



CLIENT NOTICE

Information on Your Mortgage

This document contains information on the mortgage that you are about to grant to National Bank of Canada.

The mortgage (or charge) used at National Bank is a **collateral mortgage**. This collateral mortgage will secure your mortgage loan and your existing and future debts with National Bank. The mortgage will be registered (published in Quebec) against your property at the appropriate registry.

Mortgage amount

The maximum secured amount is indicated in the mortgage. This amount can be higher than the financed amount. The excess will allow you to eventually secure other debts.

Credit terms

We will enter into a credit agreement which is separate from the mortgage in order to set the terms of your mortgage loan. The amount borrowed, the interest rate of the loan and the other terms will be set out in the credit agreement, not in the mortgage. This credit agreement will not be registered at the registry.

Borrowing additional funds

This mortgage will allow you to get additional funds up to the registered mortgage amount without granting a new mortgage every time. Therefore, you will not have to pay legal fees to consent and register another mortgage. A new credit agreement will then have to be concluded.

However, additional funds will not be automatically granted. You must first qualify based on applicable credit standards. A request for additional funds could be denied if, for example, your financial situation has changed or if the value of your property is insufficient.

Possibility of transferring the mortgage to another lender

Switching lenders can be done by a mortgage transfer (or subrogation in Quebec) or by creating a new mortgage in favor of a new lender.

In the case of a transfer, you will have to pay administration fees to National Bank¹. Each lender has its own rules to determine whether the transfer is permitted. The new lender could refuse the transfer and require a new mortgage in its favor. In this case, the mortgage in favor of National Bank will have to be discharged (see section “Mortgage discharge” below). In any event, legal fees may apply in both cases. The new lender may accept to assume certain fees.

You will also have to repay all the debts secured by the mortgage to National Bank. If you repay your mortgage loan before the end of the term, you will have to pay us the applicable prepayment charge.

Mortgage discharge (also known as “release” or “acquittance” in Quebec)

The mortgage discharge is the removal of the mortgage registration from the registry in which it was listed. Once the mortgage has been discharged, National Bank loses any right it had against the property under the mortgage.

To obtain a discharge of your mortgage, you will have to inform us and repay all the debts secured by the mortgage in full. You will also have to pay legal fees for the preparation and the registration of the discharge at the registry, as well as any fees charged by National Bank which varies depending on the province².

- 1 No fees in Quebec. Please refer to your Cost of Borrowing Disclosure Statement for fee amount.
- 2 No fees in Alberta and Quebec. Please refer to your Cost of Borrowing Disclosure Statement for fee amount.



BANKING

Simplifying your day-to-day banking transactions.



FINANCING

Helping you carry out the projects that are important to you.



INVESTING

Customizing solutions and advice for your short-term projects and retirement plans.



PROTECTING

Insuring you and your assets for your peace of mind.



TRANSFERRING

Making sure your estate is transferred to your loved ones.



DOING BUSINESS

Helping decision-makers grow their business.

❖ Should you have any questions, do not hesitate to contact us.

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