

## Additional Terms and Conditions

The following set of additional terms and conditions is attached as Schedule B to Canadian Imperial Bank of Commerce Residential Mortgages in Newfoundland and Labrador, Nova Scotia and Prince Edward Island. In New Brunswick, this document contains the Optional Covenants and Conditions Included in the mortgage.

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## 1. Definitions

This section defines specific terms you will find in this set of Additional Terms and Conditions:

**Mortgage** means:

- the registered document;
- this set of Additional Terms and Conditions together with any statutory and optional covenants and conditions stated in the registered document;
- any Schedules and affidavits attached to it; and
- any renewals or amendments.

**Registered document** means the Mortgage of Land that you sign to give this mortgage and any schedules and affidavits attached to it, which is registered or recorded according to the relevant Act.

**Act** means the relevant legislation in the province where your property is located:

- in Newfoundland and Labrador, the *Registration of Deeds Act*;
- in New Brunswick, the *Registry Act*, or the *Land Titles Act*;
- in Nova Scotia, the *Registry Act* or the *Land Registration Act*; and
- in Prince Edward Island, the *Registry Act*.

**You** and **your** mean each person, corporation and other entity who has signed the mortgage as a borrower. This includes the personal and legal representatives of each person, corporation and other entity.

**We** and **us** mean the financial institution (mortgagee) that is lending you the money. **Our** also refers to this lender.

**CIBC** means Canadian Imperial Bank of Commerce.

**Your property** means the land described on the Charge/Mortgage of Land. It includes all buildings and structures on the land now or added later, as well as anything attached now or later to the land or to any building or structure on the land. This includes any improvements, substitutions, additions or alterations made to any building, structure or the land. If your property is a condominium unit, your property includes your interest in the common elements and any other interest that you may have in the assets of the condominium corporation. Any references to your property mean all or any part of your property.

**Principal amount** is the amount of money identified as the principal amount on the mortgage.

**Your regular payment** means the amount of each payment as described in the mortgage.

**Loan amount** means the amount of money you owe us at any given time under this mortgage. It is the balance you owe on the loan. The loan amount may include unpaid principal, interest on unpaid principal, defaulted payments, interest on defaulted payments, other charges and interest on other charges. Other charges may include the expenses of enforcing our rights as well as paying off any prior charges against your property. These may include such things as:

- costs for preparing and registering this mortgage;
- costs for providing insurance, if we decide to insure your property;
- costs for inspecting your property;
- all of our administrative and legal costs; and
- paying any charges or liens against your property that we have not agreed to in our loan approval document such as taxes owing on your property.

**Interest Adjustment Date** is the date identified as the interest adjustment date in the mortgage. It is one payment period before the first regular payment date. The

definition of the interest adjustment date in Section 36(1) of the National Housing Loan Regulations will apply to all mortgages insured by Canada Mortgage and Housing Corporation.

**CIBC Prime Rate** is the annual variable reference rate of interest that CIBC declares from time to time as its prime rate for Canadian dollar loans made by CIBC in Canada. The CIBC Prime Rate can change at any time.

**Condominium Act** means the relevant legislation in the property where the condominium is located:

- in Newfoundland and Labrador, the *Condominium Act*;
- in New Brunswick, the *Condominium Property Act*;
- in Nova Scotia, the *Condominium Act*; and
- in Prince Edward Island, the *Condominium Act*.

**Construction lien** means a mechanic's lien or builder's lien, according to the following laws where your property is located:

- in Newfoundland and Labrador, the *Mechanics' Lien Act*;
- in New Brunswick, the *Mechanics' Lien Act*;
- in Nova Scotia, the *Builders' Lien Act*; and
- in Prince Edward Island, the *Mechanics' Lien Act*.

**Family Law Act** means the relevant laws in the province where your property is located:

- in Newfoundland and Labrador, the *Family Law Act*;
- in New Brunswick, the *Marital Property Act*;
- in Nova Scotia, the *Matrimonial Property Act*; and
- in Prince Edward Island, the *Family Law Act*.

**Taxes** means all taxes, assessments and levies of any kind and includes any interest and penalties. Examples of taxes include property taxes, local improvement assessments, school taxes and development charges. Taxes could also include penalties or costs associated with a cleanup following a fire, explosion or other destruction or damage.

## 2. What this mortgage does

By signing the Charge/Mortgage of Land, you charge your entire interest in your property to us. In return, we make a loan to you for the principal amount, or any part of the principal amount as is advanced to you from time to time. This means that your interest in your property is security to us for repayment of the loan amount and your performance of all your obligations under the mortgage.

You agree to pay the loan amount as required by the mortgage, and to meet all of your other obligations under this mortgage, including paying all taxes on your property. You agree to make all payments required by this mortgage in full, without delay, without making any set off, abatement, counterclaim or deductions, and without withholding any amounts. You agree not to cancel, offset or reduce any payments that you have made or that you are required to make.

Our interest in your property ends when you have repaid the total loan amount, as provided in the mortgage, and you have met all of your obligations under this mortgage.

### 2.1 Your interest in your property

If you own your property, you certify that you are the lawful owner of your property and have the right to give us this mortgage.

If you are a tenant or a lessee of your property, you charge and sublease your entire interest in your property to us for the entire term of the lease (except the

last day), including any renewals. Your interest in your property includes any option or right of first refusal to purchase.

In all cases, you also certify that there are no encumbrances or limitations affecting title to your property, except those that we have agreed to in our loan approval document and except building and zoning by-laws that you have complied with. Examples of an encumbrance or limitation would be another mortgage or a lien.

You also agree that you will sign any other document or do what is necessary, in our opinion, to make sure that all of your interest in your property has been completely charged to us so that our loan to you is adequately secured. You will be responsible for any costs associated with obtaining these documents, taking any actions we require, and proving that all of your interest in the property has been charged to us.

You agree to pay us all of our costs, including any legal fees and expenses, for investigating the title to your property and registering the mortgage. You must pay these amounts to us immediately. If you do not pay them, we may declare you in default on the mortgage, or add these amounts to the loan amount, or do both.

## **2.2 Who is obligated by this mortgage**

The obligations under this mortgage are the collective and individual responsibility of each person, corporation and other entity who signed it. This means that each borrower and guarantor is responsible for meeting all obligations in this mortgage and paying the entire loan amount, even if others have also signed this mortgage.

In addition, your legal and personal representatives and anyone else to whom your property is transferred must meet the obligations in this mortgage. Our successors and anyone to whom we transfer this mortgage is also obligated by this mortgage.

## **2.3 Changing or renewing this mortgage (also important to anyone who has a subsequent interest in your property)**

We may make written agreements with you to change any part of this mortgage. These agreements could include renewing the mortgage, amending the mortgage, or extending the length of time for the mortgage. These agreements may or may not include a change in the interest rate.

We do not have to register these agreements on the title to your property to retain our rights under the mortgage. Even if we do not register these agreements, this mortgage, as renewed, extended or amended, maintains priority over anything else that may be registered against the title to your property after the mortgage.

Any new agreement we make with any borrower or any other person who is obligated to pay the loan amount will not release or affect the liability of others who are obligated under this mortgage, even if they do not sign or are not advised of the new agreement.

## **2.4 Building mortgage**

If the mortgage is used to finance an improvement, you agree to make the improvement only according to plans and specifications that we have approved. Improvements include any construction or installation on your property or any alteration, addition or repair to any building or structure on your property.

You must complete the improvement as quickly as is reasonably possible and must meet all government requirements and building standards that apply to your property. If we ask you to, you will provide us with proof that you have met all government requirements and building standards that apply to your property. You must pay for all costs associated with providing this proof.

You will be responsible for all costs related to the improvement and will provide us with proof that you have paid all money that is owed in connection with the work.

We may make advances to you based on progress in completing the improvement or upon its completion. In the case of a building, we may also make advances to you based on its occupancy or the sale of the building. You agree to pay us our administration and processing fees in effect at the time for any advances we make that are based on progress. You must pay us these administration and processing fees immediately. If you do not pay them, we may declare that you are in default on the mortgage, or add the fees to the loan amount, or do both.

We may hold back money from any advances until we are satisfied that all obligations under any construction lien are met. You authorize us to give information about the mortgage to anyone who claims a construction lien on your property.

We may obtain an order removing any construction lien, and, if we think it is necessary, we may provide financial guarantees or other security to obtain such an order. You must immediately pay all of our expenses for this, including any charges for providing financial guarantees. If you do not pay these expenses, we may declare that you are in default on the mortgage, or we may add the amount payable to the loan amount, or we may do both.

## **2.5 Making material changes**

Any agreement, whether verbal or in writing, to make material changes to the mortgage terms and conditions will apply not only to those who agree to the changes but also to any person who signed the original mortgage, including guarantors, but did not receive notice of the changes or agree to the changes in writing. Examples of these changes include extensions of the time for payments, changes in the interest rate and renewals or extensions of the term of the mortgage.

## **3. Interest**

### **3.1 Interest rate**

You will find the interest rate in the registered document.

Interest is payable on the loan amount at this rate until the total loan amount has been paid, both before and after the balance due date, before and after default, and before and after we obtain any court judgment against you.

### **3.2 Payment frequency**

Interest is payable at the frequency shown in the registered document.

### **3.3 If you have a fixed interest rate mortgage**

If you have a fixed interest rate mortgage, interest is compounded semi-annually, not in advance. Interest is calculated on each regular payment date. Although the annual interest rate is based on a full year, if the mortgage is prepaid or paid off in February of a leap year, daily interest will be calculated on the basis of a 29-day month.

Interest is calculated half-yearly, not in advance, within the meaning of the *Interest Act* (Canada).

### **3.4 If you have a variable interest rate mortgage**

If you have a variable interest rate mortgage, interest on your loan is calculated daily using a simple interest formula (which is the same as calculated yearly), not in advance. Because the interest rate on your loan is variable, the interest rate in effect at any particular time is called your current mortgage rate. Interest is calculated by multiplying the outstanding principal amount by the

current mortgage rate in effect at the time. The result is then divided by 365 and then multiplied by the number of days in the payment period during which the then current mortgage rate was in effect. Interest is calculated in this way whether or not it is a leap year. Interest is payable on each regular payment date.

