FirmName:	Your Mortgage Connection	**Lender Name:**	FirstLine Mortgages
Attention:	Tino Brelak	**Lender Reference #:**	110123219
Application Reference #:	JRAI-6080	**Mortgage Insurance Reference #:**	

PREPAYMENT POLICIES

decide; and

- we will not charge you an administration fee for converting your mortgage. However, you must pay us any applicable administration and processing fees, and any interest that results from a change in the frequency of your regular mortgage payments, as well as any deferred interest.

You must also pay all legal expenses related to the conversion documents and their registration, if applicable.

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, whether or not you signed it, and in the Mortgage Disclosure Statement that we will send you following conversion.

☐ MAKING LUMP-SUM PAYMENTS WITHOUT A PREPAYMENT CHARGE

In each mortgage year, you may prepay up to 20% of the original principal amount without a prepayment charge.

The following conditions apply to making lump-sum prepayments:

- you may only make a prepayment on a regular payment date;

- you can make more than one prepayment in a mortgage year, but the total prepayment in any mortgage year cannot be more than the 20% limit;

- each prepayment must be at least $100.00;

- if you do not use this privilege in a mortgage year, you cannot carry forward any unused allowable prepayments to any following mortgage years; and

- this right of prepayment without a prepayment charge does not apply if you prepay the entire principal amount, even if you have not used this privilege in the mortgage year when the mortgage is paid off.

☐ This commitment is for a 5 Year Adjustable Rate Closed term.

☐ To qualify for the prepayment privileges outlined here, you must meet the following conditions:

- you must have met all of your obligations under the mortgage; and

- your property must contain no more than four living units or be a single residential condominium unit.

The mortgage year is the 12-month period starting on the interest adjustment date and each anniversary of the interest adjustment date.

All prepayment charges are in addition to regular interest at the rate specified in your mortgage.

NOTE: If you are allowed to, and want to prepay the ENTIRE 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 cannot be more than 30 days after the date you request 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 and on any amounts we do not process, including your regular mortgage payments, during this time. If you do not pay off your mortgage by 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. All prepayment charges are in addition to regular interest at the rate specified in your mortgage, and if applicable, interest on accrued interest in connection with payments not processed between the date on which you made your last regular payment and the prepayment date.