

Table of Contents

Company Profile.....1

- Overview
- Canadian Bank
- Global Bank

Product Features.....2

- Loan Purpose
- Insurers
- Occupancy Type
- Terms
- Amortization
- Interest Rates
- Payment Type
- Pre-Payment
- Early Payout
- Increase & Blend
- Assumability
- Portability
- Property Taxes

Underwriting Guidelines.....3

- General Comment
- Credit Adjudication
- Loan Amount
- Debt Service Ratios
- Income Confirmation
- Property / Collateral
- Down Payment

Highlights & Value-Add Features.....4

- General Comment
- Pricing / Cost Savings
- Income & Debt Servicing Benefits

Lending Restrictions.....5

- General Comment
- Programs & Loan Types (not offered)
- Property / Collateral (unacceptable types)
- Down Payment (unacceptable forms)

Prioritizing Mortgage Brokers.....6

- Supporting Home Ownership
- The Mortgage Broker Channel
- Competitive Pricing & Professional Service
- Industry Affiliations
- Contact Us

OVERVIEW

ICICI Bank Canada is a wholly-owned subsidiary of ICICI Bank Limited, India's largest private sector bank and the second largest bank in the country with consolidated total assets of \$119 billion as of March 31, 2012.

GLOBAL BANK

ICICI BANK LIMITED currently has subsidiaries in the United Kingdom, Russia and Canada, branches in United States, Singapore, Bahrain, Hong Kong, Sri Lanka, Qatar and Dubai International Finance Centre and representative offices in United Arab Emirates, China, South Africa, Bangladesh, Thailand, Malaysia and Indonesia. Our UK subsidiary has established branches in Belgium and Germany.

CANADIAN BANK

With its head office in Toronto, Ontario, ICICI Bank Canada was incorporated in 2003. The Bank carries on business as a full service Schedule II (foreign owned) **Chartered Bank** under **Canada's Bank Act**, and:

- It operates under the supervision of the **Office of the Superintendent of Financial Institutions**
- It is a member of the **Canada Deposit Insurance Corporation**, which insures eligible Canadian dollar deposits at member institutions having tenures of up to five years

Financial services include:

- Personal chequing and savings accounts, investments, international money transfer services, RESP, travel insurance and credit services including residential mortgages and secured lines of credit
- Business chequing and savings accounts, investments, operating and term loans, treasury products, trade finance, and mergers & acquisition services

