OPTIONAL COVENANT AND CONDITION NO. 139.249

These provisions replace any prepayment provisions in the mortgage or any amendment to it. If we later agree to change or extend the terms of the mortgage, this schedule will not apply to the new or extended term. The terms used in this schedule have the same meaning as in the mortgage.

Prepayment Terms and Conditions
Paying off your mortgage before the maturity date

Open Prepayment Type

If you pay off your entire mortgage within the 1st year from the Term Start Date (also referred to as the Interest Adjustment Date), you will be charged an administration fee of $200. Otherwise, if all your mortgage payments are up to date, you can pay off some, or the entire principal amount owning, at anytime without the administration fee or any prepayment charges. If you receive a cashback with your mortgage, the cashback amount will be repayable as outlined below under the heading *Cashback.*

Miss-a-Payment® Option

You may miss any scheduled payment as long as you have prepaid an amount equal to the amount of the payments you intend to miss in this term, and your mortgage is not in default. You cannot however, miss your Mortgage Protection premium, if applicable. Extra payments or prepayments may not be used to miss a payment if this mortgage is assumed by a subsequent purchaser.

Continuing Liability

Unless you prepay the balance of the principal amount owing, you must continue to make your regular monthly mortgage payments.

Cashback

If you receive a cashback with your mortgage, the cashback amount will be repayable if your mortgage loan does not remain outstanding with us for the full term. If your mortgage is partially prepaid, paid off in full, transferred, assumed, or renewed prior to expiry of the term, the cashback amount will appear as payable in any discharge or early renewal statement and will be calculated on an even, prorated basis using the following formula;

$$\text{Cashback Repayment} = \frac{\text{Remaining Term in months (rounded up)}}{\text{Original Term in months}} \times \text{Cashback Amount Received}$$