



MORTGAGE PROTECTION PROPOSAL FORM:

PLEASE COMPLETE ALL PARTS OF THIS APPLICATION.

General Questions : *Note: Policies will be issued in the joint name of the applicant and any 'servicing' subsidiary scheduled below.*

1. Name of applicant: _____
 2. Address: _____
 3. Year Established: _____
 4. Type of institution _____
 5. Supervisory authority under which Applicant operates: _____
 6. What, in your experience, is the average life of your recently paid up loans? _____
 7. What proportion of your assets are mortgages? _____
 8. What proportion of your revenue is derived from mortgage operations? _____
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Questions concerning the Applicant's mortgage portfolio

1. What procedures are followed as to:
 - (a) Appraisals: _____
 - (b) Inspections: _____
2. Does the Applicant require appraisals on all mortgages? YES NO
3. Does the Applicant purchase parcels of mortgages? YES NO
If yes, does the Applicant require a copy of the original Appraisal made at loan closing? YES NO
4. (a) What average percentage of appraisal value is mortgage? _____ %
(b) Does Applicant grant mortgages for 100% appraisal Value? YES NO
If yes, state number of such mortgages: _____
What category are they? _____



5. Does the Applicant as a matter of policy provide mortgages in areas where there is a prior history of:

(a) Earthquakes: YES NO (b) Floods: YES NO (c) Volcanic Eruptions: YES NO

If yes, please explain what the applicant does to protect its mortgage interest: _____

6. Number of mortgages over CAD 1,000,000 _____

Please indicate type of property and those under construction: _____

Location: _____

7. Number of mortgages over CAD 100,000 _____

Please indicate type of Property _____

Location: _____

SPECIFIC QUESTIONS RELATING TO SECTION A:

Non-Existence of insurance or inadequate insurance on Mortgaged Property or Foreclosed Property against Fire, Extended Coverage and other Physical Damage insurance required of the Mortgagor under the Applicant's standard Mortgage Agreement – "Applicant's Mortgage Interest and Applicant's Owner Interest in Foreclosed Property".

1. (a) Minimum Insurance requirements:

Does Applicant's standard mortgage agreement require the borrower to procure and maintain insurance in an amount of not less than the amount of the Applicant's mortgage interest and in compliance with any co-insurance clause in such insurance, for perils of :

1. Fire, Extended Cover: YES NO

2. Vandalism: YES NO

3. All Risks of Physical Loss or Damage Package Type Policy or Mobile Homeowners Form: YES NO

(b) What type of coverage is most often obtained by borrowers? _____

2. For Construction Loans, does Applicant require borrower to carry Buildings Full All Risks Policy? YES NO

3. Who makes policy decision with regard to the Physical Damages Insurances required of Borrowers? _____



4. What criteria are established for Loan Officers with regard to:

- (a) Financial State of Borrower: _____
- (b) Insurance coverage required of Borrower: _____
- (c) Calibre of insurance carrier: _____
- (d) How does the Loan Officer specify to the Borrower what Physical Damage Insurances are required to comply with the above criteria? _____

- (e) How does the Applicant ensure that the borrower has obtained the required coverage? _____

- (f) What measures does the Applicant take to ensure the maintenance of such coverage? _____

PLEASE SUPPLY MATERIAL TO SUPPORT THE FOLLOWING REPLIES:

- 5. (a) Does the Applicant have an insurance department with at least two persons whose duties include ensuring the maintenance of valid Physical Damage Insurance as required of the mortgagor on property wherein the Applicant has a mortgage interest in an amount not less than the amount of loan and in compliance with any co-insurance clause in such insurance? YES NO
- (b) Does the Applicant use an "Insurance Policy Check List"? YES NO
- 6. Number of foreclosures during past year: _____
- 7. Average mortgage balance per loan foreclosed: _____
- 8. List properties in which the Applicant is interested that are known to be under or uninsured, giving reasons for lack of insurance and length of time properties are known to be uninsured or under-insured: _____

- 9. (a) Mortgages serviced by Applicant for own interest
(wholly or part owned): No: _____ Value: \$ _____
- (b) Mortgages serviced by Applicant for others
(no mortgage interest): No: _____ Value: \$ _____
- (c) Mortgages serviced by others for Applicant's interest
(wholly or part owned): No: _____ Value: \$ _____
- (d) Mortgages serviced by Applicant which form Mortgage
Guarantee by CMHC or MICC No: _____ Value: \$ _____
- (e) Total Mortgages both owned and non-owned but



Serviced, i.e. (a)+(b)+(c)+(d) : No: _____ Value: \$ _____

10. Do your servicing agents carry Errors & Omissions coverage? YES NO

11. Limit of coverage required: CAD _____

SPECIFIC QUESTIONS RELATING TO SECTION C:

All Risks of Physical Loss on Mortgaged Property (except those perils for which the Mortgage is required to provide policies of insurance by the Applicant) "Applicant's Mortgage Interest and Applicant's Owner Interest in Foreclosed Property":

1. Total Number and outstanding mortgage balance of wholly/partly owned loans:

No.: _____ Balance: CAD _____

2. Please provide Geographical Area division of mortgages (in question 8(a) and (c) valued in question 1 above) (attach separate sheet if necessary):

	Split:	Commercial	Domestic
A. <u>Province:</u>	_____	_____	_____
Total:	_____	_____	_____
Balance:	_____	_____	_____
Number:	_____	_____	_____
Average:	_____	_____	_____
B. <u>Province:</u>	_____	_____	_____
Total:	_____	_____	_____
Balance:	_____	_____	_____
Number:	_____	_____	_____
Average:	_____	_____	_____
C. <u>Province:</u>	_____	_____	_____
Total:	_____	_____	_____
Balance:	_____	_____	_____
Number:	_____	_____	_____



Average: _____

D. Province: _____

Total: _____

Balance: _____

Number: _____

Average: _____

E. Totals

	Balance:	No.	Average
(a) Commercial	_____	_____	_____

(b) Domestic	_____	_____	_____
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(c) Other	_____	_____	_____
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(d) Show % of	Apartments	Mercantile	Manufacturing
	_____	_____	_____

3. Limits Required: Section A: CAD _____

Section C: CAD _____

APPLICABLE TO ALL SECTIONS:

1. Has the Applicant had an application for insurance under any of the above sections declined? YES NO

If yes, please state circumstances: _____

2. Has the Applicant suffered any losses during the past five years or is Applicant aware of any circumstances likely to give rise to a loss under any Sections of the Policy: YES NO

If yes, please provide details:



DECLARATION:

I/We hereby declare that the above statements and particulars are true, that I/We have not suppressed or mis-stated any material facts And I/We agree that this Proposal Form shall form the basis of the contract with Underwriters.

Date: _____

Signature: _____

Title of Officer: _____