

## RRSP Loan Campaign FAQ

Question	Answer
What is the start date?	November 1 <sup>st</sup> , 2017
What is the end date?	March 1 <sup>st</sup> , 2018
What is the RRSP loan minimum amount?	\$1,000
What is the RRSP loan maximum amount?	<ul style="list-style-type: none"> <li>&gt; Rapid approval (type 1): \$25,000</li> <li>&gt; Regular approval (type 2): No maximum</li> </ul>
What is the maximum term?	<ul style="list-style-type: none"> <li>&gt; Rapid approval: 24 months</li> <li>&gt; Regular approval: <ul style="list-style-type: none"> <li>▪ \$1,000 – \$5,000: 3-24 months</li> <li>▪ \$5,001 - \$20,000: 3-48 months</li> <li>▪ \$20,001 + : 3-60 months</li> </ul> </li> </ul>
What is rapid approval?	An analysis and a decision of the RRSP application can be given without requiring a balance sheet, nor a proof of income.
What are the conditions for rapid approval?	<ol style="list-style-type: none"> <li>1. RRSP loan amount between \$1,000 and \$25,000; <b>and</b></li> <li>2. Maximum term 24 months; <b>and</b></li> <li>3. All questions in the “Additional Information Regarding the Applicants” within the RRSP Loan Credit Application must be answered “No”.</li> </ol>
What are the required documents for funding?	<p><b>For rapid approval RRSP loans:</b></p> <ul style="list-style-type: none"> <li>&gt; RRSP Loan Credit Application; <b>and</b></li> <li>&gt; personalized void cheque for the RRSP loan payments; <b>or</b></li> <li>&gt; business/ Corporate void cheque is acceptable (f.25550 – “Pre authorized debit agreement” form must be completed).</li> </ul> <p><b>For regular RRSP loans:</b></p> <ul style="list-style-type: none"> <li>&gt; RRSP Loan Credit Application; <b>and</b></li> <li>&gt; balance sheet (included in Application); <b>and</b></li> <li>&gt; proof of incomes and assets; <b>and</b></li> <li>&gt; personalized void cheque for the RRSP loan payments; <b>or</b></li> <li>&gt; business/ Corporate void cheque is acceptable (f.25550 - “Pre authorized debit agreement” form must be completed).</li> </ul> <p>* Other documents may be required by the Credit Decision department.</p>
When do I need to complete the balance sheet?	The balance sheet needs to be completed when at least 1 of the 3 conditions for the rapid approval cannot be respected (see rapid approval conditions above).
What is the Cost of borrowing disclosure statement?	The Cost of borrowing disclosure statement (f.17662) ensures the applicant is aware of all the costs related to the loan prior to committing to the loan agreement contained in the Credit Application.
When do I need to complete the Cost of borrowing disclosure statement?	<p>It is mandatory to complete the Cost of borrowing disclosure statement at the same time you fill out the Credit Application with you client.</p> <p><b>Note:</b> Provide a copy of the two documents to the Applicants once they are completed.</p>

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<p><b>Can I submit my client's RRSP loan application now and have the funds disbursed at a later date?</b></p>	<p>Yes, it is possible to apply now and request funds to be disbursed at a later date.</p> <ul style="list-style-type: none"> <li>&gt; The future funding promotional period is from November 1<sup>st</sup>, 2017 to March 1<sup>st</sup>, 2018.</li> <li>&gt; The cut-off date to submit your RRSP application requesting a disbursement at a future date is February 23<sup>rd</sup> 2018.</li> <li>&gt; Only variable rates can be used with this feature.</li> </ul> <p><b>The <i>Disbursement at a future date</i> option is <u>not</u> available for transfers and refinances.</b></p>
<p><b>What are the available rate options?</b></p>	<p><b>Fixed rate</b></p> <ul style="list-style-type: none"> <li>&gt; <u>Fixed payment</u>: Principal and interest</li> </ul> <p><b>Variable rate</b></p> <ul style="list-style-type: none"> <li>&gt; <u>Variable payments</u>: Principal plus interest (one loan payment of principal and second loan payment for interest)</li> <li>&gt; <u>Equal payments</u>: Principal and interest</li> </ul>
<p><b>What happens if the rate changes?</b></p>	<p>Credit Application signed by the applicants and received by the Bank within 48 hours (business days) of the rate change will be accepted at the old rate.</p> <p><b>IMPORTANT:</b> The documents must be deemed complete and compliant by the Bank for the old rate to be applied.</p>
<p><b>How are variable rate (equal) payments calculated?</b></p>	<p>Payments are calculated based on a shorter repayment period than the requested term. The loan's term is effectively reduced by 1 month for every year. For example, for an RRSP Loan with a requested term of 5 years (60 months), payments are calculated over a term of 55 months.</p>
<p><b>What are the available payment frequencies?</b></p>	<p>The frequency options available are: monthly, every two weeks or weekly.</p>
<p><b>When should be client expect their first payment to occur?</b></p>	<ul style="list-style-type: none"> <li>&gt; <b>Monthly</b> frequency: 30 days after the RRSP loan disbursement</li> <li>&gt; <b>Every two weeks</b> frequency: 14 days after the RRSP loan disbursement</li> <li>&gt; <b>Weekly</b> frequency: 7 days after the RRSP loan disbursement</li> </ul>
<p><b>Are deferred payment options available?</b></p>	<p>Yes.</p> <ul style="list-style-type: none"> <li>&gt; The first capital and interest payment can be deferred for 3 or 6 months.</li> <li>&gt; The frequency options available are: monthly, every two weeks or weekly.</li> <li>&gt; For the deferred payment option, interest is calculated daily on the daily outstanding balance during the deferral period. <b>Accrued interest will be added to the balance of the loan.</b></li> </ul> <p><b>The <i>Deferred payment</i> option is <u>not</u> available for transfers and refinances.</b></p> <p><b>Here's how it works – example:</b></p> <ul style="list-style-type: none"> <li>&gt; Fixed rate loan, 12-month term and a 3-month deferral</li> </ul> <p>If a 3-month deferral has been selected, no loan payments will occur within the 3 first months. Therefore, the capital portion and accrued interest will be spread out over the remaining 9 months (12-month term minus the 3-month deferral period). As a result, the loan payments will be higher than the same loan without the deferred option.</p>

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What are the prohibited changes during the deferred payment period?	<p>During the deferred period, the following transactions are not allowed:</p> <ul style="list-style-type: none"><li>&gt; Delay first payment date</li><li>&gt; Change frequency of first payment date</li></ul>
How will the payment occur after the deferred payment option?	<p>If a deferred payment option has been selected (either a 3- or 6-month deferral), the first payment will occur after the deferral period, depending on the payment frequency chosen.</p> <p>For example, depending on the chosen frequency, here is how the first payment will occur for a 3-month deferral.</p> <ul style="list-style-type: none"><li>&gt; <b>Monthly</b> frequency: on the 4<sup>th</sup> month</li><li>&gt; <b>Every two weeks</b> frequency: 14 days after the 3-month deferral</li><li>&gt; <b>Weekly</b> frequency: 7 days after the 3-month deferral</li></ul>
What term should I indicate on my loan application if my client has selected a deferred payment?	<p>The Term to indicate on the Credit Application form is the total term (i.e. number of months including the deferred payment period).</p>