



Schedule of Prepayment Terms and Conditions (Variable Rate and Payment)

Prepayment Terms and Conditions

Prepayment Charges - Paying off your loan before the maturity date

You may pay off some, or the entire loan early, based on the following terms. If we later agree to change or extend the terms of the loan, these prepayment conditions will not apply to the new or extended term.

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 loan 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 loan 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 loan payments.

Prepayments

Providing all your loan payments are up to date, you may increase your payments, or pay off some of your loan early in one of the ways listed in the chart below. These options apply to partial prepayments only. The options are available each year and cannot be saved for use in a later year. Each year is defined as the 12-month period starting on the Term Start Date (also referred to as the Interest Adjustment Date) or the anniversary of that date. If your loan term is less than 12 months, these options are available in each term.

PREPAYMENT OPTIONS		
How	When	What it means
1. *by paying an extra regular loan payment (principal, interest and taxes)	on any regular payment date during the year	your principal loan balance will be reduced by that amount
2. *by paying up to 15% of the original principal amount of your loan	at any time (excluding day prepaid in full), sum total not to exceed the yearly maximum	
3. by increasing your regular loan payment by up to 15% of the current principal and interest payment	once each year of the term of your loan	

*Only items 1 & 2 qualify for the Miss a Payment option

Prepayment Cost

When you prepay some, or the entire principal of your loan, you will incur prepayment costs unless the partial prepayment is in accordance with the Prepayment Options chart. The costs to pay off some, or the entire principal amount of your loan early is 3 months' interest on the amount you want to pay. The interest rate used to calculate the 3 months interest is the interest rate being charged on the loan at the time of the prepayment

Cashback

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

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

Portable Loan

You may transfer your existing loan balance to a new home. You must apply for a new loan and meet all our normal qualifications as if you were applying for any other loan. In this case, we will not charge you a prepayment cost.

Early Renewal

You may early renew this loan into a fixed rate, closed prepayment type hypothec loan with us, with a term that is greater than the remaining term on this loan, without a prepayment cost.