

## Form 9D

### Investment Authority

*(Note to lawyer: This form is required in a private mortgage transaction whether or not the mortgage was arranged by you. Please have your client complete every point on this form, with "n/a" being noted if the point is not applicable. This form may be entered on a word processor. For the definition of mortgage broker and other terms found in the clause of the Lawyers' Professional Indemnity Company Policy found at the bottom of this form, please refer to the policy.)*

To: *(Specify name of lawyer or law firm.)*

I *(or we)* instruct you to act on my *(or our)* behalf, on my *(or our)* mortgage investment *(or investments)* of *(specify amount)*, the details, conditions and disclosures of which are set out below.

A. Details about the investment:

1. Name and address of borrower *(or borrowers)*: *(specify)*
2. Name and address of guarantor *(or guarantors)* *(if any)*: *(specify)*
3. Legal description and municipal address of real property: *(specify)*
4. Type of property: *(specify, e.g., residence, vacant land, etc.)*
5. (a) Principal amount of mortgage or charge: *(specify)*
5. (b) Amount of loan to be advanced by me *(or us)*: *(specify)*
6. Rank of mortgage or charge is first *(or specify other rank)*.
7. My *(or our)* investment of *(specify amount)* represents *(specify percentage)* of the total loan to the borrower *(or borrowers)*.
8. (a) I am *(or we are)* satisfied that the approximate value of the property is *(specify amount)*.
8. (b) I *(or we)* used the following means to determine the approximate value of the property: *(specify)*.
8. (c) Including my *(or our)* mortgage amount, the percentage of the value of the property that is mortgaged *(or /encumbered)* is *(specify percentage)*.

9. (a) The term of loan is *(specify term of loan in months, years, etc.)*.
9. (b) The due date of loan is *(specify date)*.
9. (c) The loan is amortized over *(specify number of years)*.
10. The interest rate is *(specify interest rate)* calculated semi annually, not in advance *(or specify how interest rate is calculated)*.
11. Particulars of amounts and due dates *(monthly, quarterly, etc.)* of payments of principal and interest: *(specify)*
12. Particulars and amounts of any bonus or holdback or any other special terms: *(specify)*
13. (a) The mortgage is to be registered in the name *(or names)* of *(specify name or names)*.
13. (b) After completion of the mortgage transaction, a collection or administration fee of *(specify amount)* per instalment is payable by the investor *(or investors)* *(or borrower)* *(or borrowers)* to *(specify recipient of fee)*.
13. (c) If the mortgage is held in trust, the dates on which payments are to be made by the trustee *(if applicable)* to me *(or us)* are: *(specify dates)*
14. Particulars of disbursements made for legal, brokerage or other fees or commissions in connection with the placement of the loan, including the names of recipients and amounts paid, are: *(specify)*

B. Conditions:

1. *(Instructions: Clauses (a) and (b) below refer to information which each investor may require from the lawyer. If you require the information referred to in a clause, initial the clause.)*

The information which I *(or we)* require from you as my *(or our)* lawyer before you complete the transaction and make the advance is as follows:

- (a) If my *(or our)* investment will be in a position other than a first mortgage or charge, details, including amounts, of all existing encumbrances outstanding.
- (b) If the mortgage or charge is a syndicated mortgage, and a prospectus is necessary, a copy of the prospectus. We acknowledge and accept that you as my *(or our)* lawyer express no opinion as to the necessity for or validity of a prospectus.

2. *(Instructions: Each investor to complete and initial clause (a) and, if clause (a) is answered in the affirmative, to complete (if necessary) and initial clause (b) and to initial clause (c).)*

(a) I (or we) instruct you to obtain a current and independent appraisal of the subject property and provide it to me (or us) before you complete this mortgage transaction. *(Specify yes or no.)*

(b) The appraisal is to be paid by me (or us) or *(specify name of person who is to pay for appraisal)*.

(c) I (or we) have been advised and accept that you as my (or our) lawyer do not express an opinion as to the validity of the appraisal.

C. Disclosure:

1. I (or we) acknowledge being advised by you as my (or our) lawyer that you do not have any direct or indirect interest in the borrower (or borrowers). *(Specify yes or no and indicate the date on which the lawyer advised you that he or she has no direct or indirect interest in the borrower or borrowers.)*

*(If the lawyer has an interest in the borrower or borrowers, he or she is unable to act for you on this loan (Rule 2.06 of the Rules of Professional Conduct).*

*(Warning:*

1. *You are cautioned that the responsibility for assessing the financial merits of the mortgage investment rests with the investor or investors at all times. The lawyer's responsibility is limited to ensuring the mortgage is legally registered on title in accordance with the investor's or investors' instructions. The lawyer is not permitted to personally guarantee the obligations of the borrower or borrowers nor the suitability of the property as security for the mortgage investment.*

2. *Any loss you may suffer on this mortgage investment will not be insured under the lawyer's professional liability policy if the lawyer has acted as a mortgage broker or has helped to arrange it.\*)*

I (or we) hereby acknowledge receipt of a copy of this form prior to the advance of funds to or on behalf of the borrower (or borrowers). I (or we) further acknowledge having read and understood the above warnings.

Investor (or Investors):

*(Specify full name of the investor (or full names of the investors) and specify the investor's (or each investor's) address.)*

*(Signature of the investor (or of each investor))*

*(Date of signature)*

*\*(Pursuant to clause (g) of Part III of the Professional Liability Insurance Policy for Lawyers, the policy does not apply “to any CLAIM directly or indirectly arising as a result of the INSURED acting as a MORTGAGE BROKER or as an intermediary arranging any financial transaction usual to mortgage lending; or to any CLAIM arising from circumstances where the INSURED has provided PROFESSIONAL SERVICES in conjunction with the above”.)*