

March 22, 2022

**CANADA MORTGAGE BONDS (CMB) – UPDATED OFFER TO SELL**

**PURPOSE**

To announce that commencing May 1, 2022, the Canada Housing Trust (CHT) will introduce a new Offer to Sell to be used by approved Sellers under the CMB Program.

**BACKGROUND**

Under the CMB Program, CHT acquires eligible NHA MBS pools as Original Assets from Approved Sellers paired with Hedges from approved Swap Counterparties for each package of NHA MBS offered, in connection with each CMB issuance. Approved Sellers participating in a CMB transaction are provided a copy of an Offer to Sell template to be completed in order to participate in a CMB transaction.

On the Qualification Date, Sellers submit an Offer to Sell, which includes a Schedule A outlining the list of eligible NHA MBS the Seller proposes to sell to CHT, along with an Excel version of the Schedule A to Offer to Sell which provides additional information on the MBS offered by Sellers.

**POLICY AMENDMENT**

The Offer to Sell document has been updated to address redundancies with the aim to improve efficiencies and accuracy for participants. The Schedule A table previously included as part of the Offer to Sell template has been removed and replaced as an “Electronic Data File - Listed MBS”. Corresponding changes will be incorporated into the form of Supplement to the Master Transfer Agreement. Approved Sellers will complete and deliver the Offer to Sell, along with the Electronic Data File - Listed MBS and the Supplement to the Master Transfer Agreement, to the Financial Services Advisor and the Trust Administrator in connection with each CMB transaction.

The “Electronic Data File – Listed MBS” refers to a standardized electronic file containing the information and data, set out in the format, required by the Trust that identifies and describes the Listed MBS. Such information and data shall include:

- (a) MBS pool numbers, order of preference of sale of such pools, whether such pools are new or seasoned, whether such pools are Affordability Linked pools, aggregate principal amount of such pools, amount of principal of such pools offered to the Trust, the MBS coupon rate, the reference rate, and MBS spread for floating rate MBS and the clean price of the MBS, all as completed by the Seller, and



- (b) blank fields for the pool principal to be purchased and the MBS purchase price (clean price), which shall be completed by the Trust Administrator as contemplated below. Each of the Offer to Sell, the Electronic Data File – Listed MBS, and the Supplement to the Master Transfer Agreement are Operative Documents and are subject to the terms of the Electronic Documentation Acknowledgment and Agreement made by the Seller in favour of the Trust and CMHC.

All other Program requirements and process will remain unchanged.

#### **EFFECTIVE DATE OF CHANGE**

The new Offer to Sell will be effective and required for all CMB transactions on and after **May 1, 2022**.

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For more information on these changes, please contact  
Canada Housing Trust No. 1, Scott Allen (416-594-8724) at the Trust Administrator.



## APPENDIX A: OFFER TO SELL – FIXED RATE CMB

### OFFER TO SELL PURSUANT TO MASTER TRANSFER AGREEMENT

**TO:** CANADIAN IMPERIAL BANK OF COMMERCE as Administrator for CIBC MELLON TRUST COMPANY as trustee on behalf of CANADA HOUSING TRUST™ NO. 1 (the "Trust").

**RE:** Master Transfer Agreement dated as of «[Master\\_Transfer\\_Agreement\\_Date](#)» ("Transfer Agreement") between the undersigned and the Trust.

**AND RE:** Canada Housing Trust™ No. 1 Bond Series No. «[Series\\_Number](#)» for the Bonds proposed to be issued between «[Guarantee\\_Start\\_Date](#)» and «[Guarantee\\_End\\_Date](#)».

**DATE:** «[Guarantee\\_Start\\_Date](#)».

NOW THEREFORE in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller hereby agrees as follows:

1. **DEFINITIONS, RULES OF USAGE**

1.1. Definitions, Rules of Usage Capitalized terms used and not defined herein shall have the meanings assigned thereto in the Transfer Agreement and the rules of usage set forth therein shall apply hereto.

2. **OFFER TO SELL**

2.1. Offer to Sell to the Trust. Set forth on the Electronic Data File - Listed MBS (as defined below) is a description of each of the Eligible MBS (the "**Listed MBS**") that the Seller offers to sell, assign, transfer and set over to the Trust on the Closing Date pursuant to the Transfer Agreement.

2.2. Electronic Data File - Listed MBS. The "**Electronic Data File – Listed MBS**" means an electronic file containing the information and data, and set out in the format, required by the Trust from time to time to identify and describe such Listed MBS. Such information and data shall include (a) NHA MBS pool numbers, order of preference of sale of such pools, whether such pools are new or seasoned, aggregate principal amount of such pools, amount of principal of such pools offered to the Trust, rate type, total MBS coupon (including any spread), MBS coupon spread and the clean price of the MBS, all as completed by the Seller, and (b) blank fields for the pool principal to be purchased and the MBS purchase price (clean price), which shall be completed by the Trust as contemplated below. Each of this offer and the Electronic Data File – Listed MBS are Operative Documents and are subject to the terms of the Electronic Documentation Acknowledgment and Agreement made by the Seller in favour of the Trust and CMHC.

