

# Nisga'a Nation Housing Loan Program

## Approval of Loan and Cost of Borrowing

### Statement of Disclosure



 **Location of Property:**

Borrower Name(s)	Loan Number	Date
Address of Borrower(s)		
Description of Property		
Guarantor Nisga'a Nation		

### Introduction to Your Legal Agreement

We are pleased to inform you your application for a housing loan under the Nisga'a Nation Program (the "Loan") has been approved. This Statement sets out the amount of money we are lending you, the cost of borrowing, and other important information. This Statement must be signed by you and returned before the advance will be made. Your signature on this Statement shows that you have received it and agree to its terms and conditions. You should keep this Statement because it contains important information.

### Cost of Borrowing Details for Fixed Rate Loan

<b>Principal Amount</b>	The principal amount of your Loan is \$
<b>Annual Interest Rate</b>	<b>% fixed interest rate</b> per year. Interest is compounded semi-annually, not in advance. Interest is payable on the payment cycle selected by you (for example, monthly).
<b>Annual Percentage Rate</b>	<b>%</b> per year. This is the interest rate for a whole year (annualized) which includes any applicable non-interest charges (fees). If you are charged fees such as a processing fee or administration fee, this fee is included in the annual percentage rate calculation.
<b>Term</b>	Your Loan term is      months. Your Loan is <b>Open</b> . This means you can prepay your Loan at any time without paying a prepayment charge.
<b>Date of Advance</b>	This is the date your funds will be advanced. Interest will be calculated and charged from this date on.

<p><b>Payments</b></p>	<p>Total Payment Amount: \$ _____ payable <b>Select the applicable payment frequency from below and complete. Ensure applied date to the selected frequency is a size 12 font and bolded when added. The selected payment frequency is to be positioned beside the word “payable”. The non-applicable payment frequency, “XX’s” and instructions for completion must be deleted.</b></p> <p><b>Monthly:</b> every month on the <b>XX</b> of each month, commencing on <b>XX</b>.</p> <p><b>Semi-Monthly:</b> twice a month, commencing on <b>XX</b>. If your first payment is made on or before the 15th of a month, the next shall be made 15 days after (e.g. first payment is on the 3rd of the month, the next payment shall be made on the 18th of the same month). If your first payment is made after the 15th of a month, your next payment shall be on the day of the following month that is 15 days prior to the date on which your first payment was made (e.g. first payment is on the 20th, the next payment date is on the 5th of the next month). All payments to be made on the dates established by this method.</p> <p><b>Bi-Weekly:</b> every two weeks on every second <b>XX</b>, commencing on <b>XX</b>.</p> <p><b>Weekly:</b> every week on every <b>XX</b>, commencing on <b>XX</b>.</p> <p>Your total payment amount is made up of the following amounts:</p> <p>Principal and Interest: \$ _____</p> <p>HomeProtector® Insurance Premium, including applicable taxes: \$ _____</p>
<p><b>Amortization Period</b></p>	<p>It will take _____ <b>months</b> to pay your Loan in full based on its current terms and conditions.</p>
<p><b>Prepayment Privilege</b></p>	<p>Your Loan is <b>Open</b> and can be prepaid at any time. Please see the “<i>Prepayment Details</i>” section for details.</p> <p>In addition, on each payment date you may use our Double-Up® payment option. This means you can make an additional payment equal to the principal and interest portions of your payment. Please see the section entitled: “<i>Double-Up® Payment Option</i>” under the heading “<i>Prepayment Details</i>” for details.</p>
<p><b>Prepayment Charges</b></p>	<p>No Prepayment charge is payable if you prepay your Loan early.</p>
<p><b>Default Insurance</b></p>	<p>Not applicable.</p>

## Terms and Conditions

### Principal Amount

#### Approved loan amount: \$ \_\_\_\_\_

When we advance your Loan, we will withhold the following amounts from your personal deposit account, or, we may request that you pay the following amounts:

Other: \$ \_\_\_\_\_

**Available amount: \$ \_\_\_\_\_** . This is the amount we will advance to you or disburse under your direction.

### Term

The term is \_\_\_\_\_ months. The Term ends on \_\_\_\_\_ (the “Maturity Date”). At that time, we may offer to renew your Loan for another term. If we do not, you will be required to repay your Loan in full.

On the Maturity Date you will owe \$ \_\_\_\_\_ , plus any accrued interest from your last payment to the Maturity Date. This amount is based on the assumption all payments are made on time and you do not make any extra payments or other changes to the terms of the Loan.

## Interest Adjustment Date

The Interest Adjustment Date is . This is the date on which the Term starts.

If we lend you all or part of the Principal Amount before the Interest Adjustment Date, you will owe interest for the time between the date the money was advanced and the Interest Adjustment Date. You must pay this interest monthly, with the final interest only payment being due on the Interest Adjustment Date or, we may at our option, deduct this interest from any advances.

## Amortization Period

months. This is the time it will take to pay off the Loan in full, based on your payment schedule and the Interest Rate remaining constant.

## Interest Rate and Annual Percentage Rate

% per year calculated semi-annually, not in advance.

Please see page 1 of the information box. If there is no cost of borrowing other than interest, then the Interest Rate and the Annual Percentage Rate are the same.

## Compound Interest

If you do not pay any interest when due under the Loan, we will add the overdue interest to the Outstanding Amount and charge you interest on the combined amount until it is paid. This is called compound interest. We calculate compound interest at the Interest Rate. We will also charge you interest on compound interest at the Interest Rate.

## Cost of Borrowing

Your cost of borrowing is the interest payable during the Term, plus certain non-interest charges.

### Here is how we calculate the cost of borrowing for the Term:

The interest costs for the Term will be \$ . This amount is based on interest over the Term at the Interest Rate. This interest amount is based on the payment option you have selected;

Plus:

Other costs: \$

Total Cost of Borrowing during the Term: \$

The total of all principal and interest payments for the Term is \$

## Payment Schedule

Your first payment is due on . Your payment schedule is indicated below:

- Monthly:** payable monthly every month\* on the of each month, commencing on
- Semi-monthly:** payable twice a month\*, commencing on . If your first payment is made on or before the 15th of a month, the next shall be made 15 days after (e.g. first payment is on the 3rd of the month, the next payment shall be made on the 18th of the same month). If your first payment is made after the 15th of a month, your next payment shall be on the day of the following month that is 15 days prior to the date on which your first payment was made (e.g. first payment is on the 20th, the next payment date is on the 5th of the next month). All payments to be made on the dates established by this method.
- Bi-Weekly:** payable every two weeks\* on every second , commencing on .
- Weekly:** payable every week\* on every , commencing on .

\* If your payment date falls due on Saturday, Sunday or a non-business day, your payment may be processed on the next following business day. If your payment date falls on the 29th, 30th or 31st of each month, and there is no 29th, 30th or 31st in a month, then your payment may be processed on the last day of that month. If this day falls on a Saturday, Sunday or non-business day, then your payment may be processed on the next following business day.

## Payment Amount

1) Monthly Loan Payment Amount

Monthly principal and interest amount: \$

You will also pay the following other amounts on each payment date:

HomeProtector insurance premium (if applicable)\* (Including GST/PST/HST as applicable) \$

**Total monthly payment amount: \$**

## 2) Semi-monthly/bi-weekly/weekly Payment Amount

You have selected a non-monthly payment option.

If this box is "checked off" you have selected accelerated payments.

Your regular non-monthly payment amount is the following:

Principal and interest amount: \$

HomeProtector insurance premium (if applicable)\* (Including GST/PST/HST as applicable) \$

**Total payment amount: \$**

\* If you have applied for HomeProtector insurance, but have not yet been accepted, this amount will not be collected with your payment until the Insurance Service Centre or the insurer advises you of your acceptance.

### **This is how we calculate your non-monthly payment:**

- (i) Weekly: monthly principal and interest payment  $\times 12 \div 52$ , collected 52 times each year;
- (ii) Bi-Weekly: monthly principal and interest payment  $\times 12 \div 26$ , collected 26 times each year;
- (iii) Semi-Monthly: monthly principal and interest payment  $\div 2$ , collected 2 times each month.

If you selected an accelerated payment, the amount of your accelerated payment of principal and interest is higher than the non-accelerated payment amount. Therefore, the amortization period of your Loan will be shorter.

### **This is how we calculate the amount of your accelerated payment of principal and interest:**

- (i) Weekly: monthly principal and interest payment  $\times 12 \div 48$ , collected 52 times each year;
- (ii) Bi-Weekly: monthly principal and interest payment  $\times 12 \div 24$ , collected 26 times each year.

If your Loan is in default, you can only make monthly payments. We will advise you in writing if we will no longer accept your semi-monthly/bi-weekly/weekly payments and we will also advise you of the date and amount of monthly payments that you will be required to make.

### **Application of Payments**

If you are not in default, we apply each regular payment as follows:

- (a) HomeProtector insurance premiums, including any applicable taxes, if you have this insurance;
- (b) the interest due and payable; and
- (c) reduction of the Principal Amount.

After each payment is made, we re-calculate the amount of interest you owe. We take the principal and any interest amount owing from the previous payment date until the next scheduled payment date. You owe interest on this amount at the Interest Rate. We add this interest amount to the Outstanding Amount and deduct your payment to reduce the amount. We then use this new amount to calculate the interest owing on your next payment date.

If you are in default, we may apply your payment, or any other money we receive from you, as we choose.

## **Prepayment Details**

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### **Restriction**

You cannot exercise a Prepayment option, if your Loan is in default.

### **Prepaying an Open Loan**

If all of your Loan payments are up to date, you can pay off some or all of the principal amount owing at any time.

### **Double-Up® Payment Option**

In addition to your prepayment rights in section entitled: "*Prepaying an Open Loan*" under the heading "*Prepayment Details*", you may also increase your regular payment by an amount up to 100% of the principal and interest portions of your regular payment on any payment date. This is called a "Double-Up" payment.

### **General Provisions on Prepayment**

If you use any Prepayment option, the schedule of payment dates will not change. The amount of your payments will also not change, unless you exercise an option to increase the payment amount.

## Refund of Non-Disbursement/Non-Interest Charges

If you are not in default and you prepay all of your Loan before the end of the term shown in the section entitled: "Term" under the heading "Terms and Conditions", we will refund to you the proportional amount of any non-disbursement, non-interest charges you have paid us. The types of fees we will refund are those included in the "cost of borrowing" referred to in the section entitled: "Cost of Borrowing" under the heading "Terms and Conditions". Here is how we calculate the amount of your refund:

Assume that you have paid us an administrative fee of \$100 for your loan application. Your loan has a term of 24 months. After 12 months, you decide to prepay the entire amount of the loan. The amount of your refund will equal:

The amount of the administrative charge multiplied by the quotient obtained by dividing (the difference between [the period between the imposition of the charge and the scheduled end of the term] and [the period between the imposition of the charge and the prepayment]) by the period between the imposition of the charge and the scheduled end of the term.

$$\begin{aligned} & \$100 \text{ [i.e., the amount of administrative charge]} \text{ multiplied by:} \\ & \frac{365 \text{ days [i.e., 24 months - 12 months, expressed in days]}}{730 \text{ days [i.e., 24 months, expressed in days]}} = 1/2 \\ & \$50 \text{ [i.e., } \$100 \times 1/2 \text{]} = \text{proportionate refund} \end{aligned}$$

The result you obtain will be an estimate only. Please contact us for the exact amount.

## Additional Details

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### Late Payments and Default Charges

- 1) Your Loan is in default if you have not done everything you agreed or promised to do under the Loan Agreement or this Statement, such as if you make a payment late or if you do not make a payment.
- 2) If a payment is late, we calculate the extra interest you owe for being late every day, using the Interest Rate. You pay interest on both the principal and interest portion of the payment that is late. When we receive a payment, we will deduct the interest charges for the late payment and the interest owing on the principal amount owing first, before any part of the payment is applied to reducing the principal amount owing. We may decide to apply the late payment to other amounts you may owe.
- 3) If your Loan is in default for any reason, you may have to pay some or all of these amounts, depending on many factors:
  - (a) the missed payment;
  - (b) interest on the principal and interest portion of the missed payment at the Interest Rate;
  - (c) any reasonable costs, including legal fees on a substantial indemnity or a solicitor-client basis, that we incur to collect or attempt to collect the amount owing;
  - (d) any amounts, including legal fees and costs on a substantial indemnity or a solicitor-client basis, that we spend to protect or to take action under the terms of the Loan;
  - (e) any amount charged to you according to the Loan Agreement and this Statement; and
  - (f) interest at the Interest Rate on these amounts.
- 4) If your financial institution returns the cheque or refuses the pre-authorized debit you used to make a Loan payment, we will charge you the amount of any fee imposed on us by your financial institution. This includes situations where:
  - (a) you don't have sufficient cleared funds available in your account;
  - (b) you closed your account; or
  - (c) you stopped payment of a cheque you used to make a payment.

### Additional Covenants

- 1) You shall pay all legal, processing and survey fees; fire and other insurance premiums, any applicable renewal, discharge or assignment fees and disbursements (where permitted by law), including fees charged by our service provider, and any other fees related to the Loan. These fees and other charges may change and you agree that we may, at any time and without notice to you, change a fee or charge a new fee.
- 2) Where the Loan is for the purpose of financing the building of, or making improvements to, residential premises and the funds are to be advanced by way of progress advances we may require such certificates or documents as we in our sole discretion deem necessary before making a progress advance.
- 3) We may have approved your Loan on the basis that the property is or will be occupied by you as your home. If so, you may not rent the property or any part of it without our consent. If you are in breach of this provision, we can demand repayment in full of all amounts you owe us under your Loan Agreement.

- 4) You agree that if your Loan is in default for any reason, including a late or missed payment, we can call the Loan and require you to pay immediately (subject to any notice period required under applicable law) everything you owe according to the Loan Agreement and this Statement. We may in our discretion exercise either some or all of our rights under the Loan Agreement or this Statement, or both of them, or we may choose not to exercise any rights at all. We do not waive any rights in choosing to exercise some, but not all, of our rights, or in choosing not to act.

### **Renewal**

If you have not repaid your Loan in full by the end of the term, then, at our sole option, we may renew your Loan. We may send you a renewal agreement indicating the Loan renewal terms. You agree that in the event that you do not sign and return your renewal agreement to us on or before the maturity date, your Loan, at our option, will be automatically renewed on the terms set out in the renewal agreement.

### **Assignment**

You cannot transfer either the proceeds of your Loan or your rights under this Statement to a third party. You acknowledge that we may transfer our rights in your Loan to a third party or issue securities backed by a pool of loans that includes your Loan or obtain loan default insurance (if not already obtained).

You agree that we may give any information relating to your loan application or your Loan, including your financial information, to a proposed loan purchaser, a loan default insurer or to a trustee of a loan portfolio securitization and that we, or our agent, may obtain a credit report on you in connection with these transactions.

You agree that we may from time to time release loan statements or other information regarding the status of the Loan to members of the Council of the Nisga'a Nation or to members of the Nisga'a Nation's Housing Committee.

### **Cancellation**

We may refuse to lend you money if:

- this Loan Agreement is not signed on or before the date the Commitment Period ends;
- the property you wish to acquire does not meet our lending criteria;
- at the time of the advance, the property does not meet or exceed CMHC's then current guidelines;
- you or the Nisga'a Nation have not given us a guarantee and such other documents as we in our sole discretion may require; or
- we determine that any information that you have given to us is wrong or inexact in any material way or we become aware you may have engaged in any fraudulent or illegal activities at any time either before or after your application.

### **Legal Tender**

Unless we agree otherwise, you must make all payments in money which is legal tender at the time the payment is made.

### **Co-Borrowers/Guarantors**

Each of you agrees that his or her guarantee extends to this Statement as if you were the borrower. If more than one of you has signed this Statement or the Loan Agreement, communication with one of you is considered to be notice to all of you.

### **Electronic Communication and Agreements**

You hereby designate RBC® Online Banking Message Centre, facsimile and electronic mail as information systems, and consent to the provision by us and receipt by you of any information or disclosure in connection with your Loan through those channels, and such others designated by you and accepted by us from time to time. You recognize that:

- (a) you may revoke your consent at any time;
- (b) you are responsible for informing us of any changes to a designated information system, where we are in a position to accept such instructions at our discretion, and of any changes to the contact information related to any designated information system;
- (c) any electronic document associated with your Loan will be held in accordance with our enterprise record retention policy and may be made available to you during the applicable retention period; and
- (d) you are responsible for retaining a copy of each electronic record.

### **Commitment Period**

"Commitment Period" means the period of the time from the date of this Statement until the earlier of the date of the advance of this Loan or the commitment expiry date. The commitment expiry date is . After the Commitment Period expires, we are not obligated to lend you money at the guaranteed rate. If the Loan has not been advanced before the Commitment Period expires, the terms and conditions of this Statement will also expire.

## Communicating with you

If there are two or more borrowers, each of you has the right to receive the cost of borrowing disclosure documents that we may be required to send you from time to time. We will provide all borrowers, including any guarantor, with their own separate copy of any cost of borrowing documents and loan insurance disclosure documents, unless all the borrowers consent to receiving joint disclosures. Joint disclosure means that these documents will be sent to one address. Your choice will continue to apply even after you renew, extend or amend your credit agreement. At any time you may change your disclosure options. If you select joint disclosure, you may change to separate disclosure by visiting any branch or by calling us at 1-800-769-2511. Remember it is your responsibility to tell us if your address changes.

## Language

This Agreement and all related documents have been executed in the English language at the express wish of the parties. Cette convention et tous documents y afférents ont été rédigés en langue anglaise à la demande expresse des parties.

## Special Conditions

## HomeProtector Insurance

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HomeProtector is an optional insurance product. If you applied for this insurance product, you may cancel it at any time. To cancel you must contact the Insurance Service Centre. For further details and for the mailing address and telephone number of the Insurance Service Centre, please see your Certificate of Insurance.

If you have HomeProtector insurance, you acknowledge that you have received the HomeProtector Certificate of Insurance that explains the terms and conditions of your insurance. Please note, if you have HomeProtector disability insurance, any increase in your payment amount will result in an increase in your HomeProtector insurance premium.

Full details on the cost of insurance can be found in the HomeProtector Certificate of Insurance. If there are any discrepancies between the coverage status or the cost of insurance set out in this Loan Agreement and your Certificate of Insurance, the provisions of your Certificate govern.

## How can we help?

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If you need help or have questions about your Loan or if you have a complaint, please call us toll free at 1-800-769-2511 any time, contact us at Client Care Centre, Royal Bank Plaza, PO Box 1, Toronto, ON, M5J 2J5, or visit us at any Branch during business hours. Our complaint resolution process is explained in our brochure "How to Make a Complaint". You may obtain a copy of this brochure at any of our branches, by calling the toll-free number shown above, or online at [www.rbc.com/customercare](http://www.rbc.com/customercare).

