

Please read the instructions carefully as several changes have been made throughout the document. In particular:

- **Schedule of Non-Interest Fees** – *The Schedule of Non-Interest Fees has been removed from the Instructions to Solicitor package. This document will continue to be included with the Mortgage Disclosure Statement.*
- **Appendix “A” - Acceptable Forms of Identification** – *additional form of Identification (Ontario Photo Card) has been added to Part “A”.*
- **Precondition to Disbursement of Funds and Appendix B (IVF)**, *additional instructions have been added.*
- **Option 1 – paragraph 15**, *additional instructions have been added regarding the Electronic Documents Regulations (effective immediately) and the Mortgage Insurance Disclosure document (effective January 1, 2011).*

NOTE IN PARTICULAR THE PRECONDITION TO DISBURSEMENT OF FUNDS ON PAGES 2 AND 5.



INSTRUCTIONS TO SOLICITOR RE: FIRST MORTGAGE

NOTICE OF CONSENT

PLEASE NOTE: We appoint you to act on our behalf in this transaction.

We also consent to your acting on behalf of the mortgagor in the above-mentioned mortgage and, if applicable, to your acting for the mortgagor in acquiring title to the Property, and to your discharging any encumbrances on behalf of the vendor.

The foregoing does not apply in British Columbia for real property transactions that do not qualify as simple conveyances. In such cases, you are not permitted to act on behalf of the mortgagor.

We understand that you are obliged to raise all issues which may be of importance to us or to the mortgagor or to a vendor for whom you are clearing title, and to explain the legal effect of such issues to all such parties that may be affected by them. We also understand that any information received from us or the mortgagor in connection with the matter cannot be treated as confidential so far as the other party is concerned and that, if a conflict arises between us and the mortgagor which cannot be resolved, you will thereafter be unable to act for either party in respect of the matter. We also understand that if you act for us and the mortgagor in respect of the mortgage, you may not subsequently be able to act for either party in any foreclosure or other collection proceedings, which may arise in relation to the transaction.

In British Columbia & Saskatchewan, the mortgage document is to be registered in the name of CIBC Mortgages Inc. (in B.C. extraprovincial #A33457). For all other provinces and territories, the mortgage document is to be registered in the name of CIBC Mortgages Inc., trading as FirstLine Mortgages. Our address for service is 33 Yonge Street, Suite 700, Toronto, Ontario, M5E 1G4. This shall be the address for service on all mortgage documentation. NO OTHER ADDRESS SHOULD BE USED UNLESS AUTHORIZED BY US.

Please direct all enquiries and correspondence (with the exception of your Solicitor's Final Report and Certificate of Title and supporting documentation) to the Funder in the appropriate Regional Office of FirstLine Mortgages at the address shown below.

FirstLine Mortgages Regional Offices:

Ontario & Atlantic provinces

700-33 Yonge Street
Toronto, ON
M5E 1G4

Fax: refer to the Solicitor Fax Cover Sheet in the Instructions Package
Tel: (416) 865-1511 / 800-387-2020

British Columbia & Yukon

PO Box 115, Commerce Court
Postal Stn, Toronto, ON
M5L 1E5

Tel / Fax: refer to the Solicitor Fax Cover Sheet in the Instructions Package

Alberta, Saskatchewan & Manitoba

333-11 Avenue S.W.
Suite 850
Calgary, AB
T2R 1L9

Fax: refer to the Solicitor Fax Cover Sheet in the Instructions Package
Tel: 800-661-1654

****ALL SOLICITOR'S FINAL REPORTS AND CERTIFICATES OF TITLE MUST BE FORWARDED TO: PO Box 115, Commerce Court Postal Stn, Toronto, ON M5L 1E5 – ATTENTION: FINAL DOCUMENT DEPARTMENT**

Alterations, deletions or additions to the mortgage forms require our prior consent unless contained in the terms and conditions of our Mortgage Approval/Mortgage Commitment and/or Modification Letter ("Mortgage Approval").

Unless the Mortgage Approval indicates that Vendor Take Back (VTB) or other secondary mortgage financing is permitted, it is your responsibility to ensure that there is no VTB or other secondary financing. If prior to disbursing mortgage funds on this mortgage you are aware or become aware of any VTB or other secondary mortgage financing, which security is to be registered either concurrently with our mortgage or at a time following funding, you are required to immediately advise the Regional Office, and no funds are to be disbursed until further written instructions are received from us. If we agree to VTB or other secondary mortgage financing, as a condition of funding, you must obtain from the vendor a waiver of any equitable lien for unpaid purchase monies and confirmation that the vendor postpones any interest that they may have in the property in favour of our mortgage.