2.3. Representation and Warranty. The Seller represents and warrants that it has delivered the Electronic Data File - Listed MBS to the Trust at the email addresses, and using the subject line, set forth below:

**Email:** [Securitization@cmhc-schl.gc.ca](mailto:Securitization@cmhc-schl.gc.ca)

**Email:** [CHT\\_Admin\\_TOR@cibc.ca](mailto:CHT_Admin_TOR@cibc.ca)

**Subject:** CMB Offer To Sell and Electronic Data File – Listed MBS

2.4. Price. The Seller agrees that

- (a) the price for all of the Listed MBS shall be no more than 101% of the principal amount of the Listed MBS, as permitted pursuant to Section 2.7 of the Transfer Agreement;
- (b) the price for each of the Listed MBS shall be no less than 95% of the principal amount of the Listed MBS; and
- (c) the maximum coupon rate permitted for the Listed MBS must satisfy the requirements of the CMHC MBS Program;

The Seller agrees that the Trust may accept or reject the whole or any part of this offer and that the Trust may set the price for the Listed MBS to be purchased by the Trust so long as the price complies with Section 2.4.

2.5. Confirmation of Counterparty: The Seller confirms that it shall arrange for and cause the following Counterparty(ies) to enter into Hedge Agreement(s) with the Trust in connection with this Offer to Sell:

Counterparty	Contact Information

2.6. Offer Irrevocable. This offer is irrevocable by the Seller during the Guarantee Period specified in the Guarantee Notice dated «Gurantee\_Notice\_Date» and shall constitute and be an irrevocable and binding obligation of the Seller if accepted by the Trust on the date the Bond Series is priced. The irrevocability of the offer is subject to the Bond Series being priced at no more than [Insert Number or “Market” if blank] basis points in yield over the benchmark Government of Canada bond. Once this offer is accepted by the Trust and the Electronic Data File - Listed MBS is completed with specific pricing within the parameters stated in Section 2.4, the Seller shall submit a Supplement pursuant to the Transfer Agreement within two (2) Business Days prior to the Closing Date.

\* \* \*

If the arrangements in this offer are acceptable to you, please sign the enclosed copy of this offer in the space indicated below, complete the price information required to be completed by you on the Electronic Data File - Listed MBS and return the offer to the Trust (in compliance with the notice provisions of the Transfer Agreement) on the date the Bond Series No. «Series\_Number» is priced. Otherwise, this offer will lapse. By signing this offer you are agreeing to the terms and conditions set out in this offer.

Yours truly,

«Name\_of\_Seller»

Per: \_\_\_\_\_  
Name: «Name\_of\_Seller\_Signor\_1»  
Title: «Title\_of\_Seller\_Signor\_1»

Per: \_\_\_\_\_  
Name: «Name\_of\_Seller\_Signor\_2»  
Title: «Title\_of\_Seller\_Signor\_2»

The terms and conditions set out above are hereby consented to and the foregoing offer is hereby accepted on behalf of the Trust this     day of «Month\_Year». The purchase price for the Listed MBS to be purchased by the Trust, in compliance with Section 2.4, is indicated in the final columns of the Electronic Data File - Listed MBS under the headings "Pool Principal to be Purchased" and "MBS Purchase Price (Clean Price)".

**CANADIAN IMPERIAL BANK OF  
COMMERCE**, as Administrator for  
**CIBC MELLON TRUST COMPANY**,  
as trustee on behalf of  
**CANADA HOUSING TRUST™ NO. 1**

Per: \_\_\_\_\_  
Name: «Name\_of\_Administrator\_»  
Title: «Title\_of\_Administrator»

## APPENDIX B: OFFER TO SELL – CORRA CMB

### OFFER TO SELL PURSUANT TO MASTER TRANSFER AGREEMENT

- TO:** CANADIAN IMPERIAL BANK OF COMMERCE as Administrator for CIBC MELLON TRUST COMPANY as trustee on behalf of CANADA HOUSING TRUST™ NO. 1 (the "Trust").
- RE:** Master Transfer Agreement dated as of «Master\_Transfer\_Agreement\_Date» ("Transfer Agreement") between the undersigned Seller and the Trust.
- AND RE:** Canada Housing Trust™ No. 1 Bond Series No. «Series\_Number» (the "Bond Series") for the Bonds proposed to be issued between «Guarantee\_Start\_Date» and «Guarantee\_End\_Date».
- DATE:** «Guarantee\_Start\_Date».