For all variable interest rate mortgages, the interest rate will be the CIBC Prime Rate, plus or minus the number of percentage points, if any, as shown in the registered document. The CIBC Prime Rate will vary from time to time.

The interest rate will change **automatically** every time there is a change in the CIBC Prime Rate. These changes will occur without you being notified.

You can always find the current CIBC Prime Rate at any CIBC branch in Canada.

If there is a need to prove the CIBC Prime Rate in effect at any time, you agree that a certificate from us stating the rate will be considered as conclusive evidence of the rate in effect at that time.

The amount of interest that has accumulated on your loan amount from one regular payment date to the next that is more than your regular payment is called deferred interest. We will charge you interest on the deferred interest at the current mortgage rate starting on the payment date on which the interest became deferred interest. On the next payment date, interest on the deferred interest will be added to the deferred interest. Once it is added, it becomes part of the deferred interest owing, and interest is charged on it. This will continue until all of the deferred interest is paid. You can find out the amount of any deferred interest owing at any time by contacting us.

### ***3.5 Interest on amounts advanced to you before the interest adjustment date***

**If this is a fixed rate mortgage**, interest on any part of the principal amount that we advance to you before the interest adjustment date will be calculated using the rate and method in effect for your mortgage on the date we advance you the money. You can find out what this rate is by contacting us or any CIBC branch in Canada.

**If this is a variable rate mortgage**, interest on any part of the principal amount that we advance to you before the interest adjustment date will be calculated daily at your current mortgage rate.

**If this is a building mortgage**, interest on progress advances is calculated daily. It is payable monthly up to the interest adjustment date established for the initial term of the mortgage. We may deduct the interest owing on any advance from future advances, without making any adjustment. In cases where more than 30 days have passed between advances, you must pay interest on previous advances as soon as it is invoiced or deducted from your account. Interest on any overdue interest, compounded monthly, will be calculated on the same basis until paid. We will deduct any interest owed on the interest adjustment date established for the initial term of the mortgage from the last substantial advance.

### ***3.6 Interest on overdue amounts***

If you do not make the regular mortgage payment or any other payment when required, we will charge interest on **all** overdue amounts, including unpaid interest.

The rate we will use is shown on the Mortgage of Land and is payable both before and after the balance due date, before and after default, and before and after any court judgment we obtain against you. If we demand, you must pay us this additional interest immediately, both before and after the balance due date, before and after default, and before and after any court judgment we obtain against you.

### **3.7 Interest adjustment when payment frequency changes**

If you are not in default on your loan, you may change your payment frequency to any of the options available for your type of mortgage at the time you make the change. If you choose to change your payment frequency, an interest adjustment amount and an administration and processing fee may be payable. You must pay the interest adjustment amount and any administration or processing fee immediately. If you do not pay these amounts, we may declare that you are in default on your loan, or we may add the interest adjustment and administration or processing fees to the loan amount, or we may do both.

## **4. Payments on the loan amount**

### **4.1 Currency and place of payment**

You will pay the loan amount to us in Canadian dollars at the address stated in the registered document.

In some cases, we may write to you to tell you to send your payments to a different address. If we do this, you must send your payments to that different address.

### **4.2 Regular payments**

You must make regular payments to us for the principal and interest. The amount of each payment and the payment dates are stated in the registered document. You must make these payments starting with the first payment date up to and including the last payment date.

You must pay any outstanding balance of the loan amount on the balance due date. You can find the balance due date in the registered document.

### **4.3 Bank account for payments**

You must maintain a bank account that is satisfactory to us with a CIBC branch and give us authorization to automatically deduct each payment of principal, interest, taxes and creditor insurance premiums (if applicable) when they are due.

You must make sure that the account always contains sufficient funds to meet each payment amount. If you don't maintain sufficient funds in the account, or if you cancel the authorization to deduct payments, or if you close the account, we will consider you to be in default on your mortgage. In these cases, you agree to pay us immediately our administration and processing fees in effect at that time for any actions that we have to take. If you do not immediately pay us these fees, we may declare that you are in default on your loan, or add these fees to the loan amount, or do both.

### **4.4 Payments on amounts advanced to you before the interest adjustment date**

We may advance to you part of the principal amount before the interest adjustment date. In these cases, we will decide which of the following methods will be used to pay interest on the amount advanced to you before the interest adjustment date:

- we may ask you to pay the interest on this amount on the interest adjustment date;
- we may deduct the interest from your bank account on the interest adjustment date;
- we may deduct the interest from the remaining amount of the principal that we advance to you; or
- we may deduct the interest from your bank account on the first regular payment date.

#### **4.5 The effect of variable interest rates on your payments**

*(applies ONLY to variable rate mortgages)*

If you have a variable rate mortgage, the interest rate on your mortgage may change from time to time. However, your regular payment will stay the same, unless you change your regular payment as allowed by this mortgage.

Section 4.8 below describes how we apply your payments. Your regular payments are applied to interest owing on the outstanding principal amount up to the date of the payment before they are applied to the principal amount. If the interest rate increases, a larger portion of your regular payment will be applied to interest and a smaller portion of your regular payment will be applied to the principal amount. The result will be that you may owe more on the balance due date than was originally stated in the Mortgage Disclosure Statement.

If the interest rate increases to the point that your payment amount no longer covers the interest portion of your regular payments, the amortization period of the mortgage may increase. If this happens, you may be required to increase the amount of your regular payment so that the mortgage will be repaid over the remaining balance of the original amortization period. The rate of interest that will cause this to happen is stated in the Mortgage Disclosure Statement that you signed.

#### **4.6 Payment on default**

If you do not meet one or more of your obligations under the mortgage, including your obligation to make payments, you must immediately pay to us all outstanding amounts. We also have the right to change your payment dates to once a month, and require you to pay principal and interest, taxes and creditor insurance premiums (if applicable) on a monthly basis. If we do this, we may require you to pay interest up to the first day of the following month. You must pay this interest within 15 days of notice from us. If you do not, we will add this interest to the loan amount. We may also use any of our rights stated in section 4.7 below.

#### **4.7 Demand to repay the total loan amount immediately**

We may require you to repay the total loan amount immediately if:

- you do not make any payment required by the mortgage;
- you do not meet one or more of your obligations under the mortgage;
- we discover that a statement, certification, or representation you made to us or an agreement you made with us in this mortgage, or when you applied for the mortgage, is not true;
- we receive notice of a construction lien, conditional sale agreement, notice of security interest or other lien registered against the title to your property;
- any buildings being erected on your property, or any additions, alterations or improvements done to your property, remain unfinished without work being done on them for 10 consecutive days; or
- your property is abandoned.

If any one of these circumstances listed above occurs, you are not meeting your obligations under this mortgage.

If we require that you repay the total loan amount because you are not meeting your obligations, we may also require that you pay any prepayment charge that applies to this mortgage.

#### **4.8 How we apply your payments**

We will apply payments we receive from you in the following order:

1. To pay any collection expenses.

2. To pay any creditor insurance premiums on the mortgage.
3. To bring into good standing any accounts related to the mortgage in which we hold funds for payment to others or from which amounts are debited, including tax accounts.
4. To pay any applicable administration and processing fees.
5. To pay interest or reduce the interest (including deferred interest, and any outstanding or late interest charges) on the principal amount accumulated up to, but not including, the payment date.
6. To reduce the principal amount.

However, if you do not meet one or more of your obligations under your mortgage, we may apply any payments or any other money we receive during the period of default in whatever order we choose. You can always contact us to find out the amount of interest in arrears at any time, if any.

Here is an example of how payments are normally applied and how you can estimate how much of your regular payment will be applied to principal and how much will be applied to interest. The result you get will only be an estimate. We use a precise formula to calculate these amounts, which has been simplified for the example. The actual amounts may be higher or lower than the estimates. You can contact us to find out exactly how each of your payments is applied.

**Example of how to estimate how much of your payment is applied to principal and how much is applied to interest**

Mary and Sebastian have a variable rate mortgage with monthly payment dates. Every month, they pay \$557.50. Of this payment, \$62.00 is for creditor insurance premiums and \$55.00 is for estimated taxes. At the last payment date, the principal amount they still owed was \$87,500.00. Their current mortgage rate for the period is 4.000%, and there are 28 days in the current payment period.

In addition, they owe the following amounts:

Deferred Interest:           \$40.00  
 Collection Expenses:       \$45.00

Here is how they can estimate how much of their next payment will be applied to interest and how much will be applied to principal.

<b>Step 1:</b> Total payment	\$557.50
<b>Step 2:</b> Subtract collection expenses	\$45.00
<b>Step 3:</b> Subtract creditor insurance premiums	\$62.00
<b>Step 4:</b> Subtract estimated taxes	\$55.00
<b>Step 5:</b> Estimate and subtract interest on the principal amount	

Interest on the principal amount can be estimated using the following formula:

$$\begin{array}{r} \text{Principal} \\ \text{Amount} \end{array} \times \begin{array}{r} \text{Current} \\ \text{Mortgage Rate} \end{array} \times \frac{\text{Number of Days in the Payment Period}}{365}$$

$$\begin{array}{r} \$87,500.00 \times \frac{4}{100} \times \frac{28}{365} \\ \\ \end{array} \qquad \qquad \qquad \$268.49$$

<b>Step 6:</b> Subtract deferred interest owing	\$40.00
<b>Step 7:</b> Estimate and subtract interest on the deferred interest	

Interest on deferred interest can be estimated using the following formula:

$$\text{Deferred} \times \text{Current} \times \frac{\text{Number of Days in the Payment Period}}{\quad}$$

Interest	Mortgage Rate	365
	\$40.00	x $\frac{4}{100}$ x $\frac{28}{365}$
		\$0.12
<b>Step 8:</b> Estimated amount left to be used to reduce the principal amount		\$86.89

#### 4.9 Changing the amount of your regular payment

*(applies ONLY if you have a fixed rate closed mortgage, a 6-month convertible closed mortgage or a CIBC Variable Flex Mortgage®)*

You may increase the amount of your regular payment at any time without paying a prepayment charge. The total of these increases during the term of your mortgage cannot be more than 100% of your original regular payment amount. However, if you have a **CIBC Variable Flex Mortgage**, these payment increases can only be made if the amortization period that results from the increased payment amount is 5 years or more.