LOAN PURPOSE	<p>Purchase (up to 95% LTV)</p> <ul style="list-style-type: none"> • MLS-listed residential properties • Private sales considered case-by-case, please call prior to submitting. • Spousal Separation – this will be reviewed on a case by case basis, please contact your BDM/Underwriter prior to submission for details.
	<p>Refinance (Maximum LTV 80%)/ Switch / Transfer</p> <ul style="list-style-type: none"> • No-Fee “Closing service” available for both refinance and switch/transfer transactions. The service is free for Platinum and Gold status brokers. • On Switch/Transfer you may add \$3,000 in new funds (or \$2,500 if LTV >80%) to cover discharge fees, penalties and other fees from the relinquishing financial institution
INSURERS	<p>Genworth: Homebuyer 95, Cash-Out Refinance, Secondary Home, Purchase plus Improvement Single Advance Only.</p> <p>CMHC: Purchase, Refinance, Second Home</p>
OCCUPANCY TYPE	<ul style="list-style-type: none"> • Owner-occupied primary residence • Second home (does not include rentals and vacation home type B)
TERMS	<p>Fixed: 1-5 year closed term</p> <p>Variable: 5-year closed term</p>
AMORTIZATION	<p>Conventional: Maximum 30 years; Minimum 5 years</p> <p>High-Ratio: Maximum 25 years; Minimum 5 years</p> <p>NOTE: On a switch/transfer-in the remaining existing amortization will be considered</p>
INTEREST RATES	<ul style="list-style-type: none"> • 120-day rate hold on purchase: 90-day rate hold on refinancing and switch/transfer • Interest is compounded semi-annually, not in advance • Rate buy-downs are permitted in exchange for reduced finder's fee (see rate sheet). <u>Please note qualifying rates do not include buy-downs.</u> <p>Lowest rate guarantee: Your client will automatically receive the best rate between the date of submission and two days prior to funding.</p>
PAYMENT TYPE	<p>Monthly; Weekly, Bi-Weekly; Semi-Monthly; Accelerated Weekly; Accelerated Bi-Weekly. Please ensure the underwriter is aware of any requests for "accelerated payments".</p>
PRE-PAYMENT	<p>Up to 20% pre-payment of the original principal amount, per year (minimum \$100, at anytime)</p> <p>Up to 20% increase of the regular payment, per year</p> <ul style="list-style-type: none"> • Payments may be reverted back to the original amount if requested at a later date
EARLY PAYOUT	<p>FIXED: Permitted, subject to payout penalty calculated as the greater of:</p> <ul style="list-style-type: none"> • 3 months interest, OR interest rate differential (IRD) calculated using posted rates <p>Variable: Permitted, subject to 3 months interest penalty</p>
INCREASE & BLEND	<p>Available on both Fixed and Variable, subject to re-qualification</p>
ASSUMABILITY	<p>Permitted, subject to re-qualification</p>
PORTABILITY	<p>Straight port, as well as port-up and port-down options available</p> <ul style="list-style-type: none"> • Upon re-qualification, up to 90 day gap. Penalty to be paid and then refunded when port is complete. For port-down only a partial refund will be issued
PROPERTY TAXES	<ul style="list-style-type: none"> • Collected by the lender as part of monthly payment. No exceptions on \geqLTV 90% • For LTVs < 90%, Tax Installment Payment Plans and “paid directly by borrower” may be requested but is subject to lender review and approval • LTVs 80% or less, the client may choose how to pay, and must advise underwriting of their choice

GENERAL COMMENT	<ul style="list-style-type: none"> • Loan decisions are subject to full insurer and lender due diligence • Properties located in British Columbia, Alberta, and Ontario only at this time
CREDIT ADJUDICATION	<ul style="list-style-type: none"> • Minimum 600 beacon score on all applicants (no exceptions), regardless of whether or not the income is used. Beacon reject due to absence of credit may be permitted, but as an exception please call you Underwriter prior to submission. • Age of credit bureau not to exceed 30 days prior to application date • Refinances for default management are not permitted • Prior bankrupts are not permitted, even if fully discharged
LOAN AMOUNT	<ul style="list-style-type: none"> • Up to \$750,000 • Large loans (>\$750,000) are considered case-by-case. Insurance premium will apply on all large loans regardless of LTV. Please call your BDM to discuss prior to submitting.
DEBT SERVICE RATIOS	<ul style="list-style-type: none"> • Up to 680 Beacon: GDS / TDS = 35% / 42% • 680+ Beacon: GDS / TDS = 39% / 44% <p>Qualifying Rates (Note: Buy-downs are not included when qualifying) Variable: For all variable rate mortgages the 5 year benchmark rate published by the Bank of Canada will be used to qualify the deal.</p> <p>Fixed: 5 year fixed term will be qualified on the contract rate. Fixed terms less than 5 years terms will be qualified on the benchmark rate or contract rate.</p> <p>Heating Costs – Upto a max of \$110 is included when calculating Debt Service coverage.</p>
INCOME CONFIRMATION Note: No stated income, or "equity" lending	<p>Salary / Wage Earners: 1 year continuous employment (exceptions for recent graduates, speak to your underwriter/BDM before submitting the application etc). Must show minimum of Job Letter and 2 recent paystubs. Additional documentation may be required.</p> <p>Contract employment will be accepted only with 2 complete years of employment history.</p> <p>Bonus & Commission Income: Must show two year average (unless it is guaranteed).</p> <p>BFS Full Doc: Minimum 2 years self-employed history via NOAs and either T1 Generals or Financial Statements. Must also show no income tax arrears.</p>
PROPERTY / COLLATERAL	<p>Acceptable Collateral:</p> <ul style="list-style-type: none"> • Detached dwellings up to 4 units (2 units max for 75.1-80% and 90.1-95% LTV); Condos and town homes (estoppels certificate/ BC Form "B" required if stratified); <p>Geographic Location:</p> <ul style="list-style-type: none"> • Census Metropolitan Areas in Ontario, BC and Alberta. • Cities/Towns within 100 kms from Census Metropolitan Areas, if unsure please contact your BDM prior to submission. • NOTE: The above are guidelines. The Bank may decide not to lend in areas that fit the above criteria as it sees fit. <p>Appraisals Are Not Typically Required: Lending value confirmed via insurer GVS. On conventional loans, if an appraisal is required the client must order it from a Genworth approved appraiser. For Platinum brokers, a \$235 appraisal reimbursement will be issued upon funding.</p> <p>Unacceptable Collateral: Co-op housing, rooming houses & student housing, vacant land, industrial or commercial zoning, condo hotels, time-share interests, rental pools, modular/mobile homes and properties with seasonal access, former "grow operations" and "leaky condos" (even if fully remediated), leased land.</p>
DOWN PAYMENT	<ul style="list-style-type: none"> • Own resources (90 days balance verification) including funds borrowed against secured assets • Gifted from immediate relative

