



Supplemental Application
for
Canadian Miscellaneous Professional Liability
Insurance Policy

THIS IS A CLAIMS MADE AND REPORTED INSURANCE POLICY. READ IT CAREFULLY.

**MORTGAGE BROKERS/MORTGAGE BANKERS
SUPPLEMENTAL APPLICATION**

Name of Applicant's Firm: _____

Address: _____

1. Please indicate the percentages of the Applicant's total operations involving: (Must total 100%)
_____% Loan Underwriting
_____% Loan Servicing
_____% Loan Origination
2. Does the Applicant have a warehouse line of credit in place? ☐ Yes ☐ No
If yes, indicate amount of credit line: (CAD)_____
3. Does the Applicant originate any of the following types of mortgage loans? (If yes, indicate percentage of each to the Applicant's total loan volume.)

Sub-prime: YES _____% NO _____%
Reverse: YES _____% NO _____%
4. (a) Number of loans closed in the past year: _____
(b) Average Loan Value: (CAD)_____
(c) Maximum Loan Value: (CAD)_____
5. Do any of the Applicant's employees or employees of related entities perform property appraisals? ☐ Yes ☐ No
6. Does the Applicant always comply with the The Financial Services Commission of Ontario, The Financial Consumer Agency of Canada (FCAC), Mortgage Brokerages, Lenders and Administrators Act, 2006 and the Mortgage Brokers Act?
☐ Yes ☐ No
7. Does the Applicant engage in wholesale mortgage lending? ☐ Yes ☐ No
If yes, does the Applicant pay yield spread premiums or other fees to mortgage brokers that are not based on actual services rendered? ☐ Yes ☐ No
If yes, provide details:
8. Does the Applicant ever close loans in its own name or that of a related entity? ☐ Yes ☐ No
9. Is the Applicant a member of the Canadian Mortgage Brokers Association (CMBA)? ☐ Yes ☐ No

10. Does the Applicant or an affiliate/subsidiary entity have any ownership or equity interest in any property(ies) for which services are provided? ☐ Yes ☐ No

If yes, please describe interest(s):

11. Are there any other companies who own any percentage of the Applicant's company, does the Applicant own any percentage of any other company or is the Applicant in any other way affiliated with any other company? ☐ Yes ☐ No

(a) If yes, advise who they are and explain the nature and extent of the relationship(s).

(b) For which of these does the Applicant wish to extend coverage?

12. Does the Applicant have any written or oral agreements or understandings with any other company that involves the referral of business to or from the Applicant's company? ☐ Yes ☐ No

(a) If yes, advise who they are and explain the nature and extent of the agreements or understandings.

(b) If yes, advise if and how any compensation is exchanged under the agreements or understandings.

(c) If yes, advise whether the relationships between the companies are disclosed to the individuals involved in the transactions involving these referrals.

(d) Please indicate if any such written agreements and/or any such disclosures have been reviewed by an attorney.

14. How much of the Applicant's commission income was derived from sub-prime activities in the past three years?

Please indicate years and percentages in space provided.

Year _____/_____ % of total commissions derived from sub-prime activities

Year _____/_____ % of total commissions derived from sub-prime activities

Year _____/_____ % of total commissions derived from sub-prime activities

LOAN SERVICING ONLY:

15. (a) Total number and dollar volume of loans serviced by the Applicant during the past 12 months:

_____(CAD) _____

(b) Of the total servicing dollar volume stated above, provide the percentage represented by:

	Current Year	Prior Year
(1) Income property loans	_____ %	_____ %
(2) Adjustable rate mortgage loans	_____ %	_____ %
(3) Loans where Applicant acts as subservicer	_____ %	_____ %
(4) Loans that are subserviced by others	_____ %	_____ %
(5) Servicing purchased within the last 12 months	_____ %	_____ %

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|------------------------------------|---------|---------|
| (6) GNMA pool loans | _____ % | _____ % |
| (7) Other loans sold with recourse | _____ % | _____ % |
| (8) Loans delinquent from: | _____ % | _____ % |
| (a) 30-59 days | _____ % | _____ % |
| (b) 60-89 days | _____ % | _____ % |
- (9) Loans classified as REO and/or loans in foreclosure: _____ %

To complete application, please submit résumés of all principals and key management personnel if the Applicant has been in business.

Fraud Warning

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

THIS SUPPLEMENTAL APPLICATION IS ATTACHED TO AND FORMS A PART OF THE CANADIAN MISCELLANEOUS PROFESSIONAL LIABILITY POLICY APPLICATION. IT IS SUBJECT TO THE SAME PROVISIONS CONCERNING REPRESENTATIONS MADE AS IN THE BASIC APPLICATION.

This Application must be signed by the Applicant.

_____ Signature	_____ Title	_____ Date
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NOTE: This Application including any material submitted herewith shall be treated in strictest confidence.