



Trust Company

## SCHEDULE OF ADDITIONAL TERMS

### (ADJUSTABLE RATE MORTGAGE)

The provisions contained in this Schedule are incorporated into and form part of the Charge/Mortgage or Charge/Mortgage of Land (in either case hereinafter called the "Charge/Mortgage"), as applicable, to which this Schedule is attached (the Charge/Mortgage and this Schedule are collectively referred to herein as the "Mortgage").

In consideration of the granting of the loan secured by this Mortgage and of its conditions, the Chargor(s)/Mortgagor(s) (the "Mortgagor") agree with the Chargee/Mortgagee (the "Mortgagee") as follows:

#### CAPITALIZED TERMS

All capitalized terms utilized in this Schedule but not otherwise defined in this Schedule shall have the respective meanings ascribed to such terms in the Charge/Mortgage or in the Standard Charge Terms or Standard Mortgage Terms, as applicable.

#### INTEREST RATE

*The interest rate payable by the Mortgagor under this Mortgage is the AGF Trust Mortgage Prime Rate \_\_\_\_\_.* The AGF Trust Mortgage Prime Rate is the adjustable annual interest rate which the Mortgagee publishes from time to time as a point of reference. *As of the date of this Mortgage, the AGF Trust Mortgage Prime Rate is \_\_\_\_\_ per annum. Therefore the interest rate as of the date of this Mortgage is \_\_\_\_\_ per annum.* The interest rate will automatically be adjusted each time there is a change in the AGF Trust Mortgage Prime Rate. Within a reasonable time after each change in the AGF Trust Mortgage Prime Rate, the Mortgagee may mail to the Mortgagor, at his or her last known address according to the Mortgagee's records, a notice of the changed interest rate and its effective date. The interest rate will vary in accordance with this provision even if the Mortgagee fails to send to the Mortgagor such a notice or the Mortgagor fails to receive it, the Mortgagor will still be liable to make all payments when due under this Mortgage at the new interest rate. The AGF Trust Mortgage Prime Rate in effect at any time is available on the Mortgagee's website at [www.agf.com](http://www.agf.com).

Interest is calculated daily and compounded semi-annually, not in advance, and is payable on each regular payment date. Interest is payable on the amount of the Mortgage before and after the Maturity Date, and both before and after default and judgment, until the amount of the Mortgage has been paid in full.

#### PAYMENTS

The Mortgagor will make regular payments of principal and interest at the interest rate, calculated and compounded in accordance with the Mortgage. As of the date of the Mortgage, the Mortgagor shall make payments of principal and interest in equal, consecutive monthly instalments in the amount and on the payment date shown in the Charge/Mortgage, until the Maturity Date. The amount of the principal and interest payment will change after each change in the AGF Trust Mortgage Prime Rate and will be recalculated after each change in the AGF Trust Mortgage Prime Rate based on the current AGF Trust Mortgage Prime Rate and the remaining amortization period on the Mortgage. New payments will become effective on the next payment date or the payment date immediately thereafter following each change in the AGF Trust Mortgage Prime Rate. Within a reasonable time after each change in the AGF Trust Mortgage Prime Rate, the Mortgagee may mail to the Mortgagor, at his or her last known address according to the Mortgagee's records, a notice of the changed amount of the principal and interest payment. The amount of the principal and interest payment will vary in accordance with this provision even if the Mortgagee fails to send to the Mortgagor such a notice or the Mortgagor fails to receive it, the Mortgagor will still be liable to make all payments when due under this Mortgage at the new amount of the principal and interest payment. The Mortgagor agrees to make monthly payments hereunder by pre-authorized Automatic Chequing and will supply the Mortgagee with written authorization to debit the Mortgagor's current chequing account on the due date of the mortgage payments.

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### CONVERSION OPTION

The Mortgagor, when not in default under any terms or conditions contained in this Mortgage, may, at any time without penalty, convert this Mortgage to a closed fixed rate term mortgage for a new term which is the minimum of the lesser of either the remaining term of the Mortgage or a minimum three (3) year fixed term. To exercise this option, the Mortgagor shall make a written request signed by the Mortgagor and the Guarantor(s), if any, and delivered to the Mortgagee to the attention of its administration department, and the applicable interest rate and terms will be those in effect as at the date of receipt by the Mortgagee of such written request. The Mortgagor will sign a conversion agreement which will contain all of the amended terms and conditions of this Mortgage. The fixed interest rate will be guaranteed for twenty-one (21) days from the date the conversion agreement is issued. The amount of the payment of principal and interest will be based on the remaining amortization period. The amortization period will not change and re-amortization of the Mortgage will not be permitted. The new term will commence, and the new fixed interest rate will take effect, on the next scheduled payment date or the payment date immediately thereafter as determined by the Mortgagee. Upon conversion to a fixed rate term mortgage, all of the features and benefits of the adjustable rate mortgage will no longer apply including, without limitation, the prepayment provisions contained herein, and the Mortgagor and the Guarantor(s), if any, will adopt the features and benefits of the fixed rate term mortgage which will prevail.

