental income can be confirmed using most recent T-1 Generals;

- a. If there is a Rental Surplus – surplus amount can be added to borrowers gross annual income using “Other Income” field
- Or
- b. If there is a Rental Shortfall – shortfall amount must be added to “Other Obligations” field

Where rental income can NOT be confirmed using most recent T-1 Generals:

- c. Add 50% of Gross Rents into OTHER INCOME and 100% of PIT + ½ condo fees if applicable into Other Obligations
- Or
- d. Calculate Net Rental Income (GROSS RENTS LESS OPERATING EXPENSES):
20% of gross rent is deducted for operating expenses (vacancy, maintenance & other management expenses)
Any NET Surplus is added to borrowers Gross Income & Any NET Shortfall must be added to Other Obligations

IMPORTANT POINTS:

- 1) Down payment must come from borrowers own resources. CMHC allows borrowed funds secured against proven assets.
- 2) Mortgages registered in a company name are allowed with personal guarantees. Companies can be either a holding company or an operating company
- 3) *Acceptable documentation for rental income on other properties:
CMHC & GENWORTH:
 - Canada Revenue Agency T776 Statement of Real Estate Rentals and/or T1 Generals
 - Audited Financial Statements
 - Appraisal
 - Signed Lease Agreements

All information outlined in this document is subject to change without notice.

UNDERWRITING POLICIES

Radius Client Servicing – via Mcap:

P) 1866-550-8227

F) 1866-370-0668

Email: radius@lenderservices.ca

Prepayment: Standard & Non-Standard mortgage products:

- 20/20 mortgage year, minimum \$100.00 on any payment date.

Ratewise Product:

- 10/10. 10% annual prepayment on anniversary date & 10% increase in payments once per year

Payment Options: Monthly, Accelerated and Non Accelerated Weekly, Accelerated and Non Accelerated Bi-weekly, Semi-monthly (any payment date except for 29th, 30th or 31st) – No Fee payment frequency changes available within first 60 days of funding – **IAD is paid at the time due via clients bank account**

Discharge:

- ✓ 3 Year ARM: 3 months interest only
- ✓ 1-5 year Fixed terms: 3months or IRD whichever greater
- ✓ (lowest Mcap rate for remaining term-if mid-term i.e. 1yr 6 mths, use 1yr rate)
- ✓ RateWise Product: Only upon Bona Fide Sale of Property – 3months or IRD whichever is greater

Adjustable Rate Mortgage:

- ✓ Qualifying: Bank of Canada Benchmark rate
- ✓ Interest Adjustment: Rate changes when Royal Bank Prime Rate changes
- ✓ Client Payment Change: After first payment cycle following Royal Bank of Canada prime rate change. Amortization is maintained with the payment change.
- ✓ Conversion: Mortgage can be converted at any time, to a fixed term equal to or greater than 3 years, without penalty, at Radius's posted rate
- ✓ Interest Compounding: Semi-Annually

Loan Amount: Minimum \$50,000 Maximum \$950,000.

Equity Take Out: Maximum loan amount \$200,000. Note Insurers do not allow ETO's to be used for payment of outstanding property or personal taxes and may be requested to confirm taxes up to date. **NOA's will be requested specifically on BFS deals and if client receiving funds directly.**

Amortization: Maximum 25 years and minimum 20 years. Conventional 30 years. Amortization cannot be less than minimum allowed during the first 3 months of closing or renewal. If prepayment made, mortgage payments can remain the same, provided 6 months after closing or renewal, therefore reducing amortization further.

Value: Based on house plus 5 acres. Total maximum acreage of property 20

Property Size: Minimum 750 sq ft with full basement or minimum 1,000 sq ft above ground. Exceptions apply in prime locations, with strong covenants, insurer approval and must be comparable & marketable with other properties in the area.

Lending Area: Population centre 5,000 or greater (will consider smaller areas for vacation properties). Typically 20km of an approved 20,000 population town/city or 5km of an approved 5,000-19,999 population town/city. **Review Census Canada link <http://www12.statcan.gc.ca/census-recensement/2011/dp-pd/prof/index.cfm?Lang=E> to confirm location fits Radius guidelines**

Appraisal: required for Private sales, POS/Foreclosures, as is condition & Non-Arms Length and paid by client, Radius orders or Broker can use Solidify or NAS. Some exceptions may apply for POS/Foreclosures based on MLS

Verification of value: additional source may be required if initial value not supported by GVS i.e. appraisal, tax assessment, purview, drive by or realtor's opinion

Lenders FCT Title Insurance: client pays - \$249.00 + taxes

Cost of Borrowing Document: Provided by Radius and must be provided to client and acknowledged in commitment letter. This does not replace any Disclosure Statement the Broker is required to provide

Rentals - Maximum number of units owned – 3-4 units preferred, up to 6 considered on exception basis with strong covenants, low LTV, marketability of property etc. Revenue from investment property can NOT be only source of income and down payment for rentals cannot be borrowed. Equity, loan to value, exposure and location are major factors in determining number of rentals allowed. Maximum 4 applicants / guarantors

Registration in company name (operating or holding) – Allowed with personal guarantee on **rental properties only**

Maximum aggregate loan amount per borrower with Radius - \$1 Million (based on strength of borrower and average LTV)

Ports: Available upon qualification. Ports allowed with a Gap of 30 days, existing and new insured deals. Mortgage payments must be made during Gap period. Principal balance to remain same or decreased. Discharge fee on existing property \$320.00. If deal was submitted by the broker a \$200.00 administration fee is paid to the broker.

Assumptions: Available upon qualification. Client is qualified based on the actual rate/payment of the existing mortgage.

Guarantor Income: The use of guarantor income is acceptable if guarantor lives in the subject property and is the spouse or common law partner of the borrower. Guarantors who are NOT the spouse or common law partner, must fully qualify and carry the mortgage on their own, even though they are not on title to the property i.e. parents. Full documents are required for all Guarantors.

Note: Co-borrower is defined as the individual going on title to the property with the primary applicant and whose income is used in qualifying.

Co-brokering – Properties located in regions where a broker is not licensed, must be co-brokered with a Radius registered licensed broker. The licensed broker must submit deal to Radius and commissions will be paid to the licensed broker. (Provincial licensing is required in ON, BC, AB, Sask, MB QC, NS)

» **In regards to Ontario:**

- **If the subject property is in Ontario and the client and broker are in another province, co-broker is not required and Disclosure from the broker's province is accepted.**
- **If the subject property AND client is in Ontario, the deal must be co-brokered with and Ontario licensed broker and proper Disclosures must be completed.**

Power of Attorney – Allowed (including on renewals) on exception basis. Not allowed for Switch/Transfers (**Radius lawyer used to review, client pays legal fees**)

Maternity Leave – 100% if confirmed return date, position and income

Foster Care – Confirmed min 3 yrs, gross up 25% if income \$30K & 35% if income greater than \$30K

Child Tax Credit – up to 50%, some restrictions apply

Support Payments –

- ✓ Copy of divorce decree or court order required confirming payments are due for a minimum 3 years
- ✓ 100% support payments can be used in qualifying when confirmed by court order and 3 months of current bank statements
- ✓ CRA Rule 97 Genworth Only – if child support agreement filed prior to May 1, 1997, payments are eligible for deduction on income.
- ✓ CMHC allows deduction regardless of when agreement filed

Bankruptcies/Consumer Proposals – Discharged 2 years with 2 trades re-established, double bankrupts not allowed

Purchase Plus &/OR Refinance Plus Improvements: Allowed with 1 holdback held in lawyers trust account. Radius will consider if, minor repair or improvement is likely to be completed within 60 day. If work is not completed within 60 days, held back funds will be applied towards the outstanding principal

- ✓ CMHC – Max 10% of purchase price – Refinance plus improvements allowed
- ✓ Genworth – Max 20% or \$40,000 of the purchase price, whichever is lower
- ✓ An approved contract, clearly outlining work to be completed and completion

New Construction: Take-out financing only, maximum commitment issue date 6 months prior to completion. Radius will order new credit bureau 45 days prior to closing and verify employment via current paystub or call to employer

Bridge Loans: Currently only available in ONTARIO.

