

Prepayment Privileges:

Capitalized terms used in this section have the meaning given to them in your mortgage.

The Borrower, when not in default of any terms or conditions contained in the Mortgage, may do one or more of the following:

- (a) Without notice or charge, in any year of the Term, make, on any regular payment date (a "Payment Date"), prepayments of principal in minimum \$100.00 increments which do not exceed in the aggregate in that year fifteen percent (15%) of the original Principal Amount of the Mortgage. A prepayment received after a Payment Date will be applied on the next Payment Date following receipt of the prepayment. If not, or to the extent not, exercised in any year of the Term, this privilege is not cumulative from year to year. This privilege does not apply in the case of a prepayment of the entire amount owing pursuant to subsection (d) of these prepayment privileges.
- (b) Without notice or charge, once only in any year of the Term, on any Payment Date, increase the amount of the regular instalment payment of principal and interest by up to fifteen percent (15%) of the then current principal and interest instalment amount payable under this Mortgage. Such increase shall commence on the Payment Date specified by the Borrower and shall apply to all subsequent instalment payments. If not, or to the extent not, exercised in any particular year, this privilege is not cumulative from year to year. This privilege may not be combined with a prepayment of the entire amount owing pursuant to subsection (d) of these prepayment privileges.
- (c) Without notice or charge, on any Payment Date during the Term, make a prepayment of principal equal to, but not less than, the regular instalment of principal and interest then being paid by the Borrower. This privilege, if not exercised on a particular Payment Date, is not cumulative from Payment Date to Payment Date, and may not be combined with a prepayment of the entire amount owing pursuant to subsection (d) of these prepayment privileges.
- (d) At any time prior to the maturity of the Term of the Mortgage, prepay the whole of the Indebtedness then outstanding, without notice, upon payment to the Lender of the greater of:
 - (i) three (3) months interest at the Interest Rate on the Principal Amount outstanding; and
 - (ii) the amount, if any, by which interest at the Interest Rate exceeds interest at the Lender's then current interest rate for reinvestment calculated on the Principal Amount outstanding. Such amount shall be calculated from the date of prepayment to the maturity date of the Mortgage.

For the purposes of these prepayment privileges, the "Lender's then current interest rate for reinvestment" shall mean the Lender's lowest advertised interest rate (which may not be its "posted" rate) in effect on the prepayment date for a mortgage product of a similar kind for a term not greater than the remaining Term of the Mortgage and not less than the next shorter term offered by the Lender; except that where the remainder of the Term of the Mortgage is less than the shortest term offered, the Lender's interest rate for its shortest term for such mortgage product shall apply.

Notwithstanding any prepayment on account of any portion of the Principal Amount, and subject to subsection (b) of these prepayment privileges, the regular blended payment instalment originally set out in your mortgage shall continue to be payable on each Payment Date as set out in your mortgage for so long as there is any Indebtedness outstanding under your mortgage.

Other Fees:

In addition to those fees and charges disclosed above to be deducted from the mortgage advance, the following charges will or may become payable by the borrower:

Mortgage Statement Fee: \$25.00
 Renewal Fee: \$85.00
 Mortgage Transfer Fee: \$300.00
 Mortgage Discharge Fee: \$395.00

If the borrower fails to repay the mortgage loan at maturity, or fails to pay an installment on the day it is due to be paid, the following charges or penalties are provided for in the mortgage or commitment:

Dishonored cheque/ preauthorized debit fee or late payment fee: \$85.00
 Charges for legal services required to collect or attempt to collect payments; and/or
 Expenses incurred to realize on a security interest taken under the mortgage or to protect such a security interest, including the cost of legal services required for that purpose

Each of the above costs, charges, and/or fees can be increased or decreased at the sole option of the Lender, without notice.

The optional services which the borrower has or will pay to or through the lender or broker are:

Service Type	Monthly Charge/Fee	Conditions for Termination
Home Warranty	\$17.69 *	Upon request

* Home Warranty is subject to applicable taxes

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