You may also decrease the amount of your payment, but only if the amortization period for the mortgage which results from that decreased payment amount does not exceed the remaining amount of time left in the original amortization period.

To qualify for increasing or decreasing your payments, you must also meet the following conditions:

- you must have met all your obligations under the mortgage;
- your property must contain no more than four living units, or be a single residential condominium unit; and
- no part of your property may be used for commercial, industrial or other non-residential purposes.

#### 4.10 Prepaying your open mortgage without paying a prepayment charge

*(applies ONLY if you have a fixed rate open mortgage or a variable rate open mortgage)*

If this is a **fixed rate open mortgage** or a **variable rate open mortgage**, you may prepay all or any part of the loan amount without paying a prepayment charge. You may prepay the entire loan amount at anytime. To qualify, you must meet the following conditions:

- you must have met all your obligations under the mortgage;
- your property must contain no more than four living units, or be a single residential condominium unit; and
- no part of your property may be used for commercial, industrial or other non-residential purposes.

If you want to prepay the **entire** outstanding principal amount of your mortgage, you can ask us to provide you with a statement of the amount required to pay off your mortgage loan amount. You can specify the date you wish to make the full prepayment. However, the date you select cannot be more than 30 days after the date you ask us to prepare the statement. The date you choose is called the Statement Effective Date.

We will not process any mortgage payments, or any other payments that we receive, between the date we prepare the mortgage payout statement and the Statement Effective Date. We will charge you interest on accrued interest on any amounts we do not process during this time, including your regular mortgage payments. Note that the interest on accrued interest for payments and amounts not processed during this time will be charged in addition to regular interest at the rate specified in your mortgage.

If you do not pay off your mortgage on the Statement Effective Date, we will, within 60 days following the Statement Effective Date, process all mortgage payments, and any other payments, that we did not process between the date we prepared the mortgage payout statement and the Statement Effective Date.

#### ***4.11 Prepaying your closed mortgage without paying a prepayment charge***

If you have a **fixed rate closed mortgage**, or a **6-month convertible closed mortgage**, you may, in each calendar year, prepay up to 10% of the original principal amount without paying a prepayment charge. This amount increases to 20% if you have a **CIBC Variable Flex Mortgage**. The following conditions apply:

- you may make more than one prepayment in a calendar year, but the total of all prepayments in any calendar year cannot be more than the 10% or 20% limit, whichever applies;
- each prepayment must be at least \$100.00;
- if you do not use any or all of this privilege in a calendar year, you cannot carry forward any unused portion of the privilege to a future calendar year;
- this privilege of prepayment without paying a prepayment charge does not apply if you prepay the entire principal amount of the mortgage, even if you have not used this privilege in the calendar year when the mortgage is paid off;
- you must have met all your obligations under the mortgage;
- your property must contain no more than four living units or be a single residential condominium unit; and
- no part of your property may be used for commercial, industrial or other non-residential purposes.

#### ***4.12 Prepaying your mortgage with prepayment charges***

##### **Ordering the mortgage payout statement**

If you want to prepay the **entire** outstanding principal amount of your mortgage, you can ask us to provide you with a statement of the amount required to pay off your mortgage loan amount. You can specify the date you wish to make the full prepayment. However, the date you select cannot be more than 30 days after the date you ask us to prepare the statement. The date you choose is called the Statement Effective Date.

We will not process any mortgage payments, or any other payments that we receive, between the date we prepare the mortgage payout statement and the Statement Effective Date. We will charge you interest on accrued interest on any amounts we do not process during this time, including your regular mortgage payments. Note that the interest on accrued interest for payments and amounts not processed during this time will be charged in addition to regular interest at the rate specified in your mortgage.

If you do not pay off your mortgage on the Statement Effective Date, we will, within 60 days following the Statement Effective Date, process all mortgage payments, and any other payments, that we did not process between the date we prepared the mortgage payout statement and the Statement Effective Date.

##### **After the end of the fifth year of your mortgage**

If the term of your mortgage is greater than five years and you are not a corporation, you may prepay the entire outstanding principal amount of the

mortgage at any time after the end of the fifth year of the term. In this case, you agree to pay us a prepayment charge equal to three months' interest on the amount you prepay, in addition to the outstanding loan amount owing on the date of prepayment. Interest costs will be calculated at your mortgage interest rate that is in effect on the date the mortgage payout statement is prepared.

#### **Before the end of the fifth year of your mortgage**

To take advantage of any of the following prepayment privileges, the following conditions apply:

- you must have met all of your obligations under the mortgage;
- your property must contain no more than four living units or be a single residential condominium unit; and
- no part of your property is used for commercial, industrial or other non-residential purposes.

#### **Prepaying a CIBC Variable Flex Mortgage**

If you have a **CIBC Variable Flex Mortgage**, you may prepay more than the 20% allowed in a calendar year or prepay all of the outstanding principal amount of your mortgage, but a prepayment charge will apply. This prepayment charge will be payable in addition to regular interest at the rate specified in your mortgage.

If you make a **partial** prepayment, the prepayment charge will be equal to three months' interest on the amount of your prepayment that is more than the 20% allowed in any calendar year and the interest costs will be calculated at the CIBC Prime Rate in effect on the date of prepayment.

If you are paying the **entire** outstanding principal amount, the prepayment charge will be equal to three months' interest on the total amount you are prepaying. The interest rate we will use to calculate the prepayment charge will be the CIBC Prime Rate in effect on the date we prepare the mortgage payout statement. You can prepay your mortgage in full at any time before the maturity date.

#### **Prepaying a fixed rate closed mortgage or a 6-month convertible closed mortgage**

If you have a **fixed rate closed mortgage** or a **6-month convertible closed mortgage**, you may prepay some or all of the outstanding principal amount of your mortgage before maturity. The following conditions will apply.

If you make a **partial** prepayment that is more than what is allowed in section 4.11, a prepayment charge will be applied to the amount of your prepayment that is more than what is allowed in section 4.11. If you prepay the **entire** outstanding principal amount, a prepayment charge will be applied to the full amount of the prepayment.

In both cases, this prepayment charge will be payable in addition to regular interest at the rate specified in your mortgage. Also, in both cases, the prepayment charge will be the **higher** amount of the following two amounts:

- three months' interest costs on the amount you are prepaying that is subject to a prepayment charge, calculated at your existing annual interest rate, plus any discount you received on your existing annual interest rate; or
- the interest rate differential amount, which is explained below.

If you are making a **partial** prepayment that is more than what is allowed in section 4.11, the interest rate differential amount is the **difference** between the following two amounts:

1. The interest costs on the amount you are prepaying that is subject to a prepayment charge, calculated over a period of time equal to the period of time from the prepayment date to the maturity date of your mortgage. Interest is calculated at your existing annual interest rate, plus any discount you received on your existing annual interest rate. Interest is

compounded semi-annually not in advance, and is calculated using your principal and interest payment amount in effect at the time you prepay.

2. The interest costs on the amount you are prepaying that is subject to a prepayment charge, calculated over a period of time equal to the period of time from the prepayment date to the maturity date of your mortgage at the interest rate posted by us on the date of prepayment for the type of mortgage described in the chart below. Interest is compounded semi-annually not in advance, and is calculated using your principal and interest payment amount in effect at the time you prepay. Use the chart below to find out what interest rate would apply in your case.

If the length of time between the prepayment date and the maturity date of your mortgage is:	We will use the posted interest rate charged by us on the date of prepayment for a CIBC brand closed mortgage product similar to yours with a term of:
Less than or equal to 12 months	6 months
Greater than 12 months and less than or equal to 18 months	1 year
Greater than 18 months and less than or equal to 30 months	2 years
Greater than 30 months and less than or equal to 42 months	3 years
Greater than 42 months and less than or equal to 54 months	4 years
Greater than 54 months and less than or equal to 78 months	5 years
Greater than 78 months and less than or equal to 102 months	7 years
Greater than 102 months and less than or equal to 120 months	10 years

**Note:** Any discount you received on your existing annual interest rate includes any program discount you received, such as the CIBC Better Than Posted Mortgage® Promotional Rate and the CIBC Better Than Posted Mortgage Ongoing Rate.

If you are prepaying the **entire** outstanding principal amount, the interest rate differential amount is the **difference** between the following two amounts:

1. The interest costs on the amount you are prepaying, calculated over a period of time equal to the period of time from your last scheduled regular payment date that is on or before the date of prepayment, whether or not it was actually paid, to the maturity date of your mortgage. Interest is calculated at your existing annual interest rate, plus any discount you received on your existing annual interest rate. Interest is compounded semi-annually not in advance, and is calculated using your principal and interest payment amount in effect on the date we prepare the payout statement.
2. The interest costs on the amount you are prepaying, calculated over a period of time equal to the period of time from your last scheduled regular payment date that is on or before the date of prepayment, whether or not it was actually paid, to the maturity date of your mortgage. Interest is calculated at the interest rate posted by us on the date we prepare the payout statement for the type of mortgage described in the chart below. Interest is compounded semi-annually not in advance, and is calculated using your principal and interest payment amount in effect on the date we prepare the payout statement. Use the chart below to find out what interest rate would apply in your case.

If the length of time between the Statement Effective Date and the maturity date of your mortgage is:	We will use the posted interest rate charged by us on the date the mortgage payout statement is prepared for a CIBC brand closed mortgage product similar to yours with a term of:
Less than or equal to 12 months	6 months
Greater than 12 months and less than or equal to 18 months	1 year
Greater than 18 months and less than or equal to 30 months	2 years
Greater than 30 months and less than or equal to 42 months	3 years
Greater than 42 months and less than or equal to 54 months	4 years
Greater than 54 months and less than or equal to 78 months	5 years
Greater than 78 months and less than or equal to 102 months	7 years
Greater than 102 months and less than or equal to 120 months	10 years

**Note:** Any discount you received on your existing annual interest rate includes any program discounts you received such as the CIBC Better Than Posted Mortgage Promotional Rate and the CIBC Better Than Posted Mortgage Ongoing Rate.