- ✓ \$150,000 maximum bridge loan – exceptions may be considered
- ✓ Prime + 3% and \$500.00 fee
- ✓ 30 days maximum – exceptions may be considered
- ✓ No private sales. MLS properties only

Collection of Taxes: Radius defaults to Borrower being responsible for payment of taxes, high ratio or conventional. Broker can request tax component to be included with mortgage payments. Gross taxes used for qualifying purposes. NET taxes used for qualifying purposes in B.C. if applicable

Second Mortgages – allowed behind Radius & must qualify under CMHC guidelines

Registration – All mortgages are registered under Computershare

Vender Take back or 2nd mortgage behind Radius is considered on an EXCEPTION basis so long as total amount of mortgage does NOT exceed:

95% on purchase

80% on refinance

Gifted Equity – allowed from a direct family member within the bloodline, including siblings. Common law spouses do not apply.

Spousal Buyout – allowed as a purchase to 95% with Purchase & Sale Agreement & Separation/Divorce Agreement

- ✓ CMHC – funds can only be used for buyout, no penalties or matrimonial debts allowed to be included
- ✓ Genworth – Matrimonial debts may be allowed if included in Separation Agreement & discharge fees & penalties on existing mortgage may be included.

Rent to own financing – considered on case by case basis. Agreement must state dollar amount to rent & dollar amount towards credit of purchase. It must also have a refund clause; should renter not proceed with purchase option, renter to receive all or portion of credit back. Agreements that do not have this information will fall under regular programs ie gifted downpayment etc.

Government Municipal Grants Allowed – upon CMHC approval (A pricing offered on exception based on strength of covenant)

Applicants working offshore or US:

- ✓ Main income earner must be a Canadian citizen & resident of Canada
- ✓ Property must be owner occupied. N/A on rentals or secondary homes
- ✓ Member of the family must reside in the property and be on title

Department of National Defence – Only available on owner occupied properties

Condominium Reserves:

- ✓ Divide the reserve fund balance by the building's value = %
 - ✓ *The ratio should be 1.00% or greater for an adequately funded reserve.*
- For example:
Certificate of Insurance, building value \$280,000,000.00
Reserve Fund Balance \$1,804,822.00
= 0.644% (inadequate reserve fund)

Refinance existing Radius Mortgage – (refinance allowed after 1st year):

FCT Refinance Program:

The broker will receive email notifications at the following milestones:

- ✓ Request for Insurance Received
- ✓ Notice of Delay
- ✓ Payout statement Ordered & Received
- ✓ Appointment Date
- ✓ Signing Appointment Completed
- ✓ Funding Completed
 - » There is no limit to the amount of debts that can be paid on a file.
 - » Title changes do require the services of a Solicitor. If a title change is required FCT will work with the client's solicitor and the refinance will commence once the title change has been completed
 - » FCT can handle postponements under the refinance program. Additional fee applies and will be charged to the borrower.

Deal Inquiries contact at FCT: 1.855.500.3565

Pay Full Penalty

- ✓ Min \$20,000 increase, broker paid on full amount
- ✓ Discount points may be used .
- ✓ 20% prepayment allowed. Radius will reduce penalty as if 20% prepayment has been made.

Increase & Blend to Term:

- ✓ Min \$20,000 increase (unless port), broker paid on increased portion only
- ✓ CMHC deals, posted rate at time of application used for blended rate (excluding Quick Close rates), guaranteed up to 30 days
- ✓ Rate used based on remaining term rounded up/down to nearest full term (i.e. 2yr 6mths remaining, 3 year term used. 2yr 5mths remaining, 2 year term used)
- ✓ Blended Rate calculation for CMHC deals =
$$\frac{\text{existing mtg} \times \text{existing rate} + \text{new funds} \times \text{new rate}}{\text{Total new Mortgage Amount}}$$
- ✓ Genworth deals, cost of funds rate at time of application used for blend rate, guaranteed up to 30 days prior to closing
- ✓ Discount points may NOT be used.

Increase & Blend, Extension of Term:

- ✓ Minimum \$20,000 increase (unless port), broker paid on full amount
- ✓ Penalty is included in the rate. Penalty is calculated, then converted to a yield and the yield is added to the base rate. Many factors determine the final client's blended rate i.e. amortization, term, mortgage amount etc.
- ✓ CMHC deals can be extended to a minimum 3 year term, provided new term is equal to or greater than remaining term
- ✓ Genworth deals can only be extended to a new 5 year term
- ✓ Discount points may NOT be used.
- ✓ Note: *(Full commission is paid to broker provided there is NO reduction in penalty. Reductions in penalty can be reviewed on a case by case basis)*

Early Renewal (on exception basis):

- ✓ Fully penalty required and broker paid on full amount
- ✓ CMHC & Genworth only
- ✓ Discount points may NOT be used
- ✓ Current rates apply

Debt Servicing Calculations:

Monthly Heating Costs:

- ✓ Non-Condominium
[Area in square feet] x \$0.05 = Monthly Heating Costs (Round to nearest dollar)
[Area in square meters] x \$0.5382 = Monthly Heating Costs (Round to nearest dollar)
- ✓ Condominium
[Area in square feet] x \$0.03 = Monthly Heating Costs (Round to nearest dollar)
[Area in square meters] x \$0.3229 = Monthly Heating Costs (Round to nearest dollar)

Lines of Credit Monthly Payment:

- ✓ Secured LOC – Interest Only Monthly Payments
- ✓ Unsecured - 3% of outstanding balance, unless lower payments are proven.
- ✓ Bank & Other Credit Cards – 3% of outstanding balance, unless lower payments proven
- ✓ Installment & Student Loans – Monthly loan payment
- ✓ Canada Student Loans – 1% of outstanding balance used if not yet under repayment

Income Documentation Requirement:

- ✓ Standard Salaried Fully Qualified
- ✓ Letter of employment and current paystub

- ✓ Self Employed Fully Qualified
 - **Sole Proprietor/Partnership: Proof of business, 2 years NOA & 2 years T1Generals (Statement of Business Activities)**
 - **Corporation: Proof of business, Articles of Incorporation, 2 years NOA, 2 years Financial Statements.**

- ✓ Self Employed ALT A
 - **Sole Proprietor/Partnership: If income is reasonable; Proof of business, Summary of Business Activities and most recent NOA or Affidavit confirming no taxes owing.**
 - **Corporation: If income is reasonable; Proof of Business, Business Financials and most recent NOA or Affidavit confirming no taxes owing**

Credit Requirements:

- ✓ Minimum 620 beacon
- ✓ Minimum 2 years credit history
- ✓ Minimum 2 years active trade lines
- ✓ Thin Credit or "Reject" for 2nd Borrower – alternative sources of credit allowed on a case by case basis, determined by income required for 2nd borrower

Down payment:

- ✓ Savings/Bank Account – 3 months
- ✓ RRSP etc – 3 months, plus confirmation of deposit into account prior to closing
- ✓ Borrowed – confirmation of credit availability plus pmt included in liabilities
- ✓ Secured LOC – must be included in TDS

Restrictions:

- ✓ No Lending: NWT, Yukon & Nunavut
- ✓ Early renewals: on exception
- ✓ Bridge financing: only available in Ontario at this time
- ✓ Leasehold properties: not allowed at this time
- ✓ *FNF Title Insurance & Refinance Program: not available on 3 year ARM product at this time*
- ✓ Age restricted properties
- ✓ Estate ownership
- ✓ Properties with undivided interest

BROKER PERFORMANCE

1. When submitting mortgage applications to Radius for funding consideration, *the Broker must maintain a minimum mortgage commitment to mortgage funding ratio of at least fifty percent (50%)*. It is acknowledged and agreed that should this performance not be met, Radius, at its sole discretion, may take one or more of the following actions:
 - a) establish a 90 day improvement and review period with the Broker at the end of which the Broker must demonstrate a performance improvement;
 - b) require the Broker to submit full documentation upfront with each application's initial submission;
 - c) reduce the Broker's Radius Affinity status level;
 - d) eliminate the broker's ability to participate in any of Radius's loyalty or benefits programs;
 - e) terminate this Agreement



GIFT LETTER

TO WHOM IT MAY CONCERN:

This letter confirms that the undersigned is making a financial gift in the amount of:

\$ _____ To: _____ (Print name of recipients)

For use toward the purchase of the property located at:

_____ (Address of property being mortgaged)

We, the undersigned recipients and donors, hereby certify:

- ◆ the donor is an immediate relative of the recipients
- ◆ the money is a genuine gift from the donor and does not ever have to be repaid, **and**
- ◆ no part of the financial gift is being provided by any third party having any interest (direct or indirect) in the sale of the subject property.

