

**SCHEDULE C****FIRST NATIONAL FINANCIAL GP CORPORATION****SCHEDULE OF ADDITIONAL MORTGAGE TERMS****Six Month Automatic Renewal (Newfoundland and Labrador)***Registration of Deeds Act, 2009, S.N.L. 2009, c.R-10.01***AUTOMATIC RENEWAL**

Provided this Mortgage is not in default and further provided that the Mortgagor has maintained a satisfactory payment record and subject to the pre-authorized chequing provisions in the Mortgage, this Mortgage shall automatically renew at the end of its original 6 month term and at the end of each subsequent 6 month renewal term into a new 6 month term.

The Mortgagee will mail a notice of the Interest Rate for the next renewal term to the Mortgagor(s) on the maturity of the original term and of each renewal term of this Mortgage. The Mortgagor(s) may at his sole option terminate this automatic renewal clause and pay out the Mortgagee in full at the end of (but not during) any term by notifying the Mortgagee of his decision to do so at least 15 days prior to the end of that term. There shall be no renewal fee charged to the Mortgagor on each renewal as long as the Mortgage remains on automatic renewal.

**CONVERSION OPTION**

Provided the Mortgagor is not in default and further provided that the Mortgagor has maintained a satisfactory payment record, the Mortgagor may, without bonus or penalty, convert this Mortgage to a fixed term of one year or longer, bearing such interest rate and containing such other terms and provisions, including prepayment provisions, if any, as the Mortgagee is then making available to similar mortgagors on similar properties in similar circumstances for the term chosen. The length of term chosen shall be a number of years which is then offered by the Mortgagee as a standard term for residential mortgage products of a similar kind.

To exercise this option, the Mortgagor shall make a written request, signed by the Mortgagor (or by all of them, if more than one) and the Guarantor or Guarantors, if any, delivered to the Mortgagee, and the applicable interest rate and terms will be those in effect as at the date of receipt of such written request. The new term will commence and the new interest rate will take effect on the next scheduled payment date or the payment date immediately thereafter as determined by the Mortgagee. Upon conversion the provisions of this Schedule will no longer be applicable. The Mortgagee may require the Mortgagor(s) and Guarantor(s) to execute an amending/modification agreement in form and substance acceptable to the Mortgagee setting out the amended terms of the Mortgage but the written notice of intention to exercise the option referred to above will be binding upon the Mortgagor(s) and the Mortgagee shall be entitled to rely thereon whether or not an amending/modification agreement is executed.

**PREPAYMENT PRIVILEGES- 15% / PLUS 15% / DOUBLE-UP**

The Mortgagor, when not in default of any terms or conditions contained in the Mortgage, may do one or more of the following.

- (a) Without notice or charge, in any year of the Term, make, on any regular payment date (a "**Payment Date**"), prepayments of principal in minimum \$100.00 increments which do not exceed in the aggregate in that year fifteen percent (15%) of the original Principal Amount of the Mortgage. A prepayment received after a Payment Date will be applied on the next Payment Date following receipt of the prepayment. If not, or to the extent not, exercised in any year of the Term, this privilege is not cumulative from year to year. This privilege does not apply in the case of a prepayment of the entire amount owing pursuant to subsection (d) of this section.
- (b) Without notice or charge, once only in any year of the Term, on any Payment Date, increase the amount of the regular instalment payment of principal and interest by up to fifteen percent (15%) of the then current principal and interest instalment amount payable under this Mortgage. Such increase shall commence on the Payment Date specified by the Mortgagor and shall apply to all subsequent instalment payments. If not, or to the extent not, exercised in any particular year, this privilege is not cumulative from year to year. This privilege may not be combined with a prepayment of the entire amount owing pursuant to subsection (d) of this section.
- (c) Without notice or charge, on any Payment Date during the Term, make a prepayment of principal equal to, but not less than, the regular instalment of principal and interest then being paid by the Mortgagor. This privilege, if not exercised on a particular Payment Date, is not cumulative from Payment Date to Payment Date, and may not be combined with a prepayment of the entire amount owing pursuant to subsection (d) of this section.
- (d) At any time prior to the maturity of the Term of the Mortgage, prepay the whole of the Indebtedness then outstanding, without notice, upon payment to the Mortgagee of the greater of:

- (i) three (3) months interest at the Interest Rate on the Principal Amount outstanding; and
- (ii) the amount, if any, by which interest at the Interest Rate exceeds interest at the Mortgagee's then current interest rate for reinvestment calculated on the Principal Amount outstanding. Such amount shall be calculated from the date of prepayment to the maturity date of the Mortgage.

For the purposes of this subsection, the "Mortgagee's then current interest rate for reinvestment" shall mean the Mortgagee's lowest advertised interest rate (which may not be its "posted" rate) in effect on the prepayment date for a mortgage product of a similar kind for a term not greater than the remaining Term of the Mortgage and not less than the next shorter term offered by the Mortgagee; except that where the remainder of the Term of the Mortgage is less than the shortest term offered, the Mortgagee's interest rate for its shortest term for such mortgage product shall apply.

Notwithstanding any prepayment on account of any portion of the Principal Amount, and subject to subsection (b) of this section, the regular blended payment instalment originally set out in this Mortgage shall continue to be payable on each Payment Date as set out in the Mortgage for so long as there is any Indebtedness outstanding under the Mortgage.