

BC FILE CHECKLIST

MORTGAGE SERVICES ACT | DEALING IN MORTGAGES



Client name(s): _____

Deal number: _____ - _____

Property address: _____

Mortgage amount: \$ _____

Broker/agent: _____

Closing date: _____ Lender: _____

TYPE OF MORTGAGE:

- ☐ Purchase ☐ First ☐ Second ☐ Refinance / ETO ☐ LOC / HELOC ☐ Switch / transfer ☐ Renewal
☐ Commercial ☐ Construction / development ☐ Reverse ☐ Private / MIC ☐ Co-brokered (external) ☐ Designated Broker (internal)
Representation: ☐ Borrower is our client ☐ Lender is our client ☐ Opposite party represented by another licensee
☐ Unrepresented Party

1. AML AND CLIENT CONSENT

- ☐ **Client Consent and Application.** For a represented client, borrower credit consent and signed application.
- ☐ **Client Engagement Agreement.** Generates in velocity. Clauses help protect client, broker and brokerage. Allows Credit authorization up to 12 months.
- ☐ **ID Verification using FINTRAC approved method:** ☐ in-person photo ID ☐ credit file ☐ IDV Fastkey report ☐ dual process
- ☐ **Copy of Credit Report**
- ☐ **Copies of Gov't issued photo ID OR complete KYC form in Velocity** and provide copy.
- ☐ **PEP/HIO.** Completed declarations or PEP screening results.
- ☐ **AML Borrower Risk Assessment.** Completed assessment. If flagged as **HIGH RISK** - complete **Enhanced Due Diligence** notes.
- ☐ **AML Sanctions List Screening** - all borrowers/guarantors cleared sanctions.
- ☐ For **Corporate/entity** clients, keep entity verification, ownership/control structure, document director names, names/addresses of $\geq 25\%$ beneficial owners, and confirmation measures.

2. MSA REPRESENTATION AND UNREPRESENTED PARTY DISCLOSURES

Complete the applicable Form 1 or Form 2 **before** services begin.

- ☐ **Borrower is our client: Form 1A.** Disclosure of Representation to Borrower must be signed prior to providing services.
- ☐ **Borrower is Unrepresented: Form 2A.** Disclosure of Risks to Unrepresented Borrower, unless represented by another licensee.
- ☐ **Lender is our client: Form 1B.** Disclosure of Representation to Lender prior to providing mortgage options to lender.
- ☐ **Lender is Unrepresented: Form 2B.** Disclosure of Risks to Unrepresented Lender, unless represented by another licensee.

Lender status: ☐ Permitted Person ☐ MSA licensee ☐ Represented by another licensee ☐ Unrepresented private lender

3. MSA TRANSACTION DISCLOSURES CHOOSE PACKAGE OR INDIVIDUAL FORMS

Present the appropriate BCFS package to client together with lender commitment if representing borrower, or with borrower mortgage details if representing Lender.

- ☐ **Broker Represents Borrower: Package #1:** ☐ **Form 6A** Suitability & Material Risks ☐ **Form 4** expected remuneration
☐ **Form 3A** if a conflict of interest exists ☐ **Form 7** Client Remuneration (referral fees from third party)
- ☐ **Borrower Unrepresented: Package #3:** ☐ **Form 6A** Suitability & Material Risks ☐ **Form 4** and ☐ **Form 3A** if interest exists.
- ☐ **Broker Represents Lender: Package #2:** ☐ **Form 6B** Suitability & Material Risks ☐ **Form 5** Lender information statement
☐ **Form 3B** only if an interest exists, and ☐ **Form 7** Client Remuneration.
- ☐ **Lender Unrepresented/Non Permitted: Package #4:** ☐ **Form 6B** Suitability & Material Risks
☐ **Form 5** Lender information statement ☐ **Form 3B** if interest exist. ☐ **Form 7** Client Remuneration
- ☐ Velocity Generated **Material Risk form** included with all packages. **Form 6A or 6B - include notes** "see attached material risk form".

4. OTHER SUPPORTING RECORDS

- ☐ BPCPA total **cost of credit** and **APR disclosure** as applicable, signed **two days before the borrower incurs an obligation under the credit agreement**, unless the borrower waives that period under **section 15 of the Disclosure of the Cost of Consumer Credit Regulation**. Retain dated delivery proof.
- ☐ **Form 9 obtained and signed before continuing** where a multiple-client conflict meant the brokerage continued for only one client (or withdrew from all) — *only if applicable*.
- ☐ **Form 8 - Dual Agency only in limited circumstances (IF BROKERAGE ALLOWS)**. If permitted **dual agency: Form 8**, written agreements, **principal broker approval** statement and BCFSa notice where required.
- ☐ **Lender Commitment**. Lender commitment/offer signed or acknowledged as required by lender.
- ☐ **Amortization Schedule**. (**Recommended - optional**)
- ☐ **MPP Indemnity Certificate**. Send **Accepted or Waived** MPP application to Apps@MPPBroker.com to receive a copy of your certificate.
- ☐ **Confirmation of ILA/ILR - If Unrepresented Party or Reverse Mortgage**. Confirm ILA / ILR completion (Independent Legal Advice / Independent Legal Representation)
- ☐ **All Income and down payment as requested by lender**. Include all documents: job letter, paystubs, T4/T1/NOA, bank statements, gift letter, sale proceeds and other support; record any material inconsistency and resolution.
- ☐ **All Property documents**. Purchase agreement, property disclosure statement, listing, Appraisal, lease/rental documents and construction/development records, as applicable.
- ☐ **Client Correspondence**. Retain relevant client communications including emails, text or WhatsApp messages.
- ☐ **Solicitor Letter of Direction**. If broker fee being charged, and lawyer to disburse payment to brokerage. (Include fee in Form 4).

Co-Brokering — **BC Property** - Both Licensees Represent the Same Client (Borrower or Lender, Not Both):

Co-Brokerage: _____

Co-Broker Name: _____

Fee split: _____

Or Designated Broker(s) name(s), if applicable: _____

Out of Province Co-Broker / **Non-BC Property**:

Co-Brokerage: _____

Co-Broker Name: _____

Expected fee split: _____

NOTES TO COMPLIANCE OFFICER:

Broker/agent initials: _____ Compliance reviewer: _____ Review date: _____