PLEASE NOTE, A DRAFT MORTGAGE IS NOT REQUIRED AND WILL NOT BE VERIFIED. We rely entirely on you to ensure that the mortgage and other security documents are in accordance with our Instructions to Solicitor. In the event the documents are not prepared in accordance with these instructions, and we suffer a loss as a result, we will seek to recover any loss from you.

ENCLOSURES

The following are enclosed:

- (1) Pre-Authorized Debit Form
- (2) Solicitor's Interim Report/Requisition for Funds
- (3) Solicitor's Final Report and Certificate of Title
- (4) Appendix A – Acceptable Forms of Identification
- (5) Appendix B – Identification Verification Form (“IVF”)

PLEASE NOTE THAT OUR MORTGAGE DOCUMENTS ARE AVAILABLE ON OUR WEBPAGE AT:
[“www.firstline.com”](http://www.firstline.com).

RESPONSIBILITY OF SOLICITOR

IMPORTANT – READ CAREFULLY – PRECONDITION TO DISBURSEMENT OF FUNDS

Ascertain the identity of each Mortgagor and Guarantor

In accordance with the requirements of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* and Regulations, prior to disbursing funds, we require that you ascertain the identity of each mortgagor and guarantor as follows:

1. **For individuals**, we require that you examine Acceptable Identification, as defined in Appendix “A” (“**Acceptable Forms of Identification**”) from each mortgagor and guarantor, and that you complete and sign Appendix “B” (Identification Verification Form) (“**IVF**”), on which you are required to record the full name, identification type, identification number and place of issue of identification for each mortgagor and guarantor. **Do not send photocopies of identification documentation produced by individual mortgagors or guarantors.**
 2. **For corporations or entities other than a corporation**, we require that you:
 - A:** confirm the existence of the corporation, its name and address, and the names of its directors, by referring to its certificate of corporate status, and/or to a record that the corporation is required to file annually under the applicable securities legislation that ascertains its existence as a corporation; **OR** confirm the existence of the entity by referring to its partnership agreement, articles of association or other similar record that ascertains its existence.

In either case, if the record is in paper form, the record or a copy of it, is to be sent to us with your final report. You may refer to an electronic record only if it is obtained from a source that is accessible to the public, and the particulars of the electronic record are to be recorded on the IVF in the manner set out therein; **AND**

 - B:** ascertain the identity of each authorized signing officer who executes the mortgage, in the manner described in paragraph (1) above for individual mortgagors and guarantors. Where a corporation or other entity has more than three signing officers, you are not required to ascertain the identity of more than three of the signing officers who execute the mortgage.
3. **For trustees, estates, or where the mortgage is to be executed under power of attorney**, we require that you **immediately advise the Regional Office and no funds are to be disbursed until further written instructions are received from us.**

Each mortgagor, guarantor and signing officer must be physically present when you ascertain his or her identity. If you are not able to ascertain the identity of each mortgagor and guarantor in the manner set out above, you must immediately advise the Regional Office and no funds are to be disbursed until further written instructions are received from us.

You are required to return the following as part of the Solicitor's Final Report: (i) in all cases, the fully completed IVF, and (ii) if you relied upon paper document(s) to ascertain the identity of any mortgagor or guarantor which is a corporation or other entity, the original or a copy of the paper record(s). **Do not send photocopies of identification documentation produced by individual mortgagors or guarantors.**

PRECONDITION TO DISBURSEMENT OF FUNDS
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In addition to the foregoing, if the Mortgage Approval document provides that you must fax the fully completed IVF to us before the disbursement date, you must do so no later than 48 hours before the disbursement date. You must not disburse funds until we have received and approved the fully completed IVF and you have received authorization by fax from us to release the funds.
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For all mortgages executed under power of attorney, for all transactions involving a private sale, for all FirstLine Access Mortgages and for all mortgages secured by property on private leasehold land in Campbellton, New Brunswick, we require a lender's title insurance policy issued by a title insurance company that has been approved by us and you must use Option 2. For all other transactions, you must choose either Option 1, 2 or 3, as applicable.

