

Immediate Financing Arrangement (IFA) Credit Parameters

Wondering if your client qualifies for an Immediate Financing Arrangement (IFA) at Equitable Bank?

We're all about common-sense underwriting—that's why we want to share some guidelines with you to determine if an Equitable Bank IFA could be the right fit for your client.

	Loan Details
Minimum premium amount (annual only)	\$100,000
Loan amount	May be eligible to access up to a maximum of 100% of the annual premium amount
CSV (Secured portion)	Minimum 70% of the loan
Unsecured portion	Maximum 30% of the loan
Maximum collateral gap	\$1,000,000
Guarantees	<p>Personal guarantee required on all corporate deals (min FICO Score to be noted)</p> <p>Corporate guarantee(s) may be required depending on policy ownership structure</p>
Net worth assessment	<ul style="list-style-type: none"> • Personal net worth statements • Present on a joint basis (spouses) • Assets include publicly-traded stocks and bonds, GICs, treasury bills, savings bonds, cash, real estate • Excluded are any intangible assets such as patents, trademarks, etc. • Foreign assets are excluded (exceptions for US assets reviewed on a case-by-case basis)

Borrower Qualification

Borrowers may qualify based on one of two approaches, providing you flexibility to choose what best suits your client.

	Program 1	Program 2
Minimum FICO Score	680	680
Minimum Income	\$100,000	\$100,000
Tangible Net Worth (TNW)	8x Annual Premium	20x Annual Premium
Minimum Liquid Assets	1.5x Annual Premium (over & above premium payment)	10x Annual Premium
Debt Servicing	45% max TDSR for Personal or min 1.05x DSCR for Corporate	-

AND ONE OF

OR

OR

Documentation Requirements

	Personal	Corporate
Mandatory	<ul style="list-style-type: none"> • Personal IFA Application • Policy Summary (if In-force) • Illustration • Two pieces of photo identification 	<ul style="list-style-type: none"> • Corporate IFA Application • Policy Summary (if In-force) • Illustration • Certificate of Incumbency • Personal Information Collection Form (for all signing officers up to 3) • Articles of Incorporation
Tangible Net Worth (TNW)	<ul style="list-style-type: none"> • Most recent 3-months history (bank or investment statements) for liquid assets • List of properties owned 	<ul style="list-style-type: none"> • Most recent 2 years of Accountant prepared Financial Statements (most recent 2 years T2s as alternative) <p>OR</p> <ul style="list-style-type: none"> • List of properties owned and associated mortgage statements • Most recent 3-months history for corporate held liquid assets (bank or investment statements)
Liquid Assets	<ul style="list-style-type: none"> • Most recent 3-months history (bank or investment statements) 	<ul style="list-style-type: none"> • Most recent 3-months history (bank or investment statements)
Debt Servicing (TDSR/DSCR)	<ul style="list-style-type: none"> • Most recent 2 years T1 Generals and NOAs 	<ul style="list-style-type: none"> • Most recent 2 years of Accountant prepared Financial Statements (most recent 2 years T2s as alternative)
Guarantor	<p>Please note guarantors are optional on personal applications, but mandatory on corporate applications</p> <ul style="list-style-type: none"> • IFA Guarantor Application • Two pieces of photo identification <p>If contributing to TNW:</p> <ul style="list-style-type: none"> • Most recent 3-months history (bank or investment statements) for liquid assets • List of properties owned <p>If contributing to Liquid Assets:</p> <ul style="list-style-type: none"> • Most recent 3-months history (bank or investment statements) <p>If contributing to Income (TDSR):</p> <ul style="list-style-type: none"> • Most recent 2 years T1 Generals and NOAs 	
Corporate Implicit Support	<ul style="list-style-type: none"> • Certificate of Incumbency required <p>If contributing to TNW:</p> <ul style="list-style-type: none"> • Most recent 2 years of Accountant prepared Financial Statements (most recent 2 years T2s as alternative) <p>OR</p> <ul style="list-style-type: none"> • List of properties owned and associated mortgage statements • Most recent 3-months history for corporate held liquid assets (bank or investment statements) <p>If contributing to Liquid Assets:</p> <ul style="list-style-type: none"> • Most recent 3-months history (bank or investment statements) <p>If contributing to Income (DSCR):</p> <ul style="list-style-type: none"> • Most recent 2 years of Accountant prepared Financial Statements (most recent 2 years T2s as alternative) 	
<ul style="list-style-type: none"> • Each required document must be submitted as a separate PDF • Only wet signatures or electronic signatures with a digital summary are accepted (Adobe signatures not accepted) • Failure to submit the required completed documents will result in a processing delay of 5-10 business days • Pictures and screenshots will not be accepted • Health cards not accepted to fulfill ID requirement 		

Please note these are guidelines and exceptions can be made on a case-by-case basis, depending on deal scenario. Borrowers may be subject to additional lending criteria. Lending criteria subject to change.

Required forms

To access our application forms and checklists for both personal and corporate IFA applications, [visit our website](#).

Ready to get started?

For your high-net-worth clients, you can count on our Wealth Solutions team to find a solution.

Contact us today at **1-844-235-2000** or email wealthsolutions@eqbank.ca. Visit us at equitablebank.ca.