



Prepared for Mortgage Brokers  
Revised August 2024

# Broker Training Document

## **Understanding Federal Borrower Protection Requirements**

The information provided in this training does not, and is not intended to, constitute legal advice; instead, all information, content, and materials available are to meet the obligations identified in the Bank Act.

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# Bank Act Compliance

As a federally regulated bank, Peoples Bank must ensure that anyone selling or furthering the sale of our products or services complies with legislation established to protect borrowers.

New financial protections for Canadians have been introduced under the Financial Consumer Protection Framework.

Borrowers continue to benefit from all applicable provincial protections and gain enhanced bank-specific protections under federal law.

We have prepared this training document to inform you of your obligations and responsibilities when acting as an intermediary between borrowers and Peoples Bank.



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## Clear Communication

You must ensure that customers are provided with accurate, clear, and not-misleading information that allows them to make informed decisions. Providing information about our products and services in accurate and clear language improves communication with our customers and helps eliminate confusion.

This applies to all communication with the public or customers and includes both verbal and written communication.



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# What is clear communication?

Clear communication starts by focusing on the needs of the customer. However, it does not mean oversimplifying where details are important. Customers must have a clear understanding of our products and services. In all communications:

- ✓ Present information in a logical order
- ✓ Ensure the information is easy to read and useful
- ✓ Replace technical terms with equivalent everyday words wherever possible
- ✓ Be consistent by using the same terminology
- ✓ Clearly identifying customer's rights and obligations
- ✓ Remove any information that is not essential to your purpose

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# Consent for Products and Services

Before providing a customer with a product or service, we must obtain their express consent.



Express consent means that the person agrees to a product or service in writing or verbally before we provide the product or service. Use of a product or service does not constitute express consent.

Before we obtain express consent from a customer, there may be key disclosure information that must be provided to the customer. Disclosure requirements are dependent on the product or service being offered or sold.

When selling or offering a Peoples Bank product or service, you must comply with all regulatory disclosure requirements, including the timing and manner in which disclosure must be provided to the customer.

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# Vulnerable Customers

You must ensure that the way we offer and sell our products and services does not negatively impact the customer and that all customers should be treated fairly.

All brokers must take an extra level of care when dealing with a vulnerable customer. Vulnerable customers may find it difficult to make an informed decision and need additional assistance.



## **What is a Vulnerable Customer?**

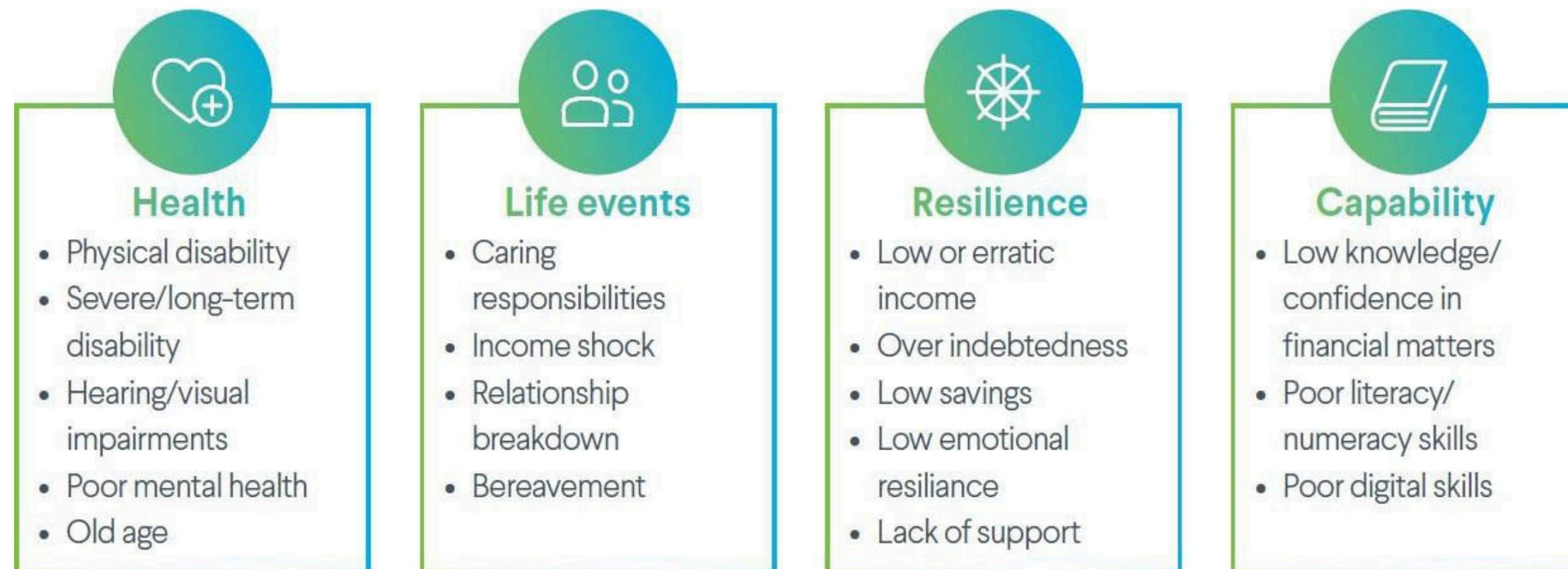
A vulnerable customer is someone who has personal circumstances that places them at higher risk of detriment.

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# Vulnerable Customers

Risk factors that might make a person vulnerable include illness, disability, age, financial or technology capabilities, and language barriers. A person presenting with one of these risk factors does not automatically mean they are a vulnerable customer or that a product or service is unsuitable for them.