**4.13 Prepayments if the property has more than four living units or if the property is used for commercial, industrial or non-residential purposes**

If your property has more than four living units or is used in whole or in part for commercial, industrial or other non-residential purposes, then you have no prepayment rights.

**4.14 Prepayment after default**

We may require you to pay any prepayment charge that applies to your mortgage if we demand repayment of the loan amount following default by you.

**4.15 Date of the mortgage**

You agree that for purposes of defining the date of the mortgage for any statutory right of prepayment, renewal and early renewal, the date of the mortgage is the interest adjustment date. This is the case even if the mortgage or renewal agreement or early renewal agreement was signed on a different date.

**4.16 Repaying the cash back option**

If you have a mortgage that offered a cash back option, you may be required to repay us all or a portion of the cash amount received. Depending on the terms of the cash back agreement that you signed, you may be required to do this if, for any reason, any of the following occurs before the maturity date of the mortgage:

- any of the terms and conditions of the original mortgage are changed;
- the mortgage is refinanced, or you renew the mortgage early;
- the mortgage is assumed;
- the mortgage is converted;

- you sell your property and buy another property within 60 days and we finance the new mortgage under section 15, “Portability” in these Standard Charge Terms;
- the mortgage is discharged, assigned, transferred by us at your request or otherwise paid in full;
- title to the mortgaged property is transferred; or
- your property is sold under power of sale or foreclosure.

We will determine the amount and method of calculation for the amount to be repaid based on your mortgage documents, including the cash back agreement.

The repayment of the cash received under a cash back option is separate from any prepayment charges or fees that are applicable to the mortgage.

We may add the repayment amount to the principal amount owing at the time of the transfer of title or at the time the mortgage is amended, discharged, assumed, converted, refinanced, transferred, assigned, paid in full, or the property is sold under power of sale or foreclosure, or when you take advantage of early renewal or portability.

## 5. Early renewal of open mortgages

*(applies ONLY if you have a fixed rate open mortgage or a variable rate open mortgage)*

If your property contains more than four living units or if your property is used in whole or in part for commercial, industrial or other non-residential purposes, then you cannot renew your mortgage early.

If your property contains no more than four living units, or if your property is a single residential condominium unit, you may renew the mortgage before the balance due date. However, the following conditions apply:

- you must have met all your obligations under the mortgage;
- you must apply in person at any CIBC branch;
- you must select from the mortgage options that we offer under the CIBC brand at the time you apply for early renewal;
- you must sign a mortgage amending agreement or an early renewal agreement, in a form acceptable to us, which will contain all of the changed terms and conditions;
- the interest rate will be the interest rate that is in effect for the mortgage option you select on the date you sign the mortgage amending agreement or the early renewal agreement;
- you must pay us any administration and processing fees that apply to early renewal;
- you must pay us any accumulated interest that results from a change in the frequency of your regular mortgage payments, as well as any deferred interest; and
- you must pay all legal expenses related to the early renewal of your mortgage, including the costs of registration of the renewal documents.

You must pay us all amounts related to the early renewal immediately. If you do not pay them, we may declare that you are in default on the mortgage, or we may add these amounts to the loan amount, or we may do both.

## 6. Converting your mortgage

*(applies ONLY if you have a 6-month convertible closed mortgage, a CIBC Variable Flex Mortgage or a variable rate open mortgage)*

If your property contains no more than four living units, or if your property is a single residential condominium unit, you may convert your mortgage to another CIBC brand

mortgage with an interest rate and terms that we offer to you at the time you convert the mortgage. The following conditions apply:

- you must have met all your obligations under the mortgage;
- if you have a **6-month convertible closed mortgage**, you must convert your mortgage to a fixed rate closed mortgage having a term of one year or more or a CIBC Variable Flex Mortgage;
- if you have a **CIBC Variable Flex Mortgage**, you must convert your mortgage to a fixed rate closed mortgage having a term of three years or more;
- you must apply in person at any CIBC branch;
- you must sign our mortgage conversion or amending agreement, which will contain all changed terms and conditions of the mortgage option you select;
- the interest rate will be the interest rate that is in effect for the mortgage option you select on the date you sign the mortgage conversion or amending agreement;
- you must pay us any administration and processing fees that apply to converting the mortgage;
- you must pay us any interest that results from a change in the frequency of your regular mortgage payments, as well as any deferred interest; and
- you must pay all legal expenses related to converting your mortgage, including the costs of registration of the conversion documents.

You must pay us all amounts related to converting your mortgage immediately. If you do not pay them, we may declare that you are in default on the mortgage, or we may add these amounts to the loan amount, or we may do both.

Once the mortgage has been converted, the prepayment privileges of the original mortgage will no longer apply. Any prepayment privileges will be contained in the conversion or amending agreement you sign.

## 7. Automatic renewal of the mortgage

### ***7.1 Automatic renewal of fixed rate mortgages***

You agree to pay all money owing under the mortgage on the maturity date or, if we have offered to renew your mortgage, to enter into a renewal agreement with us on or before the maturity date. If you do not, provided that we have not advised you that we will not renew your mortgage, the mortgage will be renewed as a 6 month fixed rate open mortgage with the terms and conditions stated in the renewal agreement.

### ***7.2 Automatic renewal of variable rate mortgages***

You agree to pay all money owing under the mortgage on the maturity date or, if we have offered to renew your mortgage, to enter into a renewal agreement with us on or before the maturity date. If you do not, provided that we have not advised you that we will not renew your mortgage, the mortgage will be renewed as a 5 year variable rate open mortgage with the terms and conditions stated in the renewal agreement.

## 8. Designated amount

***(applies ONLY if you have a CIBC Variable Flex Mortgage or a variable rate open mortgage)***

The designated amount is equal to 105% of the original principal amount of the mortgage or may be another amount that we have agreed to in writing.

If at any time the outstanding loan amount exceeds the designated amount, we will require you to do one or more of the following:

- increase the amount of your regular payment so the mortgage will be repaid completely over the remaining time in the original amortization period;
- reduce the loan amount owing by making a lump sum payment to reduce the outstanding loan amount below the designated amount; or
- convert the mortgage to a fixed rate mortgage according to the requirements outlined in section 6, "Converting your mortgage".

If you do not do so, we have the right to:

- require you to pay the entire loan amount immediately; or
- increase your regular payment amount so that the mortgage will be repaid completely over the remaining time in the original amortization period.

## **9. Your obligations related to your property**

### ***9.1 Protecting your title and our interest***

You will take any necessary action to protect your title to your property. You also agree not to interfere in any way with our interest in your property.

### ***9.2 If you are a tenant or a lessee of your property***

If you are a tenant or a lessee of your property, you certify all of the following to us, and you agree that:

- Your property is leased to you under a valid lease, and that you have given us a complete copy of your lease, and that you have good leasehold title to your property.
- All rents and other amounts payable under your lease have been paid up to the date you sign the mortgage.
- You have met all of your obligations under your lease up to the date you sign the mortgage.
- Your landlord, or the person leasing your property to you, has agreed that you may mortgage your interest in your property to us. If we ask you to, you will provide us with evidence that you have this consent, or that you have the right to mortgage your interest in your property without the consent of your landlord or the person who leases your property to you. The evidence must be in writing and it must be satisfactory to us.
- There are no liens or limitations on your interest in your lease except those identified in your lease, or registered against the title to your property, or contained in building and zoning by-laws.
- You and your landlord, or the person leasing your property to you, have complied with all restrictions registered against the title to your property, and with all building and zoning by-laws.
- You will pay all rents and all other payments required by your lease when they are due.
- You will meet all of your obligations under your lease.
- You will not surrender your lease or cause your lease to be terminated.
- You will not make any change in your lease without first obtaining our written consent.
- You will give us a copy of any notice, demand or request that you receive relating to your lease. You must give this to us immediately after you receive it.
- You will sign any other document or take any further action that we think is necessary, to ensure that your interest in the property and in your lease has been fully charged to us and that the loan amount is adequately secured. You will pay all costs and charges related to doing so.
- You will protect and indemnify us from all actions, claims, costs and demands if you default on your lease.

- You will hold the last day of the term of your lease, and the last day of any renewal term of your lease in trust for us. You will only deal with your property on the last day in the way that we require. You will have the same rights arising from this paragraph of your mortgage as you already have under the rest of the mortgage and under the law. You agree that we may remove you or any other person as trustee of this trust, and that we may appoint a new trustee.
- At our request, you will transfer to us the last day of the term of your lease, and the last day of any renewal term of your lease. You must pay all expenses related to this transfer.
- If we enforce our rights under the mortgage, including selling your property under power of sale, foreclosure or sale, then you will hold the last day of the term of your lease, and the last day of any renewal term of your lease, in trust for any person to whom we sell your interest in your property, including that person's legal and personal representatives and successors.
- You appoint us as your attorney so that we may assign your lease and the last day of the term of your lease and the last day of any renewal term of your lease on your behalf and in your name. You also appoint us as your attorney so that we may transfer your interest in your property as required to enforce any of our rights under the mortgage, including our right to sell your property under power of sale.

### **9.3 Demolition and alterations**

You will not demolish any building or structure, or part of any building or structure, on your property without first obtaining our written approval.

You will not make any substantial alterations, additions or improvements to your property without first obtaining our written approval of your proposed plans for these changes.

If we agree to let you make alterations, additions or improvements to your property, the following conditions apply:

- The work must be completed as quickly as is reasonably possible.
- The work must meet all government requirements and zoning and building by-laws and other standards that apply to your property. If we ask you to, you will give us proof that the work meets all government requirements and building standards.
- You will pay all costs associated with the work, and you will provide us with proof that all amounts that are owed for the work have been paid.
- You must retain all required holdbacks, unless we choose to do so.
- We may obtain an order removing any construction lien. If we think it is necessary, we may provide financial guarantees or other security to obtain this order. If we do this, you must pay to us immediately all of our charges, costs and expenses related to this. If you do not, we may declare that you are in default on the mortgage, or we may add these amounts to the loan amount, or we may do both.

