

**OPEN MORTGAGE CLAUSE**

PROVIDED that upon the mortgagor selling, transferring, conveying, assigning, mortgaging, or in any way dealing with the equity of redemption or any interest in the lands herein without the express written consent of the mortgagee herein, the said principal sum together with all interest thereon shall, at the option of the mortgagee, immediately become due and payable without any notice of bonus being given or any action being taken by the mortgagee, and in default of payment, the mortgagee may exercise any of the remedies available hereunder to enforce payment including the power of entering upon, leasing or selling the said lands.

IN THE EVENT the mortgagor ceases to be a member in good standing of the St. Catharines Civic Employees' Credit Union Limited, the balance of the principal and interest owing hereunder shall, at the option of the mortgagee, become due and payable three (3) months after the date of cessation of the said membership.

THE MORTGAGOR shall have the privilege of paying the whole or any part of the principal monies hereby secured at any time without notice of bonus provided however that such privilege shall not extend to the mortgagor in the event of the full repayment of this mortgage prior to the maturity date due to the refinancing of this property, either directly or indirectly, with any financial institution or person(s), and if such shall occur, the mortgagor shall pay a penalty of three months interest calculated at the rate of interest on the principal amount then outstanding or a rate differential, based on the prevailing rate at the time of payout covering the remainder of the term of the mortgage, whichever is higher.

IN THE EVENT that a mortgagor wishes to refinance the present mortgage, a rate differential, based on the prevailing rate at that time will be charged.

C.M.H.C. insured mortgages have a maximum charge equal to (3) months interest after the 3<sup>rd</sup> anniversary date of the mortgage, or after the 3<sup>rd</sup> anniversary date of subsequent renewals, as the case may be. Prior to the 3<sup>rd</sup> anniversary date, the greater (3) months interest or rate differential will apply.

IF APPLICABLE, the mortgagor shall, in each and every month, pay to the mortgagee approximately one-twelfth of the amount (as estimated by the mortgagee) of the taxes next becoming due and payable; and the mortgagor shall also pay the mortgagee on demand the amount, if any, by which the actual taxes exceed such estimated amount.

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Signature