NOW THEREFORE in consideration of the premises and of the covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Seller hereby agrees as follows:

1. **DEFINITIONS, RULES OF USAGE**
  - 1.1. Definitions, Rules of Usage. Capitalized terms used and not defined herein shall have the meanings assigned thereto in the Transfer Agreement and the rules of usage set forth therein shall apply hereto.
2. **OFFER TO SELL**
  - 2.1. Offer to Sell to the Trust. Set forth on the Electronic Data File - Listed MBS (as defined below) is a description of each of the Eligible MBS (the "**Listed MBS**") that the Seller offers to sell, assign, transfer and set over to the Trust on the Closing Date pursuant to the Transfer Agreement.
  - 2.2. Electronic Data File - Listed MBS. The "**Electronic Data File – Listed MBS**" means an electronic file containing the information and data, and set out in the format, required by the Trust from time to time to identify and describe such Listed MBS. Such information and data shall include (a) NHA MBS pool numbers, order of preference of sale of such pools, whether such pools are new or seasoned, aggregate principal amount of such pools, amount of principal of such pools offered to the Trust, rate type, total MBS coupon (including any spread), MBS coupon spread and the clean price of the MBS, all as completed by the Seller, and (b) blank fields for the pool principal to be purchased and the MBS purchase price (clean price), which shall be completed by the Trust as contemplated below. Each of this offer and the Electronic Data File – Listed MBS are Operative Documents and are subject to the terms of the Electronic Documentation Acknowledgment and Agreement made by the Seller in favour of the Trust and CMHC.
  - 2.3. Representation and Warranty. The Seller represents and warrants that it has delivered the Electronic Data File - Listed MBS to the Trust at the email addresses, and using the subject line, set forth below:

**Email:** [Securitization@cmhc-schl.gc.ca](mailto:Securitization@cmhc-schl.gc.ca)  
**Email:** CHT\_Admin\_TOR@cibc.ca  
**Subject:** CMB Offer To Sell and Electronic Data File – Listed MBS

- 2.4. Price. The Seller agrees that
- (a) the price for all of the Listed MBS shall be no more than 101% of the principal amount of the Listed MBS, as permitted pursuant to Section 2.7 of the Transfer Agreement;
  - (b) the price for each of the Listed MBS shall be no less than 95% of the principal amount of the Listed MBS;
  - (c) the maximum coupon rate permitted for the Listed MBS must satisfy the requirements of the CMHC MBS Program; and

The Seller agrees that the Trust may accept or reject the whole or any part of this offer and that the Trust may set the price for the Listed MBS to be purchased by the Trust so long as the price complies with Section 2.4.

- 2.5. Confirmation of Counterparty: The Seller confirms that it shall arrange for and cause the following Counterparty(ies) to enter into Hedge Agreement(s) with the Trust in connection with this Offer to Sell:

Counterparty	Contact Information

- 2.6. Offer Irrevocable. This offer is irrevocable by the Seller during the Guarantee Period specified in the Guarantee Notice dated «Gurantee Notice Date» and shall constitute and be an irrevocable and binding obligation of the Seller if accepted by the Trust on the date the Bond Series is priced. The irrevocability of the offer is subject to the Bond Series being priced at no more than [Insert Number or “Market” if blank] basis points yield over the Canadian Overnight Repo Rate (“CORRA”) published by the Bank of Canada on the date that is two (2) Business Days prior to the date the Bond Series is priced, subject to the fallbacks for CORRA contemplated under the CMHC CMB Program for such Bond Series if CORRA is not available on such date. Once this offer is accepted by the Trust and the Electronic Data File - Listed MBS is completed with specific pricing within the parameters stated in Section 2.4, the Seller shall submit a Supplement pursuant to the Transfer Agreement within two (2) Business Days prior to the Closing Date.

\* \* \*

If the arrangements in this offer are acceptable to you, please sign the enclosed copy of this offer in the space indicated below, complete the price information required to be completed by you on the Electronic Data File - Listed MBS and return the offer to the Trust (in compliance with the notice provisions of the

Transfer Agreement) on the date the Bond Series is priced. Otherwise, this offer will lapse. By signing this offer you are agreeing to the terms and conditions set out in this offer.

Yours truly,

«Name\_of\_Seller»

Per: \_\_\_\_\_  
Name: «Name\_of\_Seller\_Signor\_1»  
Title: «Title\_of\_Seller\_Signor\_1»

Per: \_\_\_\_\_  
Name: «Name\_of\_Seller\_Signor\_2»  
Title: «Title\_of\_Seller\_Signor\_2»

The terms and conditions set out above are hereby consented to and the foregoing offer is hereby accepted on behalf of the Trust this      day of «Month\_Year». The purchase price for the Listed MBS to be purchased by the Trust, in compliance with Section 2.4, is indicated in the final columns of the Electronic Data File - Listed MBS under the headings "Pool Principal to be Purchased" and "MBS Purchase Price (Clean Price)".