We, the undersigned also acknowledge and understand that the financial gift must be in the recipients' possession **prior** to the time of application for mortgage loan insurance and that confirmation of same is required.

Recipients:

Signature: _____	Signature: _____
Print name: _____	Print name: _____
Date: _____	Date: _____

Donors:

Signature: _____	Signature: _____
Print name: _____	Print name: _____
Date: _____	Date: _____
Relationship to recipients: _____	Relationship to recipients: _____
Address: _____	Address: _____
Telephone: _____	Telephone: _____

3RD PARTY CONSENT FORM

This 3rd Party Consent Form authorizes and directs Radius Financial Inc. to release mortgage information to the 3rd parties identified. Please complete and return to Radius Financial Inc. via mail, fax or email.

Note: This authorization is valid until Radius Financial Inc. receives written notice of cancellation from the Mortgage Client(s). A new, signed 3rd Party Consent Form will be required to cancel an existing 3rd Party Consent Form.

The purpose of this 3rd Party Consent Form is (please check one):

- To authorize a 3rd party to have access to my/our mortgage information
- To authorize a 3rd party to have access to and/or update my/our mortgage information
- To cancel the existing authorization of the 3rd party identified below.

MORTGAGE CLIENT INFORMATION

Client(s) Name: _____

Client(s) Address: _____

Mortgage Number: _____

3RD PARTY

Name: _____

Relationship to Borrower: _____

Address: _____

Phone Number: _____ E-Mail: _____

CLIENT/GUARANTOR AUTHORIZATION

 Signature(s) Date(s)

NOTE THIS FORM WILL NOT BE ACCEPTED UNLESS SIGNED BY THE MORTGAGOR(S) AND GUARANTOR(S) IF APPLICABLE.
 Mortgage Servicing Centre, P.O. Box 351 STN C, Kitchener, ON N2G 3Y9
 Toll Free: 1-866-550-8227 * Fax Toll Free: 1-866-370-0668 * Email: radius@lenderservices.ca

Pre-Authorized Debit (PAD) Agreement

1) Pre-Authorized Debit (PAD) Details:

You authorize us (Radius Financial Inc.) to withdraw funds from the bank account designated below (or any other account you may authorize at any time), for your loan payments as outlined in the Mortgage Commitment. This applies until all Obligations of the Mortgage have been satisfied, and includes payments for any renewals or amendments to the loan.

You agree we can deduct Regularly Scheduled Payments (which may be a fixed amount, or a variable amount), from the account designated below, at the payment frequency selected on your loan. You agree we can deduct one-time payments such as late interest, service fees and other charges from time to time, from your account (or add that one-time charge to your next Regularly Scheduled Payment), in accordance with the terms of your Mortgage. **YOU AGREE TO WAIVE THE NOTICE PERIODS REQUIRED FOR REGULAR, VARIABLE AND ONE-TIME PAYMENTS.**

This is a personal PAD for mortgage purposes. This PAD Agreement remains in effect until we receive written notification from you of its change or cancellation. This notification must be received by us (at the address provided below), at least 10 business days before the next payment is scheduled. To obtain a sample cancellation form, or for more information on your right to cancel a PAD Agreement, contact your financial institution or visit www.cdnpay.ca.

You have certain rights if any debit does not comply with this Agreement, or is not in accordance with the terms of your Mortgage. For example, you have the right to receive reimbursement for any PAD that is not authorized or is not consistent with the terms of this PAD Agreement. To obtain a form for a Reimbursement Claim, or for more information on your rights, contact your financial institution or visit www.cdnpay.ca.

2) Customer Information (Please Print Clearly):

Name(s): _____ **Mortgage #:** _____

Address: _____
 (Street)

(City/Province/Postal Code)

Phone (Bus): _____ **Phone (Home):** _____

3) Financial Institution (FI) and Bank Account:

Name of FI: _____

Branch Address: _____
 (Street)

(City/Province/Postal Code)

Account Information:
 Branch Transit / FI Code / Account Number

Please attach either a sample cheque marked "void" or proof of account ownership.

4) Authorization:

Signature(s): _____ **Date (DD/MM/YY):** _____
 _____ **Date (DD/MM/YY):** _____

Identification & Documentation Disclosure Statement
"KNOW - YOUR - CLIENT"

To: *(Name of Lender)* _____
From: *(Name of Agent)* _____
Re: *(Name of Client)* _____
Transaction Number: _____

Contact Method (check all applicable) OR INPUT INTO EXPERT NOTES

- A I have had face to face contact with this client.
- B I have known this client for at least two (2) years _____

- C Referral from a past client or well known referral source
- D Referral from a new source
- E I have never met this client. I have dealt with this client via the internet, phone and / or fax only
(specify) _____

Documentation (attached) OR I PERSONALLY REVIEWED THE NOTED DOCUMENTS

- F I am submitting copies of two (2) pieces of the client's identification, including one (1) photo I.D. Please see the attached copies. _____
- G ID 1: Type of Document _____ ID No. _____
ID 2: Type of Document _____ ID No. _____

Verification (check one: G or H)

- G The documentation has been supplied by the borrower and I have verified it to the best of my ability by:

- H The documentation has been supplied by the borrower but I have not verified the information.

Personal Declaration

I confirm the above to be true.
Property is Owner occupied Rental Second Home

(Agent Signature)

(Date submitted to Lender)

FCT Platinum Refinance Program Fees

PROVINCE	PROGRAM FEE	ADDITIONAL FEES FOR MORTGAGE REGISTRATION & CONVERSION
BC	\$675.00	N/A
AB*	\$625.00	\$1.00 per \$5,000
SK*	\$699.00	\$75.00 each title over 4
MB	\$740.00	N/A
ON	\$745.00	N/A
QC	\$870.00	N/A
NS*	\$869.00	\$300.00 – for properties requiring conversion
NFLD*	\$918.00	\$0.40 per \$100.00
NB*	\$756.00	\$272.00 – for properties requiring conversion \$75.00 per additional PID
PEI*	\$879.00	\$102.00 – Collateral Conventional – variable: \$0 - \$9,999: \$76.50 \$10,000-\$19,999: \$102.00 \$20,000-\$49,999: \$153.00 \$50,000-\$99,999: \$229.50 \$100,000-\$149,999: \$306.05 \$150,000-\$199,999: \$382.55 \$200,000 & over: \$459.05
Program Fee Includes one signing appointment, funding, all discharges and cancellation fees.		

*** Additional fees apply for:**

- Mortgage registration fees in Alberta, Saskatchewan, Prince Edward Island and Newfoundland & Labrador, as applicable and noted above;
- Conversion fees in New Brunswick and Nova Scotia, when required
- Additional Signing Appointments
- For mortgages over \$750,000.00 additional premiums will apply.