The Mortgagee may request the Mortgagor and the Guarantor(s), if any, to execute an amending/modification agreement in form and substance acceptable to the Mortgagee setting out the amended terms of the Mortgage, but the written notice of the intention to exercise the option referred to above will be binding on the Mortgagor and the Guarantor(s), if any, and the Mortgagee shall be entitled to rely thereon whether or not an amending/modification agreement is executed.

The Mortgagor will be responsible to pay the following costs and expenses as a result of converting this Mortgage to a closed fixed rate term mortgage: (i) any administration and processing fees of the Mortgagee; (ii) any interest that results from a change in the frequency of the Mortgagor's regular payments, as well as any deferred interest; and, (iii) all legal expenses, including the cost of preparation and registration of an amending/modification agreement, if applicable. If the Mortgagor fails to make such payment, the Mortgagee may declare the Mortgagor to be in default under the terms and conditions of this Mortgage or may add such costs and expenses to the Mortgage, or the Mortgagee may do both.

### PREPAYMENT PRIVILEGE

The Mortgage has a fixed term, and may not be repaid before the Maturity Date, except as set out below.

The Mortgagor may, without penalty and if not in default hereunder:

- (a) Make lump sum payments (of not less than \$100 each) of up to twenty percent (20%) of the original principal amount of the Mortgage in each twelve month period starting on the Interest Adjustment Date as shown on the Charge/Mortgage or the anniversary of that date; and/or
- (b) Increase the amount of the regular principal and interest payment amount by up to twenty percent (20%) of the original amount once in each twelve month period starting on the Interest Adjustment Date as shown on the Charge/Mortgage or the anniversary of that date.

These privileges expire if not exercised in a given twelve-month period, and may not be accumulated from period to period. These privileges do not apply where the Mortgagor wishes to prepay the Mortgage in full or make a prepayment of more than twenty percent (20%) of the original principal amount of the Mortgage.

### PREPAYMENT CHARGES

Should the Mortgagor wish to repay the Mortgage in full or repay more than twenty percent (20%) of the original principal amount of the Mortgage prior to the Maturity Date, then so long as the Mortgagor is not in default hereunder the Mortgagor may prepay all or a portion of the outstanding principal balance of the Mortgage by paying that amount, together with all accrued and unpaid interest on that amount, and three (3) month's interest calculated on the principal amount being prepaid at the AGF Trust Mortgage Prime Rate in effect at the time.

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### MUNICIPAL TAXES

Should the Mortgagee deem it necessary, the Mortgagee will establish a property tax account for the Mortgage and the amount shown in the mortgage approval is the amount that the Mortgagor must pay to the Mortgagee each month for deposit into the property tax account to pay property taxes when due. The Mortgagee may adjust this amount from time to time and will let the Mortgagor know in advance if it does so. If there are not enough funds in the property tax account to pay the property taxes when due, the Mortgagee may still choose to pay the taxes and the Mortgagor must pay the Mortgagee interest on any deficiency in the property tax account at the interest rate set out in the Mortgage. Credit balances will bear interest at the prevailing rate paid by major banks on savings/chequing accounts on minimum monthly balances.

In the event the Mortgagee allows the Mortgagor to pay their own taxes, the Mortgagor will be paying his or her own property taxes directly to the municipality and agrees to pay all property taxes and other levies directly to the municipality as they become due and to provide proof of payment to the Mortgagee every year.

In either case, all property taxes, penalties, interest and other related amounts must be paid in full to the date of the advance of funds under this Mortgage.

### CONDOMINIUM OR STRATA PROPERTY

If this Mortgage is of land within a condominium registered pursuant to the Condominium Property Act or a strata property registered pursuant to the Strata Property Act, as applicable, the following provision shall apply. In the event that the Mortgagor sells, transfers, assigns or conveys any

parking unit(s) encumbered by this Mortgage while retaining title to (or ownership of) the dwelling unit so encumbered by this Mortgage, or in the event that the Mortgagor sells, transfers, assigns or conveys the aforementioned parking unit(s) as well as the said dwelling unit but to different purchasers, transferees or assignees, then in either case the total outstanding principal and interest indebtedness secured by this Mortgage shall become due and payable.