GENERAL COMMENT

The following are some of the key features that ICICI Bank Canada offers, highlighting the benefits we bring to your business and also advantages to your client.

PRICING / COST SAVINGS**“No-Fee” Refinance & Switch Mortgages**

- Your client saves on the legal costs when they do not require legal advice.
- Free to Concierge Platinum and Gold status brokers, available to all others with a fee.

Rate Buy-Down

- When you are in a competitive situation, you may use a portion of your finder’s fee to buy-down the interest rate.
- The exchange rate is 20 bps of finder’s fee for every 5 bps of rate discount.

No Appraisals

- Since the majority of our loans (both conventional and high-ratio) are insured, in most cases the client need not provide an appraisal.
- Please note that under certain circumstances we may require a full appraisal to be ordered by the client, from a Genworth approved appraiser. For Platinum brokers this cost will be reimbursed up to \$235 upon funding of the loan and receipt of invoice only if the appraisal is requested by the underwriter or the insurer.

“U-Curve” Rate Guaranty

- Your client receives the best rate between the date of submission and 2 days prior to funding

INCOME & DEBT SERVICING BENEFITS**30 Year Amortization**

- Conventional loans only

Owner Occupied Subject Property with Rental Unit(s)

- If the LTV is $\leq 80\%$
 - 80% Rental Offset may be used
 - NOTE: 100% Gross Rents may be used in Vancouver and Victoria CMAs
- If the LTV is $>80\%$
 - 50% of the Gross Rents can be added to Gross Employment Income

NOTE: 100% add-back is ok on high-ratio loans basement suite income (GVRD and Greater Victoria), up to 2 suites.

Other Rental Properties

- If the LTV is $>80\%$
 - P&I payments on the rental property must be added as a Liability and 50% of the Gross Rents can be added to Gross Employment Income
- If the LTV is $\leq 80\%$
 - P&I payments on the rental property must be added as a Liability and 50% of the Gross Rents can be added to Gross Employment Income, **OR**
 - When rental income can be confirmed with T1 Generals,
 - Any surplus can be added to the Borrower’s Gross Employment Income
 - Any deficit, must be added to the Liabilities.
 - When rental income cannot be confirmed with T1 Generals,
 - Calculate the net rental income (Gross Rents less operating expenses)
 - Any surplus, can be added to the Borrower’s Gross Employment Income.
 - Any deficit must be added to the Liabilities.

“Other Income”: Acceptable types of income sources outside of employment income

- Permanent disability, child support, spousal support, foster care, rental, maternal leave (up to 100% may be used, if return to work is guaranteed).