### **9.4 Insurance**

*(does NOT apply if your property is a single residential condominium unit)*

You must insure and keep insured all buildings, structures, fixtures and improvements on your property for not less than full replacement value in Canadian dollars. You must keep this insurance coverage in place at all times until the loan amount has been fully paid.

Your insurance must include coverage for loss or damage caused by fire with extended perils coverage. At any time, we may require that you also obtain coverage for additional perils, risks or events. If a steam boiler, pressure vessel, oil or gas burner, coal blower, stoker or sprinkler system or any other comparable equipment is operated on your property, then you must also have

insurance coverage for loss or damage caused to the equipment, or by the equipment, or by the explosion of the equipment.

If we ask you to, you must provide us with certified copies of all insurance policies. At least 15 days before any insurance policy expires, you must provide us with evidence that you have renewed the policy. All insurance policies must remain in effect until the mortgage has been fully paid. All insurance policies must:

- be with a company that is satisfactory to us;
- contain mortgage clauses approved by the Insurance Bureau of Canada, or by us, confirming that any loss proceeds will be paid first to us; and
- give us the first right to receive and to have a lien on the loss proceeds.

If you do not arrange for insurance or if you do not pay the premium for any insurance policy, we may arrange for insurance and pay the premium. However, we are not obligated to do this. If we pay any insurance premium or other amount of money for insurance on your behalf, you must repay us immediately. If you do not, we may declare that you are in default on your mortgage, or add the amount to the loan amount, or do both.

If any loss or damage occurs, you must immediately do everything necessary to enable us to obtain the insurance money payable to us under this mortgage. You must pay all expenses related to this. You agree that if we produce the mortgage, that will be sufficient authority for the insurance company to pay us any insurance money that is payable because of a loss. By signing this mortgage, you authorize and direct the insurance company to do so. We have the right to decide how to use the insurance money. We may use part or all of the insurance money to:

- repair or rebuild your property;
- reduce any part of the loan amount, whether it is due or not, including paying any prepayment charges that are payable; or
- pay you.

### 9.5 Property taxes

On or before the interest adjustment date, we may withhold from any advance under the mortgage any amount we feel necessary to pay current or future taxes.

After the interest adjustment date, you agree to pay us, on each regular payment date, a tax instalment in an amount based on the estimated annual taxes that will be payable for the year following that regular payment date. We have the right to determine the amount of the estimated annual taxes, and the amount of your tax instalments. The table below outlines how we calculate your tax instalments.

If your regular mortgage payments are:	Then your tax instalment will be calculated as follows:
Weekly	Estimated annual taxes divided by 365 and then multiplied by 7 (the number of days in the payment period)
Bi-Weekly	Estimated annual taxes divided by 365 and then multiplied by 14 (the number of days in the payment period)
Semi-Monthly	Estimated annual taxes divided by 24 (the number of payments in the year)
Monthly	Estimated annual taxes divided by 12 (the number of payments in a year)

You agree to send us all tax bills and other notices or communications related to taxes as soon as you receive them. If you do not, you must repay to us the cost of obtaining these notices. If you do not pay us, we will add these costs to the loan amount.

If the taxes on your property are more than our estimate, or if for any other reason the amount you have paid to us for taxes is less than the amount we have paid for taxes, we will charge you interest at the mortgage rate on the difference.

If you want to take advantage of any discount or avoid any penalty or interest in connection with the payment of taxes, you must pay us the appropriate amount in addition to the instalments we calculate.

If the taxes on your property are more than our estimate, you will immediately pay us the difference when we ask you to.

We do not have to hold any money you send to us to pay property taxes in trust for you and we do not have to pay you interest on the money you send us to pay property taxes. We do not have to pay property taxes more than once a year.

If you do not meet any one or more of your obligations under the mortgage, we may apply any money that we have received for property taxes to any portion of the loan amount. You agree to repay to us any costs we incur in paying your property taxes, including amounts charged by the taxing authority for providing information about your property taxes, for sending us your property tax invoices or for accepting property tax payments from us on your behalf. You agree that we may add these amounts to your tax instalments.

We may choose not to require that you pay property taxes to us, in which case you will be responsible for paying all taxes relating to your property. If this is the case, you will provide us with all of the receipted tax bills by the end of each calendar year. If you do not, you must repay to us the cost of obtaining these tax bills. If you do not pay us, we will add these costs to the loan amount. If, for any reason, you do not pay the taxes when required, then we will require that you pay the property taxes to us as described above.

## **9.6 Repairs**

You must keep your property in good condition and in a good state of repair.

You must carry out all necessary repairs and you must not do anything, or let anyone else do anything, that lowers the value of your property.

You must also comply with every present and future law, by-law, ordinance, regulation and order that affects the condition, repair, use or occupation of your property.

You authorize us to enter your property at all reasonable times to inspect and repair your property. By entering your property to inspect it or do repairs, we are not becoming a mortgagee in possession of your property.

We can make any repairs we think are necessary if, in our opinion:

- you do not keep your property in good condition and a good state of repair;
- you do not carry out all necessary repairs, or you do anything, or you allow anything to happen, that lowers the value of your property; or
- you do not comply with all present and future laws, by-laws, ordinances, regulations and orders that affect the condition, repair, use or occupation of your property.

You are responsible for the costs of any repairs and any inspections. You must pay us these costs immediately. If you do not pay these costs immediately, we may declare that you are in default on your mortgage, or add the costs to the loan amount, or do both.

## **9.7 Leasing or renting your property to another person**

If your property is approved by us as owner-occupied residential premises, you certify that no part of your property is rented or occupied by a tenant. You also agree **not** to rent or lease any part of your property, or enter into a tenancy

agreement of any part of your property, or renew any lease (unless the renewal is provided for in a lease we have already approved), without first getting our written approval. We are under no obligation to approve your request to rent, lease, or enter into a tenancy agreement for any part of your property, or to approve the renewal of a lease on your property.

If your property is a rental property, we must consent to any rental. You also assign to us all leases, lease agreements and renewals, present and future, and all rents payable under these leases and agreements, and all rights under these leases and agreements as they affect your property. You must obtain our written approval before any future leases of your property are made, and before the renewal of any lease (unless it is a renewal provided for in a lease we have already approved).

If you lease any part of your property to another person in the future, you must do the following, if we ask you to:

- Sign and deliver to us an assignment of all leases, lease agreements, renewals, rents payable under the leases and agreements, and all rights contained in the leases, lease agreements and renewals that affect your property. The assignment must be suitable for registration and acceptable to us. We may also require that the assignment provide for obtaining estoppel certificates from tenants. We may also require that the assignment include specific assignments of leases. An estoppel certificate is a written statement from a tenant certifying, for example, the terms of the lease, or any promises made to them about the lease.
- Give us security on fixtures, equipment and other movable property or chattels as we may reasonably require.

You must pay all of our expenses related to the additional security. These expenses may include legal fees and registration costs.

If you are not meeting one or more of your obligations under the mortgage and you rent out any part of your property without our written approval, you will be considered to have done this to discourage us from taking possession of your property.

If you are not meeting one or more of your obligations under the mortgage and you rent out any part of your property without our written approval, you will also be considered to have done this to adversely affect the value of our interest in the property.

If you do not meet one or more of these obligations related to leasing or renting out your property, or if one or more of the certifications you made to us related to leasing or renting out your property is not true, then we may require you to pay the full loan amount immediately. If we do this, we may pay any tenants what is necessary to obtain their cooperation in showing and selling your property and to obtain possession of your property from the tenant. You agree that these payments will be a cost of enforcing our security, and that they will be added to the loan amount. You also appoint us as your attorney and agent to enforce the terms of any lease or agreement you entered into, and to cancel or terminate any lease or agreement.

We are not obligated to collect any rent or income from your property. We are also not obligated to comply with any part of a lease or agreement related to your property.

Nothing we do under this section will be considered as us taking possession of your property.

### **9.8 Hazardous or illegal substances, environmental regulations, and illegal activities**

You certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, no part of your property (or any land next to your property) is, or has ever been, or will in the future be, used to manufacture, refine, handle, treat, store, dispose of or in any other way deal with any hazardous or illegal substances, except as allowed by laws, regulations and

orders. You may not use your property to manufacture, refine, handle, treat, store, dispose of or in any other way deal with any hazardous or illegal substances as allowed by laws, regulations and orders, unless you have first notified us in writing that you intend to do so, and you have received our written approval.

You also certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, no part of your property now contains, nor has it ever contained, nor will it contain in the future, any hazardous or illegal substance that may lower the value of your property or negatively affect the marketability of your property.

You certify that no part of your property is or will be used for any illegal purpose, including as a brothel, a gaming house, or for the cultivation or processing of illegal substances.

At any time we may require you to obtain an environmental audit of all or any part of your property. However, we do not have to do so. If we do, you are responsible for all of the costs associated with conducting the environmental audit. The audit must be satisfactory to us. Any environmental audit will not relieve you from your obligations under this section. We can require as many environmental audits as we think necessary.

We, or our agents, may enter and inspect your property and conduct any environmental testing, site assessment, investigation or study that we consider necessary. You are responsible for the costs of this testing, assessment, investigation or study, including interest at your mortgage rate. You must pay us these costs, including interest, immediately and they will be a charge on the property.

If your mortgage is insured by the Canada Mortgage and Housing Corporation (CMHC) or other mortgage insurer approved by us from time to time, the mortgage insurer or its agents, may enter and inspect your property and conduct any environmental testing, site assessment, investigation or study that they consider necessary. You are responsible for the costs of any testing, assessment, investigation or study, including interest at your mortgage rate. You must pay us these costs, including interest, immediately and they will be a charge on the property.

If hazardous or illegal substances are found on your property, regardless of the source or cause, you must immediately carry out all work required to remove the hazardous or illegal substances from your property and repair the damage to your property. The plans and proposals for doing the work and repairs must have been prepared in consultation with us and must have been approved, in writing, by us in advance. When the work is completed, you must provide us with confirmation in writing that the work is completed. This confirmation must be in a form acceptable to us. You are responsible for all of the costs associated with this work, including providing evidence that the work has been completed.