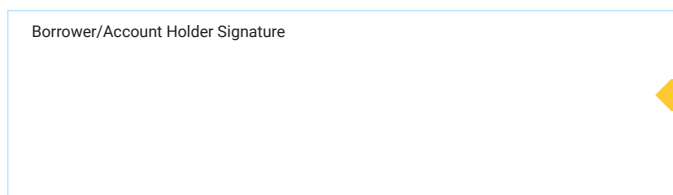
The Financial Consumer Agency of Canada supervises all federally regulated financial institutions for compliance with federal consumer protection laws. While the FCAC does not resolve individual customer complaints, if you believe that your complaint relates to a violation of a federal consumer protection law, you may submit your complaint to: Financial Consumer Agency of Canada, Enterprise Building, 6th Floor, 427 Laurier Avenue West, Ottawa, ON K1R 1B9. Telephone: 1-866-461-3222, [www.fcac-acfc.gc.ca](http://www.fcac-acfc.gc.ca).

## Client Acknowledgment

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By signing below you confirm that you have consented to be provided with this housing loan under the Nisga'a Nation Program and that you have read, agree to the terms, and received a copy of this Statement. If more than one person signs, you agree that you are individually and jointly responsible, and in Quebec, solidarily responsible, under this Statement.

Borrower/Account Holder Signature



Name:

Date:     
          YYYY      MM      DD

Borrower/Account Holder Signature



Name:

Date:     
YYYY MM DD

Borrower/Account Holder Signature



Name:

Date:     
YYYY MM DD

Borrower/Account Holder Signature



Name:

Date:     
YYYY MM DD

Borrower/Account Holder Signature



Name:

Date:     
YYYY MM DD

## Nisga'a Nation Acknowledgment

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Authorized Signatory



First Nation Name:

Authorized Signer's Name:

Date:     
YYYY MM DD

Authorized Signatory



First Nation Name:

Authorized Signer's Name:

Date:     
YYYY MM DD



## Definitions

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The following are used with particular meanings in this Statement:

**“CMHC”** means Canada Mortgage and Housing Corporation. It administers the National Housing Act and provides housing loan default insurance to lenders.

**“HomeProtector® Insurance”** if obtained by you, means the optional creditor’s group insurance offered on new and existing housing loans with us. Coverage is subject to the terms, conditions and exclusions outlined in the HomeProtector Certificate of Insurance.

**“Interest Adjustment Date”** means, the date to which we calculate accrued interest on money advanced to you. This date will be before your first regular payment period. This is the date the Term starts.

**“Interest Rate”** means the interest rate in the section entitled: *“Interest Rate and Annual Percentage Rate”* under the heading *“Terms and Conditions”*.

**“Loan Agreement”** means the legal agreement between you and us by which we agree to lend you money. “Loan Agreement” includes any other document attached to it as schedules, and any document renewing, amending or extending the Loan Agreement.

**“Maturity Date”** means the date when the Loan matures or the balance becomes due. On this date the Loan must be repaid or, with our consent, renewed. The Maturity Date is shown in the section entitled: *“Term”* under the heading *“Terms and Conditions”*.

**“Open”** means a loan that lets you pay any amount you want without you having to pay a Prepayment charge.

**“Outstanding Amount”** means the total amount remaining to be paid on the Loan at any time. It includes the portion of the Principal Amount that remains unpaid, interest, additional amounts advanced, and amounts we have paid because you have not done everything you agreed or promised to do under the Loan.

**“Posted Rate”** means the annual interest rates announced from time to time by us applicable to fixed rate residential mortgage loans in Canada. These rates may vary depending upon the term and prepayment privileges applicable to the mortgage loan. Our Posted Rates do not include any special offers or rate reductions offered from time to time.

**“Prepayment”** means repaying part of the Principal Amount ahead of schedule.

**“Principal Amount”** means the amount we will lend you. It is shown in the section entitled: “Principal Amount” under the heading *“Terms and Conditions”*.

**“Statement”** means this “Nisga’a Nation Housing Loan Program Approval of Loan and Cost of Borrowing Statement of Disclosure” agreement.

**“Term”** means the period of time from the Interest Adjustment Date to the Maturity Date.

**“We”, “us” and “our”** means Royal Bank of Canada.

**“You” and “your”** means each person who signed or is bound by the Loan and is the person who has to pay everything owing under the Loan. This includes the borrower(s) and the guarantor(s), if any, signing this Statement.