**CANADIAN IMPERIAL BANK OF  
COMMERCE**, as Administrator for  
**CIBC MELLON TRUST COMPANY**,  
as trustee on behalf of  
**CANADA HOUSING TRUST™ NO. 1**

Per: \_\_\_\_\_  
Name: «Name\_of\_Administrator\_»  
Title: «Title\_of\_Administrator»



# APPENDIX C: OFFER TO SELL – ELECTRONIC DATA FILE – LISTED MBS

## Schedule A to Offer to Sell

**CMB:**

**Seller Name:**

**Submission Date:**

**Indicative/Final Pricing:** Indicative

CMB Maturity Date	
1st of Month	
MBS Settlement	
Days in Month	
1-Month CDOR (if req)	

**Swap Counterparty:**

Listed MBS											
To be Completed by Seller									To Be Completed By Trust Administrator		
Order of Preference	Affordability Linked Pools	New or Seasoned Pool	NHA MBS Pool Number(s)	Aggregate Principal Amount of Pool	Pool Principal Offered to the Trust	Fixed Rate MBS Coupon	Floating Rate MBS Coupon		MBS Clean Price	Pool Principal to be Purchased	MBS Purchase Price (Clean Price)
							Reference Rate	Floating Rate MBS Spread (indicate + or - as applicable)			
1											
2											
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4											
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7											
8											
9											
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45											
<b>TOTAL</b>				\$ -	\$ -					\$ -	\$ -

Check TRUE

## APPENDIX D: OFFER TO SELL – ELECTRONIC DATA FILE – LISTED MBS (Aggregators only)

### Schedule A to Offer to Sell

**CMB:**

**Seller Name:**

**Submission Date:**

**Indicative/Final Pricing:** Indicative

**Swap Counterparty:**

CMB Maturity Date	
1st of Month	
MBS Settlement	
Days in Month	
1-Month CDOR	

Listed MBS										
To be Completed by Seller										
Order of Preference	Affordability Linked Pools	New or Seasoned Pool	NHA MBS Pool Number(s)	Mortgage Originator	Aggregate Principal Amount of Pool	Pool Principal Offered to the Trust	Fixed Rate MBS Coupon	Floating Rate MBS Coupon		MBS Clean Price
								Reference Rate	Floating Rate MBS Spread (indicate + or - as applicable)	
1										
2										
3										
4										
5										
6										
7										
8										
9										
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37										
38										
39										
40										
<b>TOTAL</b>					\$	-	\$	-		

**APPENDIX E: SUPPLEMENT TO THE MASTER TRANSFER AGREEMENT**

**SCHEDULE A  
TO TRANSFER AGREEMENT**

**SUPPLEMENT TO MASTER TRANSFER AGREEMENT**

**TO:** **CANADIAN IMPERIAL BANK OF COMMERCE**, as Administrator for **CIBC MELLON TRUST COMPANY** as trustee on behalf of **CANADA HOUSING TRUST™ NO. 1** (the "Trust").

**FROM:** **[Name of Seller]** (the "Seller")

**RE:** Master Transfer Agreement dated as of **[date]**, ("**Transfer Agreement**") between the undersigned and the Trust.

**AND RE:** Offer to Sell dated as of **[offer to sell date]**, ("**Offer to Sell**") between the Seller and the Trust wherein the Seller has identified **[Name of swap counterparty]** as the Counterparty to enter into Hedge Arrangement(s) with the Trust in connection with the Offer to Sell.

**AND RE:** Canada Housing Trust™ No.1 Bond Series No. **[number]** issued on **[closing date]**.

**DATE:** **[closing date]**

Capitalized terms used but not defined herein shall have the meaning assigned thereto in the CMB Program Definitions dated as of the 30th day of April, 2010 between the Trust and the Guarantor and the rules of usage set forth therein shall apply hereto.

The Seller represents and warrants that it has received the final Electronic Data File – Listed MBS (as defined in the Offer to Sell) delivered by the Trust to the Seller completed with the amount of (i) pool principal to be purchased and (ii) MBS purchase price (clean price) in respect of the Listed MBS. For the purposes of the Transfer Agreement, the Electronic Data File – Listed MBS shall be deemed to be incorporated into this Supplement to the Master Transfer Agreement and, absent manifest error, shall be conclusive evidence of the Seller's acceptance of such amounts. The Seller further represents and warrants that the Listed MBS described in such Electronic Data File – Listed MBS has been transferred to and is registered in the name of the Trust or in the name of Computershare Trust Company of Canada or another Custodian on behalf of the Trust.

Yours truly,

**[Name of Seller]**

Per: \_\_\_\_\_  
Name  
Title: