



## CHECKLIST: MORTGAGE FRAUD INFORMATION FOR BORROWERS (REPRESENTING THE LENDER OR ACTING AS INTERMEDIARY)

Mortgage brokerage professionals must ensure the borrower is aware of mortgage fraud and its consequences. The checklist below is intended to facilitate this discussion with the borrower in order to make them aware of, and to prevent, mortgage fraud. Please review the information below with borrowers, using the checklist to document in writing when and with whom this discussion occurred.

<b>MORTGAGE FRAUD INFORMATION TO DISCUSS WITH BORROWERS</b>	<b>Done</b>
<p><b>What is mortgage fraud?</b> Mortgage fraud is the intentional manipulation of personal and/or financial information by an individual to qualify for a mortgage, or to assist another individual to obtain a mortgage, that would otherwise not have been approved or been approved for a lesser amount. Mortgage fraud includes the attempt to defraud a lender even if the lender did not approve or fund the mortgage.</p>	<input type="checkbox"/>
<p><b>You are committing mortgage fraud if you:</b></p> <ul style="list-style-type: none"> <li>• Provide false or misleading information to obtain a mortgage</li> <li>• Omit relevant information in order to obtain a mortgage</li> <li>• Provide false or misleading documentation to obtain a mortgage</li> <li>• Alter true and correct documentation in order to obtain a mortgage</li> <li>• Collude with another to use your information to obtain a mortgage for them or someone else</li> <li>• Fail to report a change in your personal circumstances after a mortgage loan application has been made and prior to the mortgage being funded</li> </ul>	<input type="checkbox"/>
<p><b>Mortgage fraud is a criminal offence and may result in:</b></p> <ul style="list-style-type: none"> <li>• Serious legal actions by the lender and the mortgage insurer</li> <li>• Inability to declare bankruptcy if subject to a judgement resulting from fraud</li> <li>• Significant downgrading of your credit history</li> <li>• A maximum of 14 years imprisonment for each fraud case</li> <li>• Higher mortgage costs and insurance fee for all borrowers</li> <li>• Increased activity by organized criminals in the community</li> <li>• Deterioration of housing in the affected communities</li> </ul>	<input type="checkbox"/>
<p><b>Mortgage brokerage professionals help to prevent fraud by:</b></p> <ul style="list-style-type: none"> <li>• Receiving mortgage fraud detection and prevention training</li> <li>• Explaining to you what mortgage fraud is and answering your questions</li> <li>• Explaining to you the consequences of mortgage fraud on you and the community</li> </ul> <p><b>Note:</b> When a mortgage brokerage represents the lender or acts as an intermediary, if you have been candid about your circumstances, they can provide you with options for you to obtain a mortgage loan lawfully.</p>	<input type="checkbox"/>  <input type="checkbox"/>
<p>_____</p> <p>Borrower signature(s)</p>	<p>_____</p> <p>Date</p>
<p>_____</p> <p>Mortgage brokerage professional</p>	<p>_____</p> <p>Mortgage brokerage</p>