### RIGHT OF ENTRY

The Mortgagee or any agent or representative of the Mortgagee or any agent or representative of Canada Mortgage and Housing Corporation (hereinafter called "CMHC") may, at any time, before and after default, and for any purpose deemed necessary by the Mortgagee or CMHC, enter upon the property that is subject to this Mortgage (the "Property") to inspect the lands and buildings thereon. Without in any way limiting the generality of the foregoing, the Mortgagee or CMHC (or their respective agents or representatives) may enter upon the Property to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Mortgagee or CMHC and the reasonable cost of such testing, assessment, investigation or study, as the case may be, with interest at the interest rate under this Mortgage, shall be payable by the Mortgagor forthwith and shall form part of the monies secured by this Mortgage. The exercise of any of the powers enumerated in this clause shall not deem the Mortgagee, CMHC or their respective agents or representatives to be in possession, management or control of the Property.

The granting of the loan that is the subject of this Mortgage or any part thereof or approval for insurance by CMHC is not to be construed or relied on by the Mortgagor and the Guarantor(s), if any, as representing a confirmation of the value or condition of the underlying property whether or not appraisals or inspections are carried out by or for CMHC; nor is it to be construed or relied on by the Mortgagor and the Guarantor(s), if any, as representing a confirmation of the ability of Mortgagor and the Guarantor(s), if any, ability to pay the Mortgage.

All information obtained from or concerning the Mortgagor and the Guarantor(s), if any, in connection with approving the loan that is the subject of this Mortgage, including credit bureau information, will be accessible to and may be used by the Mortgagee, CMHC, their agents and representatives, and those of their affiliates, for any purpose related to the provision of mortgage insurance generally, and the Mortgagor and the Guarantor(s), if any, hereby consent thereto. Any information retained by CMHC in that regard will be subject to federal access to information and privacy legislation.

### RENEWAL

If the Mortgage is not renewed or paid by the Maturity Date, then provided that the Mortgagor is not in default hereunder, at the Mortgagee's option only, the Mortgagee may deem this Mortgage to be renewed as of the Maturity Date for a further one year open term at the interest rate offered by the Mortgagee that is in effect on the Maturity Date.

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**COSTS**

Costs that the Mortgagee is entitled to may include service fees to cover reasonable costs and expenses of enforcing the terms of this Mortgage, including the Mortgagee protecting its security and doing anything that the Mortgagor has promised to do but has not done.

The Mortgagor acknowledges that the Mortgagee may charge reasonable fees for all administrative services including, but not limited to, those outlined in the "Schedule of Additional Fees" which has been provided to the Mortgagor with the Statement of Disclosure and the Mortgagor agrees to pay all such charges.

The Mortgagee will charge its fees in effect at the time the Mortgagee processes the request. Fees must be paid immediately. Fees not paid when due may lead to the withholding of services or approval for which the fee remains owing or, the Mortgagee may declare that the Mortgagor is in default under this Mortgage, or may add these fees to the amount of the Mortgage, or do both. Interest will be charged to the Mortgagor on these fees at the interest rate under this Mortgage from the date the fees are incurred.

All references to the "Fee Schedule" in the loan documents refer to the Fee Schedule and its provisions. The listing of any particular fee does not imply that the Mortgagee is liable to provide the service listed. The fees in effect at any particular time are available online at [www.agf.com](http://www.agf.com), or by contacting the Mortgagee.

**CONFLICT**

In the event of any conflict, inconsistency or ambiguity between the terms of the following documents, the terms contained in this Schedule shall prevail and any such conflict, inconsistency or ambiguity shall be interpreted in the following priority:

- |            |  |
|------------|--|
| Priority 1 | this Schedule of Additional Terms  |
| Priority 2 | other Schedules attached to and forming part of this Mortgage  |
| Priority 3 | the Charge/Mortgage  |
| Priority 4 | Standard Charge Terms or Standard Mortgage Terms, as applicable, and Additional Terms and Conditions |

**PAYMENTS RECEIVED BY THE MORTGAGEE**

Any and all funds received by the Mortgagee for payment under this Mortgage after 2:00 p.m. Eastern Standard Time will be deemed to be received on the next business day.