GENERAL COMMENT ICICI Bank Canada lending guidelines are generally consistent with the CMHC and Genworth criteria. However there are certain exceptions. The following services are not offered by ICICI Bank Canada:

**PROGRAMS &
LOAN TYPES
(NOT OFFERED)**

- CMHC Self Employed Simplified (Stated) / Genworth Alt A – BFS (Stated) / Contracted Workers
- CMHC Newcomer / Genworth New to Canada / Non-Residents / Non-Permanent Residents
- CMHC Income Property / Genworth Investment Property
- Construction / Progress Advances
- Second Mortgage / Blanket Mortgage / Inter-alia Mortgage / Bridge Loans
- Home Equity Line of Credit (HELOC)
- Prior Bankrupts / Consumer Proposal / Orderly Payment of Debt / Beacon score <600
- Buyer Agency Agreements – ICICI Bank does not allow the real estate commission from a “Buyer Agency Agreement” to be added to the purchase price of the property. Note: “Buyer Agency Agreement” means the purchaser agrees to pay a real estate commission to their real estate broker in the event the seller is not willing to pay the buyer’s agents commission from the proceeds of the sale.

**PROPERTY /
COLLATERAL
(UNACCEPTABLE
TYPES)**

- See “Unacceptable Collateral” in the “Underwriting Guidelines” section
- Properties with farming activity or generating income
- Zoned other than residential (or variations of residential)
- Properties to be registered in a company name
- Transactions executed by a power of attorney
- Leased Land
- Mobile and modular homes
- Former "grow operations" and "Leaky Condos", even if fully remediated

**DOWN PAYMENT
(UNACCEPTABLE
FORMS)**

- Sweat Equity, Vendor Take Backs (VTB), and other builder/vendor incentives
- Realtor or Mortgage Broker incentives
- Rent to own payments
- Borrowed funds (unsecured)

SUPPORTING HOME OWNERSHIP

Home ownership is a dream shared by many Canadians. ICICI Bank Canada can be a valuable resource in helping more Canadians achieve this dream.

THE MORTGAGE BROKER CHANNEL

After careful monitoring and strategic planning, we are confident that offering our products through the mortgage broker channel is in the best interest of both ICICI Bank Canada and its borrowers.

As such our mortgage products are offered primarily through partnering with an exclusive network of top Canadian mortgage professionals, selected based on their experience, knowledge, and the quality of their business.

COMPETITIVE PRICING & PROFESSIONAL SERVICE

What You Want:

We recognize that mortgage brokers place top priority on partnering with lenders that have the ability to:

- Provide great mortgage solutions for their clients
- Consistently deliver excellent service and pricing

What We Offer:

We are committed to providing:

- competitive rates and compensation
- Reliable business development support
- Experienced underwriting team and efficient application processing

With this strategy, we aim to establish ICICI Bank Canada as the lender of choice for both Canadian mortgage brokers and their clients.

INDUSTRY AFFILIATIONS

As a proud supporter of the mortgage broker channel and the Canadian mortgage industry, we are members of various regional professional organizations, including:

- Independent Mortgage Brokers Association of Ontario
- Alberta Mortgage Brokers Association
- Mortgage Brokers Association of British Columbia

On the national level, we are a member of the Canadian Association of Accredited Mortgage Professionals

CONTACT US

Mortgage Servicing Centre (Post Funding):

Hours of Operations: Monday - Friday 8 am - 8 pm EST

Address: P.O. Box 351 STN C, Kitchener, ON N2G 3Y9

Toll Free: 1-866-726-0825 · **French Toll Free:** 1-866-726-0827

Fax Toll Free: 1-866-399-3018

Email: icicibankmortgagecare@lenderservices.ca

Mortgage Underwriting Contact

General email: underwriters@mortgageservicing.ca *

Toll Free: 1-866 726-1069

*** To locate your assigned Underwriter please contact your BDM directly.**

Mortgage Broker Services

150 Ferrand Drive, Suite 700, Toronto, ON M3C 3E5 (East)

701 W Georgia Street, Suite 1500, Vancouver, BC V7Y 1C6 (West)