If you fail to meet one or more of your obligations under this section, you agree that we may do all or any part of the work we feel is necessary. However, we are not obligated to do so. If we do, you will be responsible for all of the costs associated with this.

In all cases, you will protect and indemnify us against all actions, claims, lawsuits, costs or other demands relating to hazardous substances or illegal substances on your property, and any breach of your obligations under this section.

If we, or the mortgage insurer enforce our rights under this section, we or the mortgage insurer, will not be considered to have taken possession, management or control of your property. This also applies to our agents and the agents of the mortgage insurer.

## **9.9 New Home Warranty Plan**

If any New Home Warranty or insurance applies to your property, you agree to meet all of its requirements. You also agree to reimburse us for any costs that

we incur in complying with its requirements, or enforcing your rights on your behalf if you fail to do so.

### **9.10 Possession of your property on default**

You certify to us that if you fail to meet any of your obligations under the mortgage, we may take possession of your property without any encumbrances or interference.

## **10. Condominium**

*(applies ONLY to property that is a condominium unit)*

### **10.1 Compliance with the Condominium Act**

You will meet all of the requirements of the *Condominium Act* and the declaration, by-laws and rules and regulations of the condominium corporation as they exist from time to time.

### **10.2 Payment of amounts and common expenses**

You will pay all amounts required by the *Condominium Act* and by the declaration and by-laws of the condominium corporation on or before they are due. You must also pay common expenses and any other amounts charged by the condominium corporation. If we ask, you must give us proof that you have paid all of these amounts.

If you do not pay any amounts that you are obligated to pay, we may do so on your behalf. If we do, you must reimburse us immediately for these payments. If you do not, we may declare that you are in default on the mortgage, or add these amounts to the loan amount, or do both.

### **10.3 Notices and demands**

You will mail to us by prepaid registered mail, or deliver to us, copies of all communications related to your unit or the common elements of the condominium corporation, including:

- notices;
- assessments;
- claims or demands for payment;
- new rules or regulations;
- requests or demands of us to consent to any matter; and
- every other communication relating to your unit or to the common elements of the condominium corporation.

You must ensure that we receive these communications at least 5 days before any claim or demand is payable or, in the case of other communications, within 5 days of the date you receive them.

### **10.4 Voting rights**

You authorize us to do the following in your name and on your behalf:

- exercise your right to vote at any meeting of the condominium corporation; and
- consent to any matter relevant to the management, sale or other dealings with the property or assets of the condominium corporation or the termination of the application of the *Condominium Act* to the condominium corporation's property or to your property.

We can do this whether or not you are in default.

We may decide not to use our rights to vote or consent. If we decide not to use these rights, we may notify the condominium corporation, in which case you may vote or consent yourself. Our decision not to vote or consent can be for a limited time or for a particular meeting or matter.

When we do vote or consent for you, we do not become a mortgagee in possession, nor are we responsible to protect your interests nor for the way we vote or consent. We are also not responsible if we do not vote or consent.

### **10.5 Acceleration of repayment of the loan amount**

At our option, the loan amount will become payable immediately if:

- government of the condominium corporation's property by the *Condominium Act* is terminated;
- a vote of the unit owners authorizes the sale of the property of the condominium corporation or of a part of its common elements;
- the condominium corporation fails to meet the requirements of the *Condominium Act*, its declaration, by-laws or rules and regulations;
- the condominium corporation fails, in our opinion, to manage the condominium property and assets in a careful way or to maintain its assets in good repair; or
- the condominium corporation fails to insure all the condominium units and common elements as required by section 10.6 of these Additional Terms and Conditions and according to law and any additional requirements we may have, or fails to do all that is necessary to collect insurance proceeds.

### **10.6 Insurance**

Under the *Condominium Act*, the condominium corporation must have appropriate insurance. In addition, you must insure all improvements which at any time have been made to your property against loss or damage by fire and, as well, against additional risks as we may require. The insurance company or companies must be approved by us.

You and the condominium corporation assign and transfer the policy or policies of insurance and any payments under them to us. If we ask for them, you must give us certified copies of every insurance policy.

If you or the condominium corporation fail to keep the buildings and improvements insured or do not provide us with evidence of renewal at least fifteen days before the termination of any insurance we may obtain insurance for the buildings or improvements. However, we are not obligated to do this.

If any loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance money. We may use all or any part of the proceeds to do any one or more of the following, as permitted by law:

- repair the damage;
- pay you; or
- reduce any part of the loan amount whether or not it is due, including paying any prepayment charges that result.

The obligation to insure may be performed by the condominium corporation and the proceeds of insurance may be payable in accordance with the declaration and by-laws of the condominium corporation.

You promise that, in the event of loss or damage, you will fully comply with the terms of all insurance policies and with the insurance provisions of the declaration and by-laws and that, as a member of the condominium corporation, you will insist that the condominium corporation comply with these terms.

## 11. Our rights

### ***11.1 We are under no obligation to make advances to you under the mortgage***

We may, for any reason, decide not to advance you all or any part of the principal amount, even if:

- you have signed this mortgage;
- this mortgage has been registered; or
- we have already given you part of the principal amount.

In this case, you will pay us, when we demand, all of our costs and expenses related to investigating title to your property and for registering the mortgage. These costs will include legal fees, charged on a “solicitor-and client” basis. You will pay us these costs immediately. If you do not pay them, we may declare you to be in default on the mortgage, or add them to the loan amount, or do both.

### ***11.2 Releasing your property from the mortgage***

We may release our interest in all or part of your property, whether or not we receive any value. We will be accountable to you only for money that we actually receive.

If we release our interest in only part of your property, the remainder of your property will continue to secure the loan amount. Your obligations, and the obligations of any guarantor, under the mortgage will continue unchanged.

If your property is subdivided, each part of your property will secure payment of the loan amount.

### ***11.3 Enforcing our rights***

If you do not make one or more payments when required or if you do not meet one or more of your other obligations under the mortgage, we may enforce our rights by taking certain actions. We have the right to take one or more of these actions at the same time or in any order we choose. These actions include:

- **Enter your property.** We may enter your property at any time, without your permission, and make any necessary arrangements to inspect, collect rent, manage, repair or complete construction. We may lease or sell your property without actually taking possession of it. We will not be considered to be a mortgagee in possession of your property unless we actually take possession of it. While in possession, we will only be accountable for money actually received. We may take possession of your property without any encumbrances or interference.
- **Appoint a receiver.** We can appoint in writing a receiver (including a receiver and manager) to collect any income from your property. The receiver will be your agent, not ours, and you alone will be responsible for anything the receiver does or fails to do. We are not accountable for any money received by the receiver except for money that we actually receive. The receiver may use every available remedy or action that we have under the mortgage to collect the income from your property, take possession of part or all of your property, or to manage your property and keep it in good condition. From the income collected, the receiver will pay the following:
  - ♦ all rents, taxes, insurance premiums and other expenses required to keep your property in good condition;
  - ♦ its own commission as receiver;
  - ♦ all amounts required to keep any encumbrances ranking in priority to the mortgage in good standing;
  - ♦ interest owing under the mortgage; and
  - ♦ all or any part of the loan amount, whether it is due or not.

- **Sue you.** We may take any action that is necessary to collect the loan amount.
- **Lease your property or collect rents.** If you are in default on the mortgage for more than 15 days, we may enter and lease your property after giving you 15 days notice. If you are in default on the mortgage for more than 30 days, we may enter on and lease your property without informing you. You assign to us all rents from your property. This assignment becomes effective when a default on the mortgage occurs. If we think it is reasonable, we may cancel or amend any lease or enter into new leases without being responsible for any resulting loss. We may apply the money collected under or in connection with any lease, after paying all costs and expenses, to any part of the loan amount. We will only be accountable for the money remaining after payment of all costs and expenses when we actually receive it. If the money remaining, after paying all costs and expenses, does not pay the loan amount in full, you must pay us the difference.
- **Power of sale.** We may exercise the power of sale and all other powers conferred to us by the applicable laws of the province where your property is located. We may sell your property for cash or on credit, or partly for cash and partly on credit. We may sell your property by private sale or public auction and for whatever terms we can obtain. If we think it is reasonable to do so, we may cancel or amend any contract of sale, or postpone any sale, without being responsible for any resulting loss. We may apply the money remaining from any sale, after paying all costs and expenses, to reduce any part of the loan amount. We will only be responsible for the money remaining after we pay all costs and expenses when we actually receive it. If the money remaining, after paying all costs and expenses, does not pay the loan amount in full, you must pay us the difference.
- **Enforcement in Prince Edward Island.** If any part of your property is located in Prince Edward Island, then this mortgage is made “in pursuance of the enactments respecting Short Forms of Indentures” and contains the following provision:

“Provided that the mortgagee on default of payment may enter on or lease or sell the lands, but no power of sale to be exercised till after four (4) weeks’ notice.”
- **Foreclosure or sale.** We may take court proceedings to foreclose your right, title and equity of redemption to your property. If we obtain a final order of foreclosure from the court, your property will belong to us. We may also ask the court to order the sale of your property under the court’s supervision. If the amount we receive from the sale of your property is less than the loan amount, you must pay us the difference.
- **Cure any defaults.** We can cure any defaults under the mortgage and take any other steps or proceedings against you that are allowed by the laws of the province where your property is located and the laws of Canada.

If we take possession of your property to enforce our rights, you will not interfere with our possession. You also will not interfere with the possession of your property by any receiver we appoint, nor with the possession of your property by any person we have leased or sold your property to. You will not make any claim against any person to whom your property has been leased or sold.

You must pay all of our expenses related to our enforcing our rights. You must pay these amounts immediately when we ask for them. These expenses may include legal fees. Our legal fees will be charged on a “solicitor and client” basis. You must also pay all other costs we have to pay to protect our interests and to enforce any of our rights under the mortgage, as well as a reasonable allowance for the time and services of our employees and CIBC employees. You must also pay any prepayment charge applicable to this mortgage.