However, recognizing vulnerabilities should act as a trigger for us to consider what reasonable steps might be taken in order to amend our usual processes to ensure that the customer is not disadvantaged.



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# Prohibited Sales Practices

Prohibited conduct includes taking advantage of any person or using tied selling practices.

- Tied-selling is when a company imposes undue pressure or coerces a person to buy a product or service they don't want from the company or one of its affiliates to obtain another product or service.
- Undue pressure means any pressure, in the form of a practice or communication or otherwise, that could be reasonably considered to be excessive or persistent in the circumstances.

At Peoples Bank, we expect all brokers not to engage in any prohibited conduct.

**Find out more about prohibited conduct on our website:**

[www.peoplesgroup.ca/en/legal/](http://www.peoplesgroup.ca/en/legal/)

# Appropriate Mortgage Products

You must ensure that any mortgage offer you present to your customer is appropriate, taking reasonable steps to understand their needs and circumstances by:

- **Know the Product:** You must understand the features, charges, risks and benefits of the mortgage products you offer.
- **Know the Customer:** You must collect information about customer, take reasonable steps to understand their needs and to verify the information they provided you with.
- **Assess Appropriateness:** Peoples Bank conducts an assessment to ensure the mortgage is appropriate for the borrower. Peoples Bank will only approve mortgage applications that are assessed as appropriate for the borrower.
- **Inform Borrowers:** You must inform borrowers that Peoples Bank has conducted an assessment and that the outcome of the assessment is that the mortgage offer has been assessed as appropriate.
- **Remuneration:** You must ensure that any remuneration, incentives or benefits you receive do not interfere or conflict with acting in the best interest of the borrower.



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# Disclose the Cost of Borrowing

You must provide the borrower with a written disclosure statement on the cost of borrowing in accordance with federal laws (Bank Act section 627.9; Financial Consumer Protection Framework Regulations, section 43) and applicable provincial cost of borrowing disclosure laws and regulations.



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# Borrower Complaints

Borrowers must have access to our process for resolving concerns or complaints about their mortgage. If you receive a complaint from a borrower, without delay, you must refer the complaint to our mortgage service, Paradigm Quest or Intellifi so the issue can be resolved as quickly as possible. Please refer complaints to the following:

## **Mortgage numbers starting with PS number sequence.**

### **PEOPLES BANK SERVICING (Intellifi)**

Toll Free : (1) (866) 297-7403

Email: [requests@service.peoplesgroup.com](mailto:requests@service.peoplesgroup.com)

Mail : 1000 - 530 8th AVE SW

Calgary, AB, T2P 3S8

## **All other (legacy) mortgage holders (number sequence starting with 2 or 3)**

### **PARADIGM c/oPeoplesBank**

Phone: 1-877-462-3788

Email: [pbccustomer@lenderservice.ca](mailto:pbccustomer@lenderservice.ca)

Mail:

Mortgage Servicing Centre

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

Fax: 1-888-753-5842

**Our complaints handling procedure is available on our website:**

[www.peoplesgroup.com/en/about-us/resolving-your-concerns/](http://www.peoplesgroup.com/en/about-us/resolving-your-concerns/)

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# Borrower Complaints

## External Dispute Resolution Scheme

Peoples Bank is a member of the Ombudsman for Banking Services and Investments (OBSI). If a borrower's concern cannot be resolved through our internal complaints procedure, they may contact OBSI by:

Mail: OBSI, 20 Queen Street West, Suite 2400, P.O. Box 8, Toronto, ON M5H3R3

Toll-Free Phone: 1-888-451-4519

Email: [ombudsman@obsi.ca](mailto:ombudsman@obsi.ca)

## Federal Consumer Protection Regulatory Body

The Financial Consumer Agency of Canada (FCAC) supervises federally regulated financial institutions to ensure that they comply with federal consumer protection laws. Borrowers may contact the FCAC to submit a question or complaint by:

Toll-free: 1-866-461-3222

Online: Submit a question or complaint ([www.fcac-acfc.gc.ca](http://www.fcac-acfc.gc.ca))

Mailing address: Financial Consumer Agency of Canada, 427 Laurier Avenue West, 6th Floor, Ottawa ON K1R 1B9

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# Borrower Complaints

If you become aware of any known or suspected unethical or illegal conduct by Peoples Bank or a person acting on our behalf, you can report it through our anonymous whistleblowing system. All information received will be treated confidentially. Peoples Bank is committed to protecting all whistleblowers from reprisal.

You can report misconduct anonymously through an independent, third-party agency, **ClearView Connects**.

- Online through their secure website at: [www.clearviewconnects.com](http://www.clearviewconnects.com)
- Over the phone through a dedicated toll-free number: 1-866-865-3691
- By mail through the confidential post office box at: ClearView Connects P.O. Box 11017, Toronto, Ontario M1E 1N0

Reporting is available 24/7, in multiple languages.

You can also report wrongdoings directly to the Commissioner of the Financial Consumer Agency of Canada, the Office of the Superintendent of Financial Institutions, any other government agency or body that regulates or supervises financial institutions, or a law enforcement agency.

Read our full whistleblowing statement on our website:

<https://www.peoplesgroup.com/en/ethical-reporting/>

## Regulatory Information:

Our legal and regulatory disclosure statements are available on our website, including:

- A list of Codes of Conduct and Public Commitments adopted by Peoples Bank
- Mortgage default insurance disclosure notice
- Prohibited Conduct Statement

[www.peoplesgroup.com/en/legal/](http://www.peoplesgroup.com/en/legal/)

# Thank you