

**APPLICATION AND CLIENT DISCLOSURE DOCUMENT
REGARDING REFERRAL ARRANGEMENTS AND COMMISSION SPLITTING**

**RE: *Manulife Bank of Canada Mortgage Products*
and
*ALTIMUM MUTUALS INC.***

Representative Name: _____

Client Name: _____

Date of Referral: _____

This document is intended to provide written disclosure of a referral arrangement and is to be approved by the Compliance Department of Altimum Mutuals Inc. prior to any referral transaction actually taking place.

Nature of referral arrangement:

Altimum Mutuals Inc, (“Altimum”) has entered into a referral agreement arrangement (the “Agreement”) with Manulife Bank of Canada filed with provincial regulators where required. Under this Agreement, the representatives of Altimum can refer their clients including you, the undersigned, (“You”) to Manulife Bank for mortgage products (“the Mortgage Products”) and receive referral fees for those clients who fund their mortgages with Manulife Bank. The significant terms of the Agreement are as follows:

- a) Representatives are not obligated to refer their clients to Manulife Bank, nor is Manulife Bank obligated to provide products or services to all referrals. The two parties operate at arms length.
- b) The representatives of Altimum can explain to You the basic concept of mortgages and secured lines of credit and how they benefit You. It is illegal for the representative to assist in the completion of a mortgage application form, compare Mortgage Products or in any other way conduct the business of a mortgage broker without licensing as a mortgage broker.
- c) Neither the representative nor Altimum can bind Manulife Bank in any way to accept any application made by You for a Mortgage Product.
- d) The representative will refer You to a Banking Consultant, employed by Manulife Bank of Canada, who will explain the Mortgage Products in detail and assist You in applying for Manulife One or a Preferred Rate Mortgage. The decision to proceed lies entirely with You.
- e) Once a mortgage has been applied for and placed through Manulife Bank of Canada, neither the referring Representative nor Altimum will receive any information on You or your mortgage account with Manulife Bank, other than the status of your account during the issue process and month-end balances, as necessary, for Representatives to confirm their compensation. Should You wish either your Representative or Altimum to have information, You must personally provide it to your Representative or to Altimum.

Specifics of the Proposed Transaction:

1. Provide a description of the proposed transaction which would result in a referral fee which may be paid to Altimum.

2. Detail the purpose of the referral arrangement.

3. Describe the nature of the services to be provided by EACH party.

4. List the category of registration of each company which is a party to this agreement, with a description of the activities that the registrant is authorized to engage in under that category and, with specific consideration of this referral, the activities that the registrant is not permitted to engage in.

5. If this referral is to another registrant, include a statement that all activity requiring registration resulting from the referral arrangement will be provided by the registrant receiving the referral.

6. Discuss why this recommendation is considered suitable for this client. (Attach separate pages and/or documentation as necessary)

Responsibility:

The brokering of a mortgage is not a business of Altimum and Altimum assumes no responsibility for such activity.

Compensation to Altimum:

All compensation for the referral of You to Manulife Bank is payable to Altimum Mutuals Inc. Part of the compensation on each successful mortgage will be passed along to the Representative involved. The party paying the referral fee is Manulife Bank of Canada. The party receiving the referral fee is Altimum Mutuals Inc.

Your Representative will receive some of the referral fee of \$400 which will be paid by Manulife Bank to Altimum when You open a Manulife One account with Manulife Bank. No upfront referral fee is payable when You open a Preferred Rate Mortgage.

A monthly referral trailer fee is payable to the Distributor on both Manulife One and Preferred Rate Mortgage. The trailer is payable at 0.0083333% on each month-end balance of either Mortgage Product.

Conflicts of Interest:

The purpose of this document is to disclose the referral arrangement and to identify that arrangement as a potential conflict of interest. Any transaction may involve other conflicts of interest as well. An example would be if you were being encouraged to take a mortgage on your home for purposes of investment, and the representative was being paid a finder's fee on the mortgage in addition to a commission on the purchase of the investments. Other than the referral arrangement discussed herein, Altimum Mutuals Inc. has not identified other potential conflicts of interest as a result of this transaction.

Client Acknowledgement:

- 1) I/We, the undersigned, acknowledge that the relationship between Altimum and Manulife Bank of Canada, including the payment of referral fees, trailer fees and bonuses, has been explained fully to me, with regard to the Agreement between the Distributor and Manulife Bank.
- 2) I/We hereby acknowledge that it is illegal for the party receiving the fee to trade or advise in respect of securities if it is not duly licensed or registered under applicable securities legislation to so trade or advise. The same may apply to the products or services which are the subject of this agreement.
- 3) I/We hereby consent to the approved person releasing such confidential information as may be necessary to outside parties to complete the transaction.
- 4) I/We consent to the release of information about this transaction to regulators as required.

Client Signature

Date

Joint Client Signature

Date

Rep Signature

Date

Compliance Officer Signature

Date