OPTION 1

It is your responsibility to ensure that:

- (1) the mortgagor has good and marketable title to the mortgaged lands and premises described in our Mortgage Approval (the “Property”) and that the mortgage is registered in the proper Land Registry or Land Titles Office and is a **valid first charge** on the Property, subject to only those matters approved by us prior to registration of the mortgage;
- (2) the mortgage is prepared on the form provided by or specified by us and the provisions thereof are in accordance with the Mortgage Approval and the appropriate Schedule of Additional Provisions is completed (if applicable) and forms part of the mortgage document to be registered;

- (3) if the mortgagor's interest in the Property is leasehold, you thoroughly review the lease to ensure that the lease is binding between the landlord and tenant, the lease is in good standing and will be charged as a first charge by our mortgage as instructed in our Mortgage Approval and that there are no unusual stipulations in the lease. Before funds are advanced, we require that consent to our mortgage be obtained from the landlord and a non-disturbance agreement also be obtained preventing the landlord from terminating the lease without first giving us adequate prior written notice and the right to remedy the default under the lease. You must ensure that the landlord is a government body or crown corporation/agency. For CMHC insured mortgages you must confirm the remaining term of the lease is at least 10 years more than the amortization period of the mortgage, and for all other mortgages you must confirm the remaining term of the lease is at least 5 years more than the amortization period of the mortgage. If the mortgagor's interest in the Property is leasehold and this is not indicated in our Mortgage Approval or if the landlord is not a government body or crown corporation/agency, refer to us for approval giving details of the lease;
- (4) discrepancies in the legal description, title defects, reservations and restrictions, encroachments, encumbrances and easements (other than routine easements for public utilities, provided no part of the building on the Property is affected) are referred to us **WITH YOUR OPINION** as to its/their effect on the marketability of title. There are no executions or judgments affecting the Property;
- (5) the building(s) and any ancillary building(s) or structure(s) do not, with respect to their location or use, violate any registered restrictions, or statutes or regulations of any provincial or other competent authority;
- (6) fire insurance with extended coverage as set forth on page 6 and other insurance that may be specified in our Mortgage Approval is in force. **DO NOT SUBMIT** a copy of the fire insurance policy to us;
- (7) all other security specified in the Mortgage Approval, such as chattel mortgage or assignment of rental under leases, is valid and binding, and has been registered or processed to give us, for our interest, all the protection necessary; and that all terms and conditions set out in the Mortgage Approval have been met and complied with;
- (8) If the Property is a condominium or strata unit, you must obtain a Status Certificate, an Estoppel Certificate, or in British Columbia a Section 59 Information Certificate, in the form as required by the applicable condominium legislation. Any parking spaces and storage lockers intended to be used in conjunction with the subject unit shall form part of our security;

The Certificate must indicate that:

- a) all common expenses are paid to the date of advance;
- b) there are no special assessments levied and unpaid or pending increases in common expenses on the unit;
- c) the condominium or strata corporation is not a party to any legal action;
- d) the condominium or strata corporation has reasonable reserve funds;
- e) there are no pending major repairs to the condominium or strata ; and
- f) insurance coverage is in place and protects us against loss.

Funds will not be advanced until the condominium or strata is registered. Please note that the estoppel certificate or Section 59 Information Certificate in B.C. should not be forwarded to Firstline Mortgages as we rely entirely on you to ensure they are in accordance with our Instructions to Solicitor.