#### **11.4 Delay in enforcing our rights**

If we delay enforcing any of our rights, the delay will not affect any of our other rights under the mortgage. If we give you or any other person an extension of

time, it does not affect any of our rights under this mortgage. If we do either of these things, we may still:

- require you to make all payments on time and meet your obligations under the mortgage;
- require payment of the loan amount (including any applicable prepayment charge) if you are in default; and
- require any other person who has obligations under the mortgage, including a guarantor, to meet those obligations.

### ***11.5 If we do not enforce our rights on a particular default***

In some cases, we may not enforce our rights on a particular default by you or a guarantor. However, by doing so, we are not forgiving any other existing default by you or a guarantor, or any other defaults by you or a guarantor in the future.

### ***11.6 Court orders and judgments***

If we obtain a court order or judgment against you to enforce our rights, the judgment will not prevent us from pursuing our other remedies or rights to enforce your obligations under the mortgage, including our right to receive interest as required by the mortgage.

### ***11.7 Doctrine of consolidation***

The doctrine of consolidation will apply to the mortgage and any other mortgage you have granted or will grant to us. This means that if you default under any of your mortgages to us then we can, as a condition of your repaying any mortgage, require that you repay all mortgages.

### ***11.8 Administration and processing fees***

In addition to the administration and processing fees outlined elsewhere in these Additional Terms and Conditions, you also agree to pay to us, when due, our administration and processing fees in connection with:

- the preparation of any assumption statement, amending or other agreement, or statements for information purposes;
- failure to have sufficient funds in your account to meet a payment amount, closure of the account from which you authorized us to deduct your payments, or cancellation of your authorization to deduct payments from your account;
- replacement of cheques if a payment has been refused because of insufficient funds; and
- any other reason related to the administration of your mortgage.

We will charge you our fees in effect at the time we do the work.

If you do not pay us these fees when they are due, we will add these fees to the loan amount. We will charge you interest on these fees at the mortgage rate from the date the fees are incurred.

You also agree to pay us, when due, our fees for providing any services of an administrative or clerical nature requested by you. Examples of these fees include:

- providing copies of documents from your file;
- providing duplicate documents;
- providing an amortization schedule;
- retrieval of your file or information or documents from offsite storage at your request;
- providing a detailed breakdown of your payment history or tax account;
- audit verification;

- courier charges; and
- our fees in effect from time to time for any other special requests by you for similar services of a clerical or administrative nature.

You must pay us these fees immediately. If you do not pay them, we may declare that you are in default on your mortgage, or add these fees to the loan amount, or do both.

We have the right to change the fees we charge from time to time without notifying you. The fees in effect at any particular time are available from any CIBC branch in Canada, or by contacting us.

### **11.9 Certain actions we can take**

We can, if we think it is necessary, pay off any encumbrances, claims or liens which have priority over the mortgage. Also, we can pay all expenses that we incur in collecting any payment under the mortgage that you did not make when due and in enforcing your other obligations. If we do this, you must pay us these amounts immediately. If you do not, we may declare that you are in default on the mortgage, or add these amounts to the loan amount, or do both.

If you are a tenant or a lessee of your property, we can cure any defaults existing under your lease. You must immediately reimburse us for all payments and expenses that we incur in doing this. If you do not, we may declare that you are in default on the mortgage, or add these amounts to the loan amount, or do both.

If you do not meet one or more of your obligations under the mortgage, we can, but are not obliged to, perform those obligations. If you are a tenant or lessee of your property and you refuse or neglect to renew your lease when it gives you that right, we can do so. Every renewal will be subject to this mortgage. You must immediately reimburse us for all payments which we have to make and costs which we incur in taking these steps. If you do not, we may declare that you are in default on the mortgage, or add these amounts to the loan amount, or do both.

Any payments we make under the mortgage will be added to the loan amount. We will charge you interest on these payments from the date we pay them at the interest rate specified in the registered document. We are entitled to rely on any statement we receive for the purpose of making any payment required to protect our interest in your property. These statements will be considered to be conclusive evidence of the amount owing.

If we have not received a solicitor's final report and certificate of title within sixty days of the final advance of funds under the mortgage, we are entitled to retain another solicitor of our choice to provide a final report and certificate of title. You will be responsible for all costs related to doing this.

## **12. If you sell or transfer your property**

Our written approval must be obtained before your property is transferred to anyone else, or before an agreement is made to transfer your property to anyone else. At our option we may require that the entire loan amount be paid immediately (including the outstanding principal amount, accrued interest, any prepayment charges and any other amounts owing), if any of the following occurs:

- if you transfer your property without first applying to us in writing for approval of the terms of the transfer and approval of the person that you wish to transfer your property to; or
- if you transfer your property without first obtaining our written approval of the terms of the transfer and our written approval of the person that you are transferring to; or
- if the person you transfer your property to does not enter into an assumption agreement with us that is satisfactory to us. In an assumption agreement that is satisfactory to us, the person that you transfer your property to will agree to assume this mortgage and any amendments to it and any related agreements,

and to be bound by all the terms, conditions and obligations of the mortgage, amendments and related agreements.

If we accept any payment from any person who we have not first approved in writing, that will not mean that we have granted our prior written approval or that we have given up our right to require you to pay the entire loan amount immediately.

You agree to give us sufficient information to enable us to decide whether to give our written approval. After we have received this information, we will make our decision as soon as possible.

If you exercise this privilege, there may be an administration and processing fee. You must pay us these fees immediately. If you do not, we may declare that the mortgage is in default, or add these amounts to the loan amount, or do both.

### **13. Guarantee**

Each person who signs the mortgage as a guarantor signs as a principal debtor and not as surety. This means that each guarantor agrees:

- to pay us the loan amount as and when required by the mortgage, in full, without delay, without making any set off, abatement, counterclaim or deductions, and without withholding any amounts; and
- to meet all other obligations of the borrower under the mortgage.

Each guarantor agrees to this in return for us making the loan to the borrower (which includes the borrower's legal and personal representatives, successors and assigns).

If there is more than one guarantor, the guarantors are responsible jointly and individually with each other and with the borrowers for meeting all obligations under the mortgage. This means that each individual guarantor is responsible for meeting all obligations under the mortgage, including payment of the entire loan amount.

We may, at any time or times, do any of the following, without notifying any guarantor and without obtaining the consent of any guarantor:

- extend the time for payment;
- give a renewal;
- amend any agreement;
- give an extension;
- deal with additional security;
- give a release or discharge;
- change the interest rate;
- change the terms of the mortgage; and
- deal with any other matter affecting the mortgage and the borrower's obligations.

Doing any of these things will not in any way affect the guarantee or the obligations of any guarantor.

We may require payment from any guarantor before we attempt to obtain payment from the borrower. All obligations of any guarantor will also be obligations of the guarantor's heirs, executors, successors or personal representatives. The obligations of a guarantor will not be affected by the bankruptcy of the borrower or any guarantor.

### **14. Assumption of the mortgage**

If you are not the original borrower, you agree to all obligations of the original borrower under the mortgage as if you had signed the original mortgage.

## 15. Portability

### ***15.1 If this mortgage is a CIBC Variable Flex Mortgage***

If this is a CIBC Variable Flex Mortgage, your mortgage cannot be transferred to another property. However if you have met all your obligations under this mortgage, and if you have agreed to sell your property and purchase another property within 60 days of the sale of your original property, at our sole discretion we may provide financing for the purchase of the new property; and if we do, we will refund to you the prepayment charge in connection with your prepayment of this mortgage upon sale of your original property. The following conditions apply:

- You must apply in writing.
- The principal amount of the new mortgage must be the same as or more than the principal amount of this mortgage on the date of prepayment.
- The new mortgage on the new property must be a CIBC Variable Flex Mortgage or a closed fixed rate mortgage with a term of three years or greater. The interest rate and terms will be those that we offer to you for that type of mortgage at the time the new mortgage is advanced.
- The sale of your original property must be in good faith and be an “arms-length” sale.
- Our mortgage approval criteria, policies, procedures and documentation requirements in effect at the time you make your application for the new mortgage must be met, including any requirements of the mortgage insurer, if applicable.
- You will be responsible for paying all applicable processing or administration fees, mortgage insurance premiums, all legal and appraisal fees, and other expenses incurred in connection with the new mortgage.

### ***15.2 If this mortgage is not a CIBC Variable Flex Mortgage***

If you have a mortgage other than a CIBC Variable Flex Mortgage and you have met all your obligations under the mortgage (referred to in this section as the “current mortgage”) and you have agreed to sell your property and purchase another property within 60 days of the sale of your original property, we may provide financing for the purchase of the new property. You will be required to give us a mortgage on your new property. The following conditions apply:

- You must apply in writing.
- The term of the new mortgage must be equal to the remaining term of the current mortgage.
- The sale of your original property must be in good faith and be an “arms-length” sale.
- On the date you complete the sale of your original property, the loan amount must be paid in full, including all applicable prepayment charges. However, if the new mortgage is advanced to you within 60 days of the prepayment of the current mortgage, we will refund the prepayment charge to you, **unless** the principal amount of the new mortgage is less than the principal amount still owing under the current mortgage on the date of prepayment (see below).
- If the principal amount of the new mortgage is the **same as** the principal amount still owing on the current mortgage on the date of prepayment, the interest rate applicable to the current mortgage will apply to the new mortgage.
- If the principal amount of the new mortgage is **less than** the principal amount still owing on the current mortgage on the date of prepayment, the interest rate applicable to the current mortgage will apply to the new mortgage. In this case, we will **not** refund to you any prepayment charge you paid on the amount of the outstanding principal amount of the current mortgage that is greater than the principal amount of the new mortgage.