Radius Fee Schedule – Effective March 31, 2014

Fee Type	Borrower Fee
Returned Payment Tier 1 (1 st , 2 nd , 3 rd return)	\$113.00
Returned Payment Tier 2 (4 th , 5 th , 6 th return)	\$150.00 (\$37 to Radius)
Returned Payment Tier 3 (7 th + returns)	\$200.00 (\$87 to Radius)
Hold/Delay Payment	\$82.00
Skip Payment	NA
Mid-term Change	\$82.00
Regular Renewal	\$0.00
Early Renewal	\$75.00
Discharges - NOT AB, QC, BC, MN	\$340.00
Land Registration Fee – ON	\$71.30
Discharges - BC	\$75.00
Discharges - AB and QC	\$0.00
Discharges – MB	\$180.00
Reinvestment Fee	NA
Discharge Reproduction – ON & QC	\$25.00
Discharge Reproduction - all other provinces - NOT ON & QC	\$100.00
Assignments/Transfers - NOT NF, NS, PEI, QC	\$340.00
Assignments/Transfers NF	\$50.00
Assignments/Transfers NS	\$25.00
Assignments/Transfers QC	\$0.00
Assignments/Transfers PEI	\$25.00
Reinvestment Fee	NA

Payment of Tax Arrears	\$150+
Payment of Utility Arrears	\$50.00
Breakdown of Tax Acct	\$75/hr
Tax Admin Fee from Municipality	Varies by Municipality
Tax Portion Cancellation	\$75.00
Port	Determined by U/W
Refinance	Determined by U/W
Replacement	Determined by U/W
Partial Discharges	Determined by U/W
Qualified Assumptions	Determined by U/W
Non-Qualified Assumptions	Determined by U/W
Covenant Change	Determined by U/W
Legal Fees	Determined by Solicitor
Bridge Loan Processing Fee	NA
Courier Fee	NA
Appraisals	Varies by Geography. Paid by Borrower
Default Administration	\$250.00
Bankruptcy/Consumer Proposal Administration	\$300.00
Payment of Condo Arrears	\$150.00+
Refund Cheque	\$0.00
Annual Statement Reprint	\$25.00
Copy from File	\$25.00
Information Statements	\$0.00
Re-Advance	NA

Lapse in Impairment Insurance	\$250.00 every 3 months
Re-Draw Fee	NA
Records Research	\$75/hr
HELOC & HELOC+ Application Fee	NA
HELOC Transfer In Fee	NA

RATE & PRE-APPROVAL POLICY

1-5 Year Fixed Terms

- ✓ 1 -5 year fixed term rates are valid for up to 90 days, once fixed.
- ✓ If the rate expires, after 45 or 90 days and the loan is not funded, the rate will be reset at the then current rate.
- ✓ 1 time rate drop allowed (exceptions by management) and broker must request in writing up to 8 days prior to closing. If no request, auto rate set to lower of current rate or original commitment rate 7 days prior to closing.

****Rate Drops Are Not allowed on Quick Close Products****

3 Year Adjustable Rate Mortgage:

- ✓ For qualifying purposes, the Benchmark rate at time of application is used for up to 90 days prior to closing. Rate is set 7 days prior to closing.

PRE- APPROVALS (Available to Gold & Platinum Status Brokers Only):

- ✓ Rate hold only
- ✓ Available on 5 year fixed term product only
- ✓ Minimum 620 beacon
- ✓ Owner occupied
- ✓ Pre-approval certificate issued with a CMHC "A" 5 year posted rate.
- ✓ Applications will only be underwritten when a signed agreement of purchase & sale and MLS listing are received
- ✓ If rates drop within the 90 day period, rate will automatically decrease

****FLOAT RATE OPTION IS NO LONGER AVAILABLE****

OPERATIONS/UNDERWRITING & RVP CONTACTS

contact information

OPERATIONS/ UNDERWRITING			
Main Phone: 416.366.4321 TOLL FREE: 877.369.6398			
Lorraine Sato VP Underwriting & Administration	Ext. 250	(866) 849-1104	lorraine.sato@radiusfinancial.ca
Janice Tinker Sr. Underwriter	Ext. 225	(866) 860-8060	janice.tinker@radiusfinancial.ca
Patrick Delaney Sr. Underwriter	Ext. 243	(866) 630-0352	patrick.delaney@radiusfinancial.ca
Criselda Obnamia Sr. Underwriter	Ext. 233	(866) 298-3506	criselda.obnamia@radiusfinancial.ca
Natalie Dixon Sr. Underwriter	Ext. 227	(866) 488-6451	natalie.dixon@radiusfinancial.ca
Gail Thompson Sr. Underwriter	(587) 350-4322	(855) 356-3023	gail.thompson@radiusfinancial.ca
Kris Chester Sr. Underwriter	(587) 230-1960	(855) 356-3659	kris.chester@radiusfinancial.ca
Radius Client Servicing	(866) 550-8227	(866) 370-0668	radius@lenderservices.ca

regional vice presidents

Suzanna Stefanec VP National Sales & Products	(647) 291-5121	suzanna.stefanec@radiusfinancial.ca
Alain Rousseau RVP Atlantic & Quebec	(855) 207-2821	alain.rousseau@radiusfinancial.ca
Tina Francis RVP Ontario East	(416) 573-9999	tina.francis@radiusfinancial.ca
Ricardo Camara RVP Ontario West	(416) 705-9900	ricardo.camara@radiusfinancial.ca
Shane Lapointe RVP Prairies, Alberta & BC	(855) 409-0540	shane.lapointe@radiusfinancial.ca
Vimal (Vim) Gandhi Relationship Sales Manager	Ext. 244	(866) 605-8060 vimal.gandhi@radiusfinancial.ca

LOYALTY PROGRAMS

RADIUS AFFINITY

Affinity Gold

- ✓ \$5MM - \$9.9MM or 25 – 49 Funded deals
- ✓ Dedicated underwriting with preferred service
- ✓ Pre-approvals
- ✓ Efficiency reward points
- ✓ Enhanced reward points:
 - 1 – 4 year terms = 675
 - 5 year term mortgage amount less than or equal to \$400,000 = 1,350
 - 5 year term mortgage amount greater than \$400,000 = 2,000

Affinity Platinum

- ✓ \$10MM+ or 50+ Funded deals
- ✓ Dedicated underwriting with priority service
- ✓ Pre-approvals
- ✓ No cost Switch/Transfers
- ✓ 25,000 bonus Discount Points for every \$10MM funded
- ✓ Potential Candidate for the Radius Advisory Committee
- ✓ Enhanced reward points:
 - 1 – 4 year terms = 900
 - 5 year term mortgage amount less than or equal to \$400,000 = 1,750
 - 5 year term mortgage amount greater than \$400,000 = 2,500

*****The Radius Points Agreement must be executed and returned to Radius in order to earn any reward or discount points regardless of status levels*****

DISCOUNT POINTS

Discount Points Factors:

1 year A Insured	.925
2 year A Insured	1.72
3 year A Insured	2.33
3 year "ARM" A & ALT A Insured	2.10
4 year A Insured	2.85
5 year A Insured	3.95
5 year Alt A Insured	3.95

Discount points are earned when offering up to a maximum of 10 bps above the Posted rate.

Maximum rate buy down allowed from POSTED, using Discount Points alone or combined with commissions:

- ✓ 25 bps - Quick Close
- ✓ 25 bps - 1 through 4 year term or
- ✓ 25 bps - 3 year ARM
- ✓ 25 bps - 5 year term
- ✓ 10 bps - RateWise Product

Posted rate is defined as the lowest rate available to be offered to clients unless banked discount points or commissions are used.

Important Points:

- ✓ Reward points can be converted to discount points and used for client rate buydowns or cashbacks
- ✓ Discount points are available to be used on Quick Close rates.
- ✓ Quick Close rates DO NOT EARN discount points. (Unless specific Radius Promotion)
- ✓ Discount points may be used as cash back to clients (.10 cents per point). Maximum 1% of loan amount. **Administration fee may be incurred when cash backs are couriered to client or lawyer**
- ✓ The submitting agent is the only one who can authorize the use of banked discount points and any requests must be made via the broker portal <http://portal.radiusfinancial.ca>
- ✓ Rate drop prior to closing will be maintained at the same discount spread.
 - For Example:
Posted rate was 3.99% at time of submission and you bought down the rate by 20 bps to 3.79%. At 7 days prior to closing, if the posted rate is now 3.89%, the client will get 3.69% (3.89% - 20 bps) at closing.

