

FORM 6

[am. B.C. Reg. 274//2004, Sch. 3, s. 7.]

**DISCLOSURE STATEMENT (i)**

(Pursuant to the *Mortgage Brokers Act*)

- 1 Principal amount of mortgage is \$.....
- 2 Deduct:
  - (a) Bonus or discount paid by borrower \$.....
  - (b) Brokerage fee, commission, finders fee or other costs \$.....
  - (c) Inspection or appraisal costs (ii) \$.....
  - (d) Estimated survey costs (iii) \$.....
  - (e) Estimated legal fees and disbursements \$.....
  - Total deductions \$..... \$.....
- 3 Total amount to be paid to the borrower or for his account (difference between items 1 and 2) \$..... (iv)
- 4 The effective annual rate of interest to be paid by the borrower is .....% (v)
- 5 The amount and frequency of instalment payments will be \$..... payable .....
- 6 Will the mortgage fall due at the option of the lender if the property is sold? Yes  No
- 7 The mortgage will become due and payable on ..... at which time the borrower will owe not more than \$..... (vi)
- 8 There is no right to renew this mortgage on the same terms when it falls due.
- 9 This mortgage may be paid off by the borrower after ..... upon payment of the balance then owing and (if applicable) ..... months' interest.
- 10 The street address and legal description of the mortgage property is:  
.....

I, .....[Name] of .....[Address], the (agent of the) lender in this mortgage, have fully completed the above statement in triplicate.

.....[Signature of lender or agent]

I, .....[Name] of .....[Address], the borrower in this mortgage, acknowledge receipt of the above statement which I received on .....[date], at.....a.m./p.m.

.....[Signature of borrower]

## NOTES

- (i) The information given in this statement is based on the assumption that all payments will be made when due and that all covenants will be kept by the parties.
- (ii) Item 2 (c) is based upon ..... inspections. If more inspections are made an additional charge of not more than \$..... per inspection will be payable by the borrower.
- (iii) Item 2 (d) is based upon one survey. If additional surveys are required, additional fees will be payable by the borrower.
- (iv) The total amount to be paid to the borrower may be increased or decreased by the amount of any change in items 2 (c), (d) or (e).
- (v) The calculation of the effective interest rate shall be based on the requirements of section 12 of the regulation.
- (vi) If the whole of the mortgage proceeds are not to be advanced at one time, state the amount which the borrower will owe when the mortgage becomes due and payable based on stated estimated dates and amounts of advances.

## BORROWER'S RIGHT TO CANCEL

Under section 16 of the *Mortgage Brokers Act*, where the lender furnishes a disclosure statement such as this, the borrower may cancel or rescind the mortgage within 48 hours after he signs the mortgage or receives the statement, whichever first occurs.

To be effective, Notice of Rescission in the form below must be given by delivering or posting by PREPAID mail to BOTH the lender and the appropriate Registrar of Titles (whose address appears below) within 48 hours, but Saturdays, Sundays or holidays are not included in the calculation of time. Notice is effective at the time of mailing.

Borrowers will receive 3 copies of this form. Notice of rescission should be given by sending one copy of THIS WHOLE FORM containing a signed copy of the Notice of Rescission to the lender and another signed copy to the appropriate Registrar of Titles. The borrower should keep the third copy.

A borrower who gives Notice of Rescission is required to forthwith repay to the lender all amounts he has actually received under the mortgage and interest plus the expenses reasonably and necessarily incurred by the lender. In return the lender is required to furnish a discharge of the mortgage. In the event of a dispute either party may apply to the court.

In addition to the right to rescind, a borrower who has been deliberately misled by anything contained in this disclosure statement may apply to the court, within one month after signing the mortgage, to redeem the mortgaged property and to obtain an order that the mortgage be discharged upon payment into court of the full amount actually advanced under the mortgage and interest plus the expenses reasonably and necessarily incurred by the lender.

There may be additional remedies available to the borrower under Part 5 of the *Business Practices and Consumer Protection Act*.

*MORTGAGE BROKERS ACT*

(Section 16)

BORROWER'S NOTICE OF RESCISSION

To: The Registrar of Titles, Land Title Office, ....., B.C.

To: .....[*Name of lender*],  
.....[*Address*]

Pursuant to section 16 of the *Mortgage Brokers Act*, I rescind the mortgage described on the reverse side hereof.

My address for service of notices is .....

Dated at ....., B.C., .....[*date*]

.....(Full name of borrower — please print)

.....[*Signature of borrower*]

NOTE — You should have been given 3 copies of this form. If you intend to use the Notice of Rescission send one copy of this whole form containing a signed copy of the Notice of Rescission to the appropriate Registrar of Titles and another signed copy to the lender. Retain the third copy for yourself.