

**Subject: OSFI B20**

Good afternoon,

In response to industry inquiries following OSFI’s recent communication regarding B-20 consultation we are providing the following clarity:

Once a transactionally insured loan (borrower paid) is insured the eligibility criteria does not need to be re-assessed over the life of the insured loan, including if the loan is switched from one Approved Lender to another provided the loan amount is not increased and continues to be amortized in accordance with the amortization period approved by the insurer. It is expected that an Approved Lender complete due diligence reviews when accepting the transfer of an insured loan as in so doing they assume all responsibilities of the original Approved Lender inclusive of underwriting these files consistent with their own Residential Mortgage Underwriting Policy (RMUP).

In all cases, once an applicable loan is insured, eligibility criteria does not need to be re-assessed at the time of renewal over the life of the insured loan (e.g. a lender can renew the loan without “re-qualifying” the loan).

If you have any questions or concerns related to this update, please feel free to contact your appropriate Sagen representative below.

Name	Title	Phone	E-mail
Ivy Budisavljevic	V.P. Business Development	416.986.7152	<a href="mailto:ivy.budisavljevic@sagen.ca">ivy.budisavljevic@sagen.ca</a>
Marc Shendale	V.P. Business Development	905.287.5392	<a href="mailto:marc.shendale@sagen.ca">marc.shendale@sagen.ca</a>
Kiki Sauriol-Roode	V.P. Business Development	905.287.5379	<a href="mailto:kiki.sauriol-roode@sagen.ca">kiki.sauriol-roode@sagen.ca</a>
Sabrina Smith	V.P. Business Development	514.972.4489	<a href="mailto:sabrina.smith@sagen.ca">sabrina.smith@sagen.ca</a>
Carlo Montagnese	V.P. National Sales	416.938.7643	<a href="mailto:carlo.montagnese@sagen.ca">carlo.montagnese@sagen.ca</a>

Regards,



**Jim Spitali**  
 Sagen  
 Senior Vice President, Sales and Marketing  
 Phone 905.287.5307  
 Email: [jim.spitali@sagen.ca](mailto:jim.spitali@sagen.ca)