How to earn and use discount points:

EXAMPLE 1: No rate buy down

Loan: \$250,000

Term: 5 years "Alt A" insured

Posted rate: 3.79%

Factor: 3.95

Rate to client: 3.89%

BPS Earned = 10 bps

Formula: $250,000 / 1000 \times 10 \times 3.95 = 9,875$ discount points earned in your Points account.

(Note: 10 bps is what Radius allows you to bank if you do not use it on the current deal;

BPS banked = rate to client is 10 bps above Posted rate = $3.89\% - 3.79\% = 10$ bps)

Earned 9,875 discount points means is available for future rate discounts or \$987.50 cash back (this is .10 cents per point)

EXAMPLE 2: Rate buy down 5 bps on a 3 year term

Loan: \$250,000

Term: 3 years "A" insured

Posted rate: 3.79%

Factor: 2.33

Rate to client: 3.74%

BPS Earned/Cost = 5 bps cost (note: Any discount below Posted rate is a cost in discount points = $3.79\% - 3.74\% = 5$ bps)

Formula: $250,000 / 1000 \times 5 \times 2.33 = 2,912$ discount points cost.

Use banked discount points from above deal ($9,875 - 2,913$) = 6,962 for future rate discounts or cash back to clients.

****25,000 Bonus Discount Points Earned for Every \$10MM Funded for Platinum Status Brokers****

Rate Buy down Using Commissions:

- ✓ Factor Chart for commission for 1 to 5 year fixed terms
- ✓ Example: 5year fixed rate bought down 10bsp would cost 42 cents in commission
- ✓ \$200,000 (mtg) x 42 /10,000 = \$840 in commission
- ✓ Maximum 25bps buy down in rate – (either using commissions alone or combined with discount points)
- ✓ Ratewise Product: Maximum 10 bps buy down in Rate (either using commissions alone or combined with discount points)
- ✓ Available on Quick Close Products & Arm – factors below based on term

Term	Commission Buy-down factor	10 bps yield buy-down Cost in commission
1 year	1.0	10
2 year	1.8	18
3 year	2.7	27
4 year	3.5	35
5 year	4.2	42

REWARD POINTS

Efficiency Bonus Reward Points:

- ✓ Minimum funded volume \$2.5Million
- ✓ Minimum 65% Efficiency Ratio (ER) must be maintained
- ✓ Ratio calculation in units: total number funded / total number net applications (net applications = total applications-pre-approvals & duplications)
- ✓ Reward points awarded at the end of each quarter so long as ER is 65% or above
- ✓ Reward points calculation: total funded volume per quarter x .010
- ✓ Example: \$9MM x .010 = 90,000 reward points
- ✓ Excludes pre-approvals

Reward points are earned on every funded deal with Radius Financial and are issued via a Visa card.

Conversion of Reward Points to Discount Points may be requested via online broker portal <http://portal.radiusfinancial.ca>.

EXAMPLE 1:

Loan: \$200,000
Term: 1-4 years
Points earned: 500 Rewards Points

EXAMPLE 3:

Loan Amount: \$300,000
Term: 5 years Quick Close
Points earned: 1,000 Reward Points

EXAMPLE 2:

Loan: \$300,000
Term: 3 year ARM
Points earned: 500 Rewards Points

EXAMPLE 3:

Loan: \$425,000
Term: 5 years
Points earned: 1,500 Reward Points

**5 Year Fixed Terms = 1,000 points for loans \$400,000 or less, 1,500 points for loans greater than \$400,000

**1-4 Year Fixed Terms = 500 points for all loan sizes

**Each point is worth \$.10

VISA CARD:

There are two cards: ***Redeemable and Reloadable and can be used at any domestic & international merchants that accept Visa cards.***

1) Pre-Denominated Visa:

This is a gift card where the submitting broker can put a fixed value on the card and personalize specifically for clients and referral partners. Please note the recipient's name must be given at the time of the request. The Submitting Broker will complete the Reward Points redemption requests via online broker portal <http://portal.radiusfinancial.ca>. The cards will then be mailed to the submitting broker for distribution.

Please refer to Terms & Conditions Agreement for full details regarding fees & interest rates.

All information outlined in this document is subject to change without notice.

2) Reloadable Visa:

This is card acts similar to a standard debit card. This card is used by the submitting broker and re-loaded each time the submitting broker makes a request via online broker portal

<http://portal.radiusfinancial.ca>.

Please refer to Terms & Conditions Agreement for full details regarding fees & interest rates.

For any VISA CARD enquiries, customer service questions, lost, stolen or non-received cards, please contact IntelliSpend directly at 1-877-610-1075.

3) Travel:

You can also use these points to travel with Corporate Traveller. Requests for travel are made via online broker portal <http://portal.radiusfinancial.ca>

Corporate Traveller

Suite 200 - Room E

1 Dundas Street W Toronto, ON M5G 1Z3:

Phone: (416) 603-1166 or 1 866-606-5350 or **Email:** kathy.tam@corporatetraveller.ca

Radius Points Application and Terms & Conditions

Application Terms & Conditions

1. This is a Radius Financial Inc. ("**Radius**") loyalty points program offered to the submission agent ("**Broker**") who has been registered and approved to submit mortgage loan applications to Radius. Radius Reward Points ("**Reward Points**") and Radius Discount Points ("**Discount Points**") (collectively, "**Points**") accounts will be opened by Radius in the Broker's personal name ("**Broker Points Account**'s).
2. The Broker Points Accounts remain open and accrue to the benefit of the Broker, no matter what brokerage the Broker is associated with or transfers to during his or her career, so long as the Broker is still registered and in good standing with Radius.
3. Loan applications received prior to the account opening are not eligible for Points, regardless of the funding date; unless an exception is approved by Radius.
4. Points are awarded to the Broker at the time of funding.
5. Discount Points earned or used for each funded product are calculated based on a multiplier factor in effect on the commitment date (as defined further in the current Radius Products, Underwriting Guidelines & Loyalty Programs manual under the Section entitled Loyalty Programs). Reward points are earned on each funded product as outlined on our current market product rate sheet. Points are determined by Radius and subject to change without notice.
6. Statements of accrued Points in your Broker Points Account can be viewed online by Brokers via the secured website portal provided by Radius.
7. Points, if not used, will expire 3 years from the date they were credited to the Broker, and cannot be redeemed or used after expiration. Points are redeemed on a first-in/first-out basis (i.e. the oldest Points in your Broker Points Account are redeemed first).
8. Redemption of Reward Points must be done through the reward companies selected by Radius.
9. Reward points redeemed are a taxable benefit. Advice in regard to the treatment of this taxable benefit is recommended.
10. Administration charges, shipping costs and applicable taxes on Reward Point redemptions such as merchandise, prepaid Visa cards or travel vouchers are the responsibility of the Broker. For example, for travel requests via Corporate Traveller, our current Reward Points travel reward company, a booking fee of \$35 plus applicable taxes will be charged per travel redemption request in addition to a 0.5% administration fee of the total amount booked. Additional Reward Point redemption travel voucher booking fees may apply if amendments to existing travel plans are made after your booking date. Corporate Traveller requires a minimum of 2 business days' notice prior to your departure date to arrange your travel plans.
11. Points have no cash value and are non-transferable.
12. No overdraft is allowed on a Broker Points Account. If a Broker Points Account is overdrawn due to system or clerical error, the Broker hereby agrees to repay Radius and hereby authorizes the cash equivalent cost of any Broker Points Account overdraft be deducted from any and all future commissions payable.
13. Radius has the right to freeze any Broker Points Account in the event it is determined that any lack of compliance exists associated with a mortgage application or funded mortgage.
14. It is agreed that Radius has the sole right to make any final decision whatsoever concerning the Radius Points program terms and conditions as described herein.
15. Generally, Radius may terminate or withdraw a mortgage agent's status as Broker in the event of noncompliance, poor funding ratios or death, and upon termination or withdrawal of such status, all Brokers Points in the Broker's Broker Points Account will be cancelled immediately. In the event that Radius terminates or withdraws a mortgage agent's status as Broker, notice will be communicated in writing by Radius to the mortgage agent via mail, facsimile or email based on available information in the Radius Broker database at the time.
16. Radius may terminate either or both of the Points programs at any time without prior notice and without penalty. It is hereby agreed by the Broker that in the event that Radius terminates a Points program, all accrued Points will be cancelled with no residual liability whatsoever owed by Radius to the Broker.
17. **English Language Clause:** The parties to this Agreement acknowledge having required that this Agreement as well as all notices, documents or agreements related to this Agreement be drafted in English. Les parties aux présentes reconnaissent avoir exigé que la présente convention ainsi que tous avis, documents ou ententes s'y rapportant soient rédigés en anglais.

Above Terms and conditions accepted by:

Broker Name	Broker Signature	Date
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Witnessed by:

Witness Name	Witness Signature	Date
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* Conditions subject to change at any time.
* Program subject to cancellation at any time.

Terms and Conditions VISA Card

Important information about the Radius Financial® Visa® Prepaid Card

Reloadable – personalized card



1. \$8.00 per card fee paid once in the Program's 36-month duration. Eight percent (8%) administration fee on all card funding, to be paid at the time of order placement.
2. Card is valid until 11/16. See below for additional information.

Predenominated – personalized card



1. Cards valued \$100 and less: \$3.95 per card fee, in addition to card funding, to be paid at the time of order placement.
2. Cards valued \$101 and greater: 4% administration fee based on funding amount, in addition to card funding, to be paid at the time of order placement.
3. Card contains a 12 month valid thru date, subject to applicable law.

General Information:

1. All fees and funding are non-refundable.
2. Cards lost or stolen in transit will be the responsibility of IntelliSpend Prepaid Solutions, ULC. Immediately upon delivery by IntelliSpend, the full risk of loss for cards ordered for the Program shall pass to you.
3. For cards lost or stolen after delivery and reported before the valid thru date, IntelliSpend shall replace one (1) card at no charge. They will also replace the balance on the lost card at the time it is reported lost or stolen by the Participant. All subsequent lost and stolen cards shall be replaced for a fee. IntelliSpend shall not be responsible for replacement of value lost before the card is reported as lost or stolen. A Participant Agreement will accompany the card which contains additional information. For lost, stolen or non-received cards please contact IntelliSpend at 1-877-810-1075.
4. For card-related inquiries such as card balance, transaction history or point-of-sale assistance, please visit MyPrepaidCenter.com or contact Customer Service at the number listed on the back of the card.
5. For **predenominated cards**: There is a valid thru date on the card. Any unused funds will be forfeited after the last day of the month of the valid thru date, subject to applicable law. Upon receipt of funds from Radius Financial, card funding will generally be loaded within two (2) business days. Cards will be delivered 10-14 business days from receipt of funds.
6. For **reloadable cards**: There is a valid thru date on the card. IntelliSpend shall contact Radius Financial prior to the Program's end date to discuss renewal. Active cards with a \$0.01 balance or higher at the time of the Program renewal are eligible for transfer of the remaining card balance onto a new card at Radius Financial's discretion. Radius Financial will automatically renew active cards unless otherwise notified. Applicable card renewal fees shall apply. Upon receipt of funds from Radius Financial, card funding will be loaded to each reloadable card within two (2) business days. Funding requests on a brand new card will also be loaded within two (2) business days, then will be shipped to the recipient via standard mail. Cards will be delivered 10-14 business days from receipt of funds. Reloadable cards must be set up with the same valid thru date for all Program cards regardless of the issue date of such cards.

This card is issued by Peoples Trust Company pursuant to a license by Visa Inc. Cards are issued in connection with a loyalty, award or promotion program. Card is not transferable and cannot be issued to minors. Card does not have cash access and can be used at any merchants that accept Visa cards. Cards have a valid thru date on the card face. Country restrictions apply and are subject to change. Card terms, conditions, and limitations apply; see MyPrepaidCenter.com/site/visa-univ-can for details.

Radius Online Broker Portal Step By Step Instructions

After logging in to your portal click on Apps and Tools:



In Apps and Tools screen click on Radius Affinity Loyalty Program to access the following information and functions:

1. status of your deals submitted to Radius
2. your volume and efficiency rating with Radius
3. your points transactions and balances
4. create Points redemption requests



Your Radius Affinity Loyalty Summary Screen gives your Radius transactions information and access to all functions:

Summary

DEALS AND TRANSACTIONS

Deal Search [Check status of your deals](#)

Points Transactions Search [Check your points transactions](#)

Points Calculator [calculate points for a buydown](#)

TRANSFERS AND REDEMPTIONS

Create New Request [Request cashbacks and Rewards Redemptions](#)

Request History [Your Points requests history](#)

Summary

Year: 2013

Current Level: Radius Affinity Platinum Date Level Achieved: Apr 16, 2013

	# of Deals	Volume
YTD Applications	45	\$12,504,559.24
YTD Funded	23	\$6,486,297.40
YTD Committed	36	\$9,718,555.74
Denied	8	\$2,770,363.50
Collapsed	10	\$2,861,680.39

	Rewards	Discount
Balance	7,751	109,280
YTD Points Earned	29,250	39,649
LTD Points Earned	256,336	512,658
YTD Points Redeemed	62,999	29,394
LTD Points Redeemed	242,585	403,378

	Q1	Q2	Q3	Q4
Quarterly Efficiency	82.35%	47.37%	0%	0%
Quarterly Volume	\$4,251,276.51	\$2,235,020.89	\$0.00	\$0.00

Buydown calculator will let you calculated the amount of points you will need to lower down a rate on Radius mortgage:

1. Click on Points Calculator on your summary screen in the left hand side menu

Calculator

Loan ID
Select Deal

Expert Application ID


Product


Status

Account Name

AgentID

Client Name

Application Date 

Closing Date 

Mortgage Amount

Mtg Rate

Buydown

2. Click Select to find the deal for which you would like to calculate a buydown, and find the deal using any of the criteria below:



Please note that new deals on Express will appear in Points system overnight.

Select Deal

Deal

Expert Application ID

Client Name

Closing Date  - 

3. Select deal for calculation:

Summary

DEALS AND TRANSACTIONS

Deal Search

Points Transactions Search

Points Calculator

TRANSFERS AND REDEMPTIONS

Create New Request

Request History




Select Deal


Deal	Expert Application	Status	Closing Date	Application Date	Agent Name	Total Loan	Client Name	
999236	FIRM-123654	Commit Offered	Aug 15, 2013	Jun 5, 2013	Joe Agent	263553.75	Mr. Client	Select
89789	FIRM-98741	Commit Offered	Aug 23, 2013	May 16, 2013	Joe Agent	242400.00	Mrs. Borrower	Select

Click Select to calculate buydown for the loan

4. Enter all the information as required and click Calculate

Calculator

Loan ID	<input type="text" value="89789"/>
	Select Deal
Expert Application ID	<input type="text" value="FIRM-98741"/>
Product	<input type="text" value="myFixed-rate / 5 year closed"/>
Status	<input type="text" value="Commit Offered"/>
Account Name	<input type="text" value="Joe Agent"/>
AgentID	<input type="text" value="JAgent"/>
Client Name	<input type="text" value="Mrs. Borrower"/>
Application Date	<input type="text" value="16/05/2013"/> 
Closing Date	<input type="text" value="23/08/2013"/> 
Mortgage Amount	<input type="text" value="\$242,400.00"/>
Mtg Rate	<input type="text" value="2.99"/>
Buydown	<input type="text" value="0.10"/>  Enter required buydown here

 Click here to calculate points required for buydown

To request a cashback, points transfer, Visa card or travel redemption click on Create New Request on your summary screen:

radius financial | Radius Affinity Loyalty Program | radiusaffinity

Summary

DEALS AND TRANSACTIONS

Deal Search

Points Transactions Search

Points Calculator

TRANSFERS AND REDEMPTIONS

Create New Request

Request History

Click here to request points redemptions or transfers

Create New Request

Cash Back Request
— Click here to request cash back on a Radius deal using your Discount Points.
Please allow a minimum of 10 business days to process your request (this includes courier delivery of the cheque)

Reward Redemption Request
— Click here to redeem your Reward Points for VISA card

Convert Request (Reward to Discount Point Only)
— Affinity Gold and Platinum members can convert their Rewards points to Discount points here

Travel Request
— Click here to redeem your Rewards points for travel with CORPORATE TRAVELLER™.
Once your request upon complete you next fax or email your travel voucher to CORPORATE TRAVELLER™.

radius financial

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[Summary](#) | [Deal Search](#) | [Points Calculator](#) | [Create New Request](#)

[Points Transactions Search](#) | [Request History](#)

Cashback Request:

1. To start your cashback request enter Expert Application ID to find the deal and client information for your cashback:

Radius Affinity Loyalty Program | radiusaffinity

Cash Back Request

Expert Application ID

Please enter Expert Application ID that was submitted to Radius.
Any deals declined or collapsed do not qualify for cash back.

[Cannot find mortgage information](#)

2. Enter all the required information on the cashback form and click submit:

Cash Back Request

Expert Application ID

Please enter Expert Application ID that was submitted to Radius.
Any deals declined or collapsed do not qualify for cash back.

Amount ***

Cashback can not exceed 1% of the mortgage amount. A \$25.00 administration fee + tax will be applied to each cashback

Total Mortgage Amount: \$276,616.24
Available Discount Points: 109,280
Admin Fee: \$28.25
Maxium Request Amount: **\$2,766.20**

Cashback to Client payable to ***

If lawyer, must be "in trust".


Mail the cheque to ****

Notes

Enter information in each field as required and click Submit button to submit your request for processing. Each deal can only be submitted once for a cashback

Reward Redemption Request – VISA Card:

Reward Redemption Request Select type of card transaction as desired


Redemption Type: 

Points Available:

Card Value: Enter amount - ensure it does not exceed Points available


Mailing Address:

City:

Province:  Enter address to which the card should be mailed

Postal Code:

Notes:

 Click Next to proceed with your transaction



Reward Redemption Request Result screen shows the final amount of your redemption including fees and taxes

Redemption Type	Pre-denominated VISA Card
Card Value	\$500.00
Admin Fee	\$20.00
Tax	\$1.00
Points Available	7,751
Points Required	5,210
Mailing Address	123 YellowBrick Road
City	Oz
Province	Alberta
Postal Code	000 000

Confirm and Submit  Click here to submit your request

Travel Request

1. Enter amount required within your balance and any notes you need for tracking this transaction and click Submit

Welcome

Radius Affinity Loyalty Program radiusaffinity

Travel Request

Broker will be responsible for the remaining balance, if the cost of travel, including fees and taxes, exceeds the redeemed amount.
If the cost of travel is less than the amount redeemed, the balance of points will be returned to broker after invoice is received from the Travel agency by Points administrator.

Rewards Points Balance

Amount to be redeemed in Dollars Keep in mind that each point is worth 10 cents, so if you have 7000 points you can only request up to \$700

Notes Enter comments to indicate time/destination of your travel for easy tracking


2. Result screen will appear with your Travel voucher for download. Make sure to download your travel voucher and email or fax it to Corporate Traveller.

Welcome

Radius Affinity Loyalty Program radiusaffinity

Travel Request

When you get to this step your points have been deducted in the amount requested by you

 Your document is ready to send to Corporate Traveller, please download this document and email to bhavini.patel@corporatetraveller.ca or fax to 416.603.1332

To finalize your travel arrangements please call: 416 603 1166 or email: bhavini.patel@corporatetraveller.ca

NOTES: Please note that the final cost of your travel package may be different from the amount you have redeemed, and you will be responsible for the amount exceeding your redemption.

[Click here to download your travel voucher](#)

3. Your travel voucher has all the information required including tracking number and contact information.



Radius Affinity Points Redemption Confirmation Form

Email to: bhavini.patel@corporatetraveller.ca

Fax to: (416)603-1332

Broker will be responsible for the remaining balance, if the cost of travel, including fees and taxes, exceeds the redeemed amount.**

If the cost of travel is less than the amount redeemed, the balance of points will be returned to broker after invoice is received from the Travel agency by Points administrator.

Account Name:	Joe Broker
Points Tracking Number:	114
Transaction Date:	Jun 19, 2013
Points Redeemed:	7,700
Value of Points Redeemed:	\$770.00

Notes

This is for a trip to Calgary

If you do not receive acknowledgement within 1 business day, please call (416)603-1166

To finalize your travel arrangements please call: (416)603-1166 or email bhavini.patel@corporatetraveller.ca

**In addition to the direct cost of travel package, Travel agency will charge booking fee of \$35 + 13% HST per travel redemption request, as well as a .5% administration fee of the total amount booked. Amendments to the travel request can be made within the same business day without additional administration fees (airline fees may apply). If the amendment is made on the next business day, then a new travel redemption request will need to be completed. Booking and administration fees will apply to this new travel redemption request. Corporate Traveller requires a minimum of 2 business days notice prior to your departure date



Discontinuation of CMHC Second Home Product

Questions and Answers to Approved Lenders

Release Date: May 22, 2014

Homeowner loan = owner-occupied 1-4 unit properties

- 1) What are CMHC's expectations of the Approved Lender with respect to determining if the borrower has any other mortgaged properties and whether they are CMHC-insured?**

CMHC will rely on information in the **emili** system to flag applications that will result in the borrower and/or co-borrower having two insured CMHC transactional mortgages. In this instance, the application will be referred to a CMHC Residential Underwriter for further review.

- 2) Does CMHC's new policy to limit the availability of Homeowner mortgage financing to a maximum of one residential property (1-4 units) per borrower/co-borrower at any given time, impact mortgage financing that is CMHC-insured under Portfolio Insurance?**

No. The announcements made in Advice No. 184 do not apply to mortgage financing insured under CMHC's Portfolio Insurance product. The new policy applies only to mortgage financing insured transactionally by CMHC on a high ratio or low ratio basis.

- 3) Does CMHC's new policy to limit the availability of Homeowner mortgage financing to a maximum of one residential property (1-4 units) per borrower/co-borrower at any given time, impact mortgage financing that is insured under CMHC's Rental Loan products?**

No. The announcements made in Advice No. 184 do not apply to mortgage financing insured under CMHC's Rental Loan products. A borrower/co-borrower with mortgage financing insured on one residential property (1-4 units) will still have access to CMHC-insured Rental Loan products, including small rental (1-4 units) and multiples (5+ units). There is no pre-established limit on the number of properties that can be insured by a borrower/co-borrower under CMHC's Rental Loan products.

- 4) Can a borrower/co-borrower with two existing properties with mortgage loans insured under CMHC Homeowner MLI, refinance one or both of their mortgage loans after May 29, 2014?**

Yes they can. A borrower/co-borrower with two existing mortgage loans insured under CMHC Homeowner MLI prior to May 30, 2014, will be permitted to refinance one or both of their mortgage loans.

5) Can a borrower/co-borrower with two existing properties with mortgage loans insured under CMHC Homeowner MLI, port or port-with-increase one or both of their mortgage loans after May 29, 2014?

Yes they can. A borrower/co-borrower with two existing mortgage loans insured under CMHC Homeowner MLI prior to May 30, 2014, will be permitted to port (i.e. straight portability) or port-with-increase (i.e. there is an increase to loan-to-value, loan amount and/or amortization period) one or both of their mortgage loans.

6) Can a borrower/co-borrower with two existing properties with mortgage loans insured under CMHC Homeowner MLI, switch/transfer/assign one or both of their mortgage loans from one Approved Lender to another?

Yes they can. A borrower/co-borrower with two existing mortgage loans insured under CMHC Homeowner MLI prior to May 30, 2014, will be permitted to switch/transfer/assign one or both of their mortgage loans from one Approved Lender to another.

7) Can a borrower/co-borrower with at least one existing mortgage loan insured under CMHC Homeowner MLI, take an assumption of an additional CMHC-insured Homeowner loan?

A borrower/co-borrower with an existing mortgage loan insured under CMHC Homeowner MLI will not be permitted to take an assumption of another CMHC-insured Homeowner mortgage loan from other borrowers, as this borrower/co-borrower could otherwise have two or more CMHC-insured mortgage loans after the current transaction is finalized. Effective May 30, 2014, CMHC's Homeowner mortgage financing will be limited to a maximum of one residential property (1-4 units) per borrower/co-borrower at any given time.

8) Does the discontinuation of the Second Home product impact applications that are submitted by the Approved Lender for CMHC emili Low Ratio Risk Assessment?

CMHC's **emili** Low Ratio Risk Assessment process enables lenders to quickly assess a low ratio application. Following this assessment, the lender has various options available to proceed with their loan application (i.e. pursue CMHC-insured Homeowner mortgage financing, be it on a low ratio transactional basis or through Portfolio Insurance, or fund the loan on a conventional basis without being insured). Please note that mortgage loans which do not comply with the policy change regarding second homes, do not qualify for transactional insurance.

- 9) **Does the new policy which limits the availability of Homeowner mortgage financing to a maximum of one residential property per borrower/co-borrower at any given time, mean that if parents own a property that has CMHC-insured mortgage financing, they can no longer help their children by co-signing a mortgage jointly with their children that would also be CMHC-insured?**

Parents can continue to help their children purchase a home, such as providing a gift downpayment. If the parents in this scenario are party to the loan as “guarantors”, they would not be restricted to CMHC’s limitation of Homeowner mortgage financing to a maximum of one residential property per borrower/co-borrower at any given time. In such instances, the lender must follow existing CMHC guarantor policies such as obtaining a valid, fully enforceable guarantee that can be realized upon in the event of default. The guarantor’s income must not be used for the purpose of satisfying CMHC’s borrower qualification criteria.

- 10) **For what period of time will CMHC accept financing overlap in situations where the closing date of the property being purchased is before the closing date of the property being sold? What other circumstances may be considered on an exception basis?**

Effective May 30, 2014, overlap of CMHC-insured mortgage financing will be permitted for a period of no longer than 90 days following the closing date of the new property being purchased. Specific circumstances such as a delayed closing on the existing property, sale incompleteness of the existing home (where the intent is to continue to try to sell the existing home) are examples of circumstances which may be considered on an exception basis. CMHC expects Approved Lenders to be committed to due diligence in monitoring the eventual sale of the existing property and discharge of the related CMHC-insured mortgage financing.

- 11) **How will CMHC’s new policy to limit insured mortgage financing to one residential property (1-4 units) per borrower/co-borrower be treated in dissolution of relationship situations, such as a marital split, where the existing mortgage financing is CMHC-insured and one of the spouses/partners/siblings requires insured financing to purchase another property?**

Borrowers/co-borrowers in these types of scenarios will need to consider a variety of financing options with their lender in order to comply with CMHC’s limitation of insured mortgage financing for one residential property (1-4 units) per borrower/co-borrower at any given time. Borrowers can be considered for subsequent CMHC-insured mortgage financing when they are no longer registered on the existing property with CMHC-insured mortgage financing.

- 12) **Scenario - A borrower/co-borrower have mortgage financing insured under CMHC Homeowner MLI. They now intend to rent their existing property and purchase a new property with CMHC-insured mortgage financing. How does CMHC’s new policy limiting insured mortgage financing to a maximum of one residential property (1-4 units) per borrower/co-borrower, at any given time, affect these borrowers?**

Borrowers/co-borrowers in these types of scenarios will need to consider a variety of financing options with their lender in order to comply with CMHC’s limitation of insured mortgage financing for one residential property (1-4 units) per borrower/co-borrower. Should their decision be to pursue insured mortgage financing for both properties with CMHC, the existing property may be submitted for insured mortgage financing under CMHC’s Rental Loan product and the new property may be submitted for insured mortgage financing under Homeowner MLI. Please note that

in this scenario, the existing CMHC-insured mortgage financing will need to be discharged and the property refinanced as a rental. No adjustments or credits to CMHC's premium will be considered when converting the existing CMHC-insured mortgage financing to insured mortgage financing for a rental property. Alternatively, the borrower/co-borrower may consider refinancing the existing property on a conventional basis.

13) How will CMHC view <80% loan-to-value mortgage loans that have been insured transactionally by an Approved Lender where the lender insured the mortgage financing and paid the premium unknowingly by the homeowner? Will the borrower(s) be eligible to access CMHC Homeowner MLI for a second residential property?

The new policy applies to both high ratio and low ratio mortgage financing insured transactionally, regardless of whether the borrower/co-borrower or Approved Lender paid the CMHC premium. The new policy does not apply to mortgage financing insured under Portfolio Insurance.

14) If a borrower has existing mortgage financing insured through a private insurer and now wishes to finance the purchase of a second property with an insured high ratio mortgage loan through CMHC, will the borrower have access to CMHC Homeowner MLI?

Yes. A borrower/co-borrower will be able to access CMHC-insured mortgage financing provided that they do not have an existing mortgage loan insured under CMHC Homeowner MLI.

15) Will CMHC consider granting an extension to lenders wishing to make system changes to comply with the announcements made in Advice No. 184?

No. The policy changes announced in Advice No. 184 will be effective May 30, 2014. Extensions to this effective date are not permitted.



**Discontinuation of CMHC Self-Employed
Without Traditional Third Party Validation of Income Product**

Questions and Answers to Approved Lenders

Release Date: May 22, 2014

- 1) **Can a borrower/co-borrower with an existing mortgage loan insured under CMHC Self-Employed Without Traditional Third Party Validation of Income, refinance their mortgage loan after May 29, 2014 if they are still unable to support their self-employed income with traditional third party validation?**

Effective May 30, 2014, CMHC will require self-employed borrowers/co-borrowers to provide traditional third party validation of income for CMHC-insured refinancing.

- 2) **Can a borrower/co-borrower with an existing mortgage loan insured under CMHC Self-Employed Without Traditional Third Party Validation of Income, port their mortgage loan after May 29, 2014?**

Yes they can, provided that the existing mortgage balance, remaining amortization and loan-to-value on a new property remain unchanged or is lower (i.e. straight portability).

- 3) **Can a borrower/co-borrower with an existing mortgage loan insured under CMHC Self-Employed Without Traditional Third Party Validation of Income, port their mortgage loan and increase same after May 29, 2014?**

Effective May 30, 2014, CMHC will require self-employed borrowers/co-borrowers to provide traditional third party validation of income for any mortgage loan increases.

- 4) **Can a borrower/co-borrower with an existing mortgage loan insured under CMHC Self-Employed Without Traditional Third Party Validation of Income, switch/transfer/assign their mortgage loan from one Approved Lender to another?**

Yes they can.

- 5) **Can a self-employed borrower/co-borrower without traditional third party validation of income, take an assumption of an existing CMHC-insured Homeowner loan?**

No. As per existing CMHC policy, borrower assumptions are limited to prospective borrowers who can provide traditional forms of documentation to support income verification, subject to standard CMHC policies for the release and replacement of personal covenants.