- (9) if the mortgagor is a corporation, it is valid and subsisting, a certificate of status of the corporation is obtained, it is incorporated with full power and authority to hold, mortgage and otherwise deal with the Property and all necessary corporate action has been taken to authorize the borrowing of the principal sum with interest as stated in the mortgage and the giving of the mortgage security;
- (10) if the Mortgage Approval requires a corporate guarantee, the corporate guarantor is duly incorporated and properly authorized to guarantee this mortgage;
- (11) if the Mortgage Approval requires a guarantee, an execution search is conducted against the guarantor(s) and reveals no outstanding writs of execution;
- (12) our priority for all advances is maintained over any liens and that holdbacks from advances are made by you in such amounts and for such periods of time as may be required by the *Construction Lien Act* (or any similar legislation under a different name);
- (13) if there is a *Family Law Act* (or any similar legislation under a different name) in force in the province or territory in which the Property is located, all requirements are complied with and our interest is protected in every respect;
- (14) (a) you take all steps that would be taken by a careful and prudent solicitor on behalf of a client, including, without limitation:
 - advising us of any material fact known to you which might affect our decision to make the mortgage loan;
 - advising us of any significant escalation in the value of the Property over a short period of time or if the vendor under the Agreement of Purchase and Sale was not the registered owner at the time the Agreement of Purchase and Sale was executed; and
 - **reviewing all the documentation, including the Mortgage Approval for this mortgage loan and the Statement of Disclosure (including the Fee Schedule), with all mortgagors and guarantors (if any) and ensuring that there are no discrepancies between the information contained in the documentation and the information contained in the Agreement of Purchase and Sale, including, but not limited to, the purchase price.**
- (b) you advise us immediately, in the event that it comes to your attention, that any credits towards the purchase price in favour of the purchaser on a conveyancing transaction arise other than by way of payment of funds through your trust account and/or monies held in a licensed realtor's trust account. This duty to report includes, but is not limited to, deposits allegedly paid directly from purchaser to vendor and allowances or credits in favour of the purchaser of an unusual nature. You are not required to report the normal adjustments relating to taxes, condominium fees, and the like;
- (15) you ensure that all **mortgagors and guarantors execute all copies of the Disclosure Statement prior to execution of the mortgage documentation, and that each mortgagor receives one signed copy of the Disclosure Statement (including the Fee Schedule) along with all other applicable mortgage documents.**

You will receive a subsequent Disclosure Statement if the cost of borrowing changes. This subsequent Disclosure

Statement may be received after closing, and in any event must be provided to all mortgagors and guarantors upon receipt. Pursuant to the federal *Electronic Documents Regulations*, the subsequent disclosure statement may be provided to the borrowers and guarantors by personal delivery or by mail, but not by electronic means (such as fax). For progress advances, we will mail the Disclosure Statement directly to the mortgagors and guarantors.

If the mortgage is insured, you will also receive a Mortgage Default Insurance Disclosure, either together with the Mortgage Disclosure Statement or separately. In accordance with the federal *Mortgage Insurance Disclosure Regulations*, we require that you provide this document to each borrower and guarantor before he or she enters into the mortgage agreement, effective January 1, 2011;

- (16) any mortgagors and guarantors NOT receiving a direct benefit from the proceeds of this mortgage receive independent legal advice.
- (17) in Ontario only, all mortgagors and guarantors execute the Acknowledgement/Direction and Guarantee (if the mortgage is registered electronically);
- (18) the mortgage documents are executed in your presence and all the parties who have executed the same are who they purport to be;
- (19) all mortgagors and guarantors in an electronically registered mortgage understand the effect of the document and agree to be bound by such document to the same extent as if they had "signed" it and that all guarantors execute the "Acknowledgement/Direction and Guarantee";
- (20) all mortgagors and guarantors acknowledge receipt of a copy of the mortgage and Standard Charge Terms which govern the mortgage before signing the mortgage, and have an opportunity to review them;
- (21) where the Property is new construction and is not connected to local municipal services, a satisfactory copy of the septic tank certificate, together with any other certificates required by the appropriate governing body are obtained and reviewed by you prior to funds being advanced and are retained in your file for a period of 7 years (a septic tank certificate and any other certificates required by the appropriate governing body are required for existing construction only where you have knowledge that there may be problems with the septic system);
- (22) where the Property is not connected to municipal services, the following certificates are obtained and reviewed by you prior to funds being advanced and retained in your file for a period of 7 years:
 - a satisfactory certificate from the appropriate health authority indicating the well water is suitable for human consumption, and
 - a satisfactory well driller's certificate, confirming that the water flow is adequate, if the property is a new construction.Retain a copy of these certificates in your file for a period of 7 years following closing. You must advise us immediately if there are any issues relative to the water potability or water flow;
- (23) if the mortgage is a refinance of an existing mortgage in favour of CIBC Mortgages Inc., the septic tank and well certificates indicated in paragraphs 21 and 22 above are not required unless a problem is expected; and
- (24) you inquire from the applicants as to any pending sale(s) or further transfer(s) of ownership of the Property. If you become aware of a pending sale or transfer of ownership of this Property, you must advise us immediately and obtain further instruction before advancing any funds.