- If the principal amount of the new mortgage is **greater than** the principal amount still owing on the current mortgage on the date of prepayment, the interest rate for the new mortgage will be:

Original Mortgage Type	Interest Rate
Variable rate mortgage (except for CIBC Variable Flex Mortgage)	The variable interest rate for this mortgage.
Fixed rate mortgage (with a remaining term of 12 months or less)	A rate that blends: <ul style="list-style-type: none"> <li>▪ the interest rate for the current mortgage, and</li> <li>▪ the rate of interest we offer on the date the new mortgage is advanced for a fixed rate closed CIBC brand mortgage product similar to yours having a 6-month term.</li> </ul>
Fixed rate mortgage (with a remaining term of more than 12 months)	A rate that blends: <ul style="list-style-type: none"> <li>▪ the interest rate for the current, and</li> <li>▪ the rate of interest we offer on the date the new mortgage is advanced for a fixed rate closed CIBC brand mortgage product similar to yours having a term similar to the remaining term of the current.</li> </ul>

- Our mortgage approval criteria, policies, procedures and documentation requirements in effect at the time you make your application for the new mortgage must be met, including any requirements of the mortgage insurer, if applicable.
- You will be responsible for paying all applicable processing or administration fees, mortgage insurance premiums, all legal and appraisal fees, and other expenses incurred in connection with the new mortgage.

## 16. Expropriation

If your entire property is expropriated, the loan amount will immediately become payable, along with loss of interest, including any prepayment charges, if applicable, as described elsewhere in these Additional Terms and Conditions.

If only a part of your property is expropriated, the amount you are awarded for the partial expropriation will be paid to us and we will credit it to the loan amount. If, in our opinion, the remainder of your property does not provide adequate security for the loan amount, then the loan amount, or any part of the loan amount as we determine, will immediately become due and payable, plus any loss of interest.

## 17. Family Law Act

You certify to us that all information that you gave us about your marital status and your property when applying for the loan, and the statements made in the Charge/Mortgage of Land are true and accurate under the applicable *Family Law Act* in the province where your property is located.

## 18. If part of the mortgage is not valid

If any part of the mortgage is found to be illegal or unenforceable, the validity or enforceability of all other parts of the mortgage will not be affected.

## 19. Governing law

This mortgage is to be governed by the laws of the province where your property is located and the laws of Canada that are applicable to the province where your property is located.

## 20. *National Housing Act*

All CMHC insured mortgages are made according to the *National Housing Act*.

## 21. Reference to laws

Any reference to legislation in the mortgage includes amendments and replacements to that legislation in force from time to time.

## 22. Collecting, using, and disclosing your personal information

During the course of our relationship we may collect financial and related information about you. This information includes:

- information about your mortgage;
- information about your transactions using our products and services;
- information to identify you or qualify you for products and services; and
- information we need for regulatory purposes.

We may collect this information from a number of different sources including your application for this mortgage, references you provide, credit reporting agencies, other financial institutions, service providers, our internal records and from individuals authorized to act on your behalf.

We may use your personal information to open, process, service, insure, maintain and collect upon your mortgage, and we may disclose your personal information, including information about your mortgage, to credit reporting agencies. We will also use and disclose your personal information according to CIBC's privacy policies which are outlined in CIBC's brochure, "Your Privacy Is Protected". This privacy policy may be amended, replaced or supplemented from time to time. You can get information on our current privacy policy by contacting any branch of CIBC.

You agree that we may enter into this mortgage on behalf of another entity, as an agent or nominee, and also that we may assign this mortgage to another entity. In these cases, the entity is known as the "beneficial owner". We can do this whether or not the beneficial owner is named in this mortgage. You also agree that we may insure this mortgage with CMHC or other mortgage insurer approved by us from time to time. We may disclose your personal information to the beneficial owner, its agent, and any person or entity to which the beneficial owner assigns the mortgage and to any mortgage insurer. If the mortgage is insured, the insurer may obtain a credit report and other information about you from any credit bureau, credit reporting agency and /or from us. We may also disclose your personal information to any service provider. A service provider is any person or entity that:

- is involved in the origination, servicing, maintenance, collection or operation of the mortgage; or
- provides services or benefits to you under the mortgage, including loyalty programs.

Your personal information includes all information provided by you or obtained by us in connection with your mortgage application, and ongoing information and documentation about you and your mortgage sufficient for the beneficial owner, agent, assignee, mortgage insurer and service provider to administer the mortgage and exercise their rights under it.

## 23. Discharge

After you have paid us the loan amount, we will sign a discharge and send it to you within a reasonable time. Or, if you ask us to, we will give an assignment or transfer of the mortgage instead of a discharge.

You will pay our usual administration and processing fee for preparing, reviewing and signing any such documents and all legal and other expenses, if applicable. You will pay us these fees whether the discharge or assignment is prepared by your lawyer, by our lawyers or by us.

It is your responsibility to register the discharge or assignment on the title to your property and to pay the registration fee. If electronic registration is available for your mortgage, you agree to pay us the registration fee and we will register the discharge on your behalf. After we have done so, we will send you or your lawyer confirmation that the discharge has been registered.

**Appendix 1**  
**Equivalent Interest Rates**

If the interest rate specified in your mortgage is compounded monthly not in advance, you may determine the equivalent interest rate compounded semi-annually not in advance by referring to the table below.

MORTGAGE RATE COMPOUNDED MONTHLY NOT IN ADVANCE (%)	EQUIVALENT INTEREST RATE COMPOUNDED HALF-YEARLY	MORTGAGE RATE COMPOUNDED MONTHLY NOT IN ADVANCE (%)	EQUIVALENT INTEREST RATE COMPOUNDED HALF-YEARLY	MORTGAGE RATE COMPOUNDED MONTHLY NOT IN ADVANCE (%)	EQUIVALENT INTEREST RATE COMPOUNDED HALF-YEARLY
<b>1.000</b>	1.00209	<b>9.000</b>	9.17045	<b>17.000</b>	17.61358
1.125	1.12764	9.125	9.30024	17.125	17.74772
1.250	1.25326	9.250	9.43010	17.250	17.88193
1.375	1.37894	9.375	9.56002	17.375	18.01621
1.500	1.50470	9.500	9.69002	17.500	18.15056
1.625	1.63051	9.625	9.82008	17.625	18.28498
1.750	1.75639	9.750	9.95021	17.750	18.41947
1.875	1.88234	9.875	10.08040	17.875	18.55403
<b>2.000</b>	2.00835	<b>10.000</b>	10.21066	<b>18.000</b>	18.68865
2.125	2.13443	10.125	10.34099	18.125	18.82335
2.250	2.26057	10.250	10.47139	18.250	18.95811
2.375	2.38678	10.375	10.60185	18.375	19.09295
2.500	2.51306	10.500	10.73238	18.500	19.27785
2.625	2.63940	10.625	10.86298	18.625	19.36282
2.750	2.76580	10.750	10.99365	18.750	19.49766
2.875	2.89228	10.875	11.12438	18.875	19.63297
<b>3.000</b>	3.01881	<b>11.000</b>	11.25519	<b>19.000</b>	19.76815
3.125	3.14542	11.125	11.38605	19.125	19.90340
3.250	3.27208	11.250	11.51699	19.250	20.03872
3.375	3.39882	11.375	11.64800	19.375	20.17411
3.500	3.52562	11.500	11.77909	19.500	20.30956
3.625	3.65249	11.625	11.91021	19.625	20.44509
3.750	3.77942	11.750	12.04141	19.750	20.58068
3.875	3.90642	11.875	12.17269	19.875	20.71635
<b>4.000</b>	4.03348	<b>12.000</b>	12.30403	<b>20.000</b>	20.85208
4.125	4.16061	12.125	12.43544	20.125	20.98789
4.250	4.28781	12.250	12.56692	20.250	21.12376
4.375	4.41507	12.375	12.69846	20.375	21.25971
4.500	4.54240	12.500	12.83008	20.500	21.39572
4.625	4.66979	12.625	12.96176	20.625	21.53180
4.750	4.79725	12.750	13.09351	20.750	21.66796
4.875	4.92478	12.875	13.22533	20.875	21.80418
<b>5.000</b>	5.05237	<b>13.000</b>	13.35721	<b>21.000</b>	21.94047
5.125	5.18003	13.125	13.48916	21.125	22.07683
5.250	5.30776	13.250	13.62118	21.250	22.21326
5.375	5.43555	13.375	13.75327	21.375	22.34977
5.500	5.56341	13.500	13.88543	21.500	22.48634
5.625	5.69133	13.625	14.01766	21.625	22.62298
5.750	5.81932	13.750	14.14995	21.750	22.75969
5.875	5.94738	13.875	14.28231	21.875	22.89647
<b>6.000</b>	6.07550	<b>14.000</b>	14.41474	<b>22.000</b>	23.03332
6.125	6.20369	14.125	14.54724	22.125	23.17024
6.250	6.33195	14.250	14.67981	22.250	23.30724
6.375	6.46027	14.375	14.81244	22.375	23.44430
6.500	6.58866	14.500	14.94514	22.500	23.58143
6.625	6.71711	14.625	15.07791	22.625	23.71863
6.750	6.84564	14.750	15.21075	22.750	23.85590
6.875	6.97423	14.875	15.34366	22.875	23.99324
<b>7.000</b>	7.10288	<b>15.000</b>	15.47664	<b>23.000</b>	24.13066
7.125	7.23160	15.125	15.60968	23.125	24.26814
7.250	7.36039	15.250	15.74279	23.250	24.40569
7.375	7.48925	15.375	15.87597	23.375	24.54331
7.500	7.61817	15.500	16.00922	23.500	24.68101
7.625	7.74716	15.625	16.14254	23.625	24.81877
7.750	7.87621	15.750	16.27593	23.750	24.95660
7.875	8.00534	15.875	16.40939	23.875	25.09451
<b>8.000</b>	8.13452	<b>16.000</b>	16.54291	<b>24.000</b>	25.23248
8.125	8.26378	16.125	16.67650	24.125	25.37053
8.250	8.39310	16.250	16.81016	24.250	25.50865
8.375	8.52249	16.375	16.94389	24.375	25.64683
8.500	8.65195	16.500	17.07769	24.500	25.78509
8.625	8.78147	16.625	17.21156	24.625	25.92342
8.750	8.91106	16.750	17.34550	24.750	26.06181
8.875	9.04072	16.875	17.47950	24.875	26.20028