

Olympia Trust Company ("Olympia") is pleased to offer the ability to hold mortgage investments within your self-directed accounts.

General Requirements

- Olympia will not accept the following mortgage types:
 - Non-arm's length
 - Collateral
 - Demand
 - Promissory notes
 - Chattel
 - Agreements for sale
 - Property under construction or development
- Olympia will not accept mortgages where two parties lend to each other with the same mortgage terms at the same time.
- Olympia will only accept mortgages in first, second, or third position.
- All mortgages must have Olympia Trust Company registered on title.
- Funds will be advanced up to 90% loan-to-value (LTV) ratio based on current market value of the property.
- Appraisal valuation will only be based on as-is value and not based on hypotheticals or any other assumptions.
- Execution of legal documents impacting the mortgage is dependent on the LTV remaining within the 90% limit.
- Personal Property Security Agreements (PPSA) and Security Agreements must be registered in your personal name.
- If the prior encumbrance is a reverse mortgage, Olympia will qualify the investment based on the projected balance at maturity date to meet LTV requirements.
- Mortgages on leased land will be subject to additional document review. A copy of the lease agreement will be required to verify the eligibility and security interest.

Account Eligibility and Information

- All properties must have a Canadian address to be eligible to be held within an Olympia account.
- Olympia will not confirm if the investment is arm's length. Please verify with a solicitor or notary that the mortgage investment is deemed arm's length.
- If your account is an income fund (-IF), you must ensure there will be enough cash in your account after the funding for the required minimum annual income fund payment. Otherwise, an in-kind payment will be made.
- The monthly mortgage holding fee starts when the mortgage is purchased into your Olympia account. The fee is charged every month regardless of mortgage activity.

Mortgage Transfers

- If transferring an existing mortgage that is registered in your name personally, the transfer must be completed as a contribution in-kind. Please ensure sufficient contribution room is available by consulting your Notice of Assessment or by calling Canada Revenue Agency.
- If transferring an existing mortgage where the transferor is a corporation, additional documents may be required for review and subject to approval.
- Any mortgage being considered for additional funding or transfer must be in good standing. Documentation to confirm its status will be required.

Mortgage Interest and Payments

- The minimum interest rate acceptable is the current market prime rate and may not exceed a maximum annual yield of 30% per self-directed account. Any amounts held back at the time of funding must be proportionate to the amount advanced from the self-directed account.
- If the mortgage has a balloon payment, there must be at least an annual payment at the minimum interest rate accepted by Olympia.
- If the first payment date has already passed at the time of funding, Olympia cannot accept that payment into your registered account. You must take the first payment personally.

- If a mortgage is not funded on the scheduled Interest Adjustment Date, Olympia will adjust the amount funded accordingly.

Amortization (For Blended Mortgages)

- For blended mortgages, the maximum amortization period acceptable is 30 years.
- Olympia only calculates mortgages using the Canadian standard semi-annual compounding. If a compounding other than semi-annual is used, this may create a discrepancy in payment calculations.

Notices and Documentation

Documents that are prepared and sent out can include, but are not limited to the following:

- NSF notices
- Maturity Notices
- Payout Statements
- Legal Documentation or Notices

Clients are responsible for reviewing the mortgage details and informing Olympia of their preferred course of action, which may involve pausing, resuming, or initiating payments due under the mortgage or renewing the mortgage with updated terms.

To ensure a thorough understanding of the documentation, clients are encouraged to seek guidance from a Financial Advisor or Legal Counsel.

Mortgage Administrators

Clients may appoint a licensed Mortgage Administrator to manage the mortgage investments held within their Self-Directed Account at Olympia.

- To designate a broker as a mortgage administrator, the following documents are required: a signed management agreement, a valid administrator license, and a corporate search.
- The management agreement is a formal arrangement between the client and the administrator. It authorizes the mortgage administrator to perform specific functions on the client's behalf, such as but not limited to collecting payments, issuing statements, managing renewals, and communicating with borrowers.
- This agreement outlines the scope of the administrator's responsibilities and ensures that Olympia can recognize and work with the appointed administrator in accordance with the client's instructions.
- The appointment of a Mortgage Administrator requires review and approval by Olympia before they can be confirmed and established as an Administrator on the Investment with Olympia.

Payout of Mortgage

Olympia Trust will prepare payout statements upon request for any mortgage that does not have an appointed Mortgage Administrator. Clients will be responsible for the review and approval of their plan-specific statement once prepared by Olympia Trust.

- **Requesting a Statement:** To request a payout statement for an Olympia Trust mortgage, please email rrspmortgagepayout@olympiatrust.com.
- **Timeline:** Please allow five business days from the receipt of your request for the statement to be prepared, authorized, and returned to you.
- **Sending Funds:** All payout funds should be sent directly to Olympia Trust via wire or direct deposit, as outlined in the payout statement.
- **Follow-Up:** Olympia Trust does not follow up with the borrower regarding the payout. All follow-up communications about the status of the payout will be directed to the client or the requesting party.
- **Discharge Documents:** Please note that Olympia Trust does not prepare or register Discharge documents with Land Titles offices. If you need a Discharge executed before releasing the payout, please let us know in your request.

Enforcement of Mortgage Investments

Olympia is not responsible for enforcing investments held by clients in their Self-Directed Accounts. If you are the lender of a mortgage through an Olympia account, you must notify Olympia before taking legal action on your investment. While Olympia does not restrict enforcement, it is necessary to ensure that proper procedures are followed to maintain the investment's qualification and arm's-length status.

Olympia's Role

Olympia is solely a Registered Plans Trustee for our client's Self-directed Account, and Olympia is not in the business of providing investment, tax or legal advice and does not provide direction or advice with respect to the purchase of any mortgages. As a Trustee, Olympia is responsible for performing certain duties including, but not limited to the following:

- Holding mortgage investments in trust.
- Communicating and forward copies of any notice or other documentation received by Olympia relating to any payment returns, defaults, or claims that may be initiated with respect to the Mortgage/Hypothec or the Lands to our client.
- Processing payments and distributions received on behalf of our clients' mortgages.
- Annual reporting to CRA regarding the account.

Olympia, at its sole discretion, reserves the right to refuse any mortgage investment, and to change the loan-to-value ratio accepted based on fluctuations in the real estate market.

For a list and detailed information on the documents required for funding, please refer to ***Mortgages - Required Documents for Funding***.