OPTION 2 – Title Insurance Option (This Option must be used if the mortgage is signed under power of attorney or if the transaction involves a private sale or if this is a FirstLine Access Mortgage or if the mortgage is secured by property on private leasehold land in Campbellton, New Brunswick)

If you choose this option, then only items 1, 4, 5, 11 and 20(a) of the above Option 1 will not apply. We will only accept title insurance issued by a title insurance company that has been approved by us prior to your request for funds. In addition, it is your responsibility to provide us with the name of the approved title insurance company and the individual title insurance policy number in the Solicitor's Interim Report/Requisition for Funds. You should obtain and follow the instructions of the title insurance company in this regard.

For any matter not covered by the title insurance policy, it is your responsibility to advise us prior to disbursement of funds and to obtain our instructions. You must ensure that the mortgagor pays the required premium or you must pay the required premium to the title insurance company.

Where there is more than one advance, you are responsible for obtaining any subsequent or additional endorsements from the title insurance company, if applicable.

OPTION 3 – Western Law Societies' Conveyancing Protocol (the "Protocol") Option

We accept the use of the Protocol for the types of property covered by the Protocol as of May 1, 2007. It is your responsibility to review the Protocol applicable to your province to determine whether or not it may be applied to this particular mortgage transaction. The applicable Protocol is available from your provincial Law Society. If the mortgage transaction is one to which the Protocol applies and you choose this option, then you may disburse the mortgage funds in accordance with the Protocol and the following shall apply:

- (1) all of the items of the above Option 1 apply, except for items 1, 4 and 5;
- (2) you are responsible to ensure that the mortgagor will obtain good and marketable title to the mortgaged lands and premises described in our Mortgage Approval (the "Property") and that the mortgage will be registered in the proper Land Registry or Land Titles Office and will be a valid first charge on the Property subject only to any intervening registrations between the day before the funds are disbursed to the date of registration of the mortgage and those matters approved by us prior to registration of the mortgage;
- (3) on the day prior to the date the mortgage funds are disbursed, you will ensure that there are no executions or judgments affecting the Property; and

- (4) you will ensure that all known discrepancies in the legal description, title defects, reservations and restrictions, encroachments, encumbrances and easements (other than routine easements for public utilities provided no part of the building on the Property is affected) are referred to us with your opinion as to its/their marketability of title and you undertake to notify us immediately upon receiving any information alleging any discrepancy of title defect or any encumbrance loss of priority of the mortgage.
- (5) By issuing a Protocol opinion for the mortgage transaction, you represent that:
- a. this mortgage transaction is a transaction to which the Western Law Societies' Conveyancing Protocol applies.
 - b. you have complied with the Protocol in the conduct of this mortgage transaction, and have acted in accordance with our Instructions to Solicitor (which are incorporated herein) with respect to the mortgage subject to any qualifications noted in your opinion which have been accepted by us;
 - c. you maintain minimum insurance coverage at least equal to the face amount of the mortgage;
 - d. you acknowledge and agree that if there is:
 - i. an intervening registered interest in the Property, or an unregistered interest in the Property of which you are aware which takes priority over the mortgage contrary to these instructions; or
 - ii. a survey problem or title defect which would have been disclosed by an appropriate Plan of Survey or Surveyor's Certificate/Real Property Report prepared prior to the disbursement of mortgage funds, then you will be responsible to us for any actual losses (including the cost of repairs) that we suffer as a result.

For each of Option 1, Option 2 and Option 3

DO NOT SUBMIT to us any sheriff's certificates, execution searches, zoning memorandum, or title abstracts that you obtain. **We rely entirely on you to ensure that they are in accordance with our Instructions to Solicitor.**

EXPIRY DATES

No first advance may be made after the expiry date set out in our Mortgage Approval unless you have confirmation of an extension given by us.

DISBURSEMENT OF FUNDS

When ready to disburse the mortgage funds, please proceed as follows:

- (1) prepare our Solicitor's Interim Report/Requisition for Funds form and FAX it to us **4 business days** prior to the date funds are required.

PRECONDITION TO DISBURSEMENT OF FUNDS

In addition to the foregoing, if the Mortgage Approval/Mortgage Commitment requires you to fax the fully completed IVF to us before the disbursement date, please fax it to us no later than 48 hours before the date funds are required. If the IVF is not received 48 hours prior to the date funds are required, there could be a delay in disbursement.

If **Option 2** is chosen, contact the title insurance company at least 7 business days before funds are required. The title insurance company will advise you as to the information and documentation required. You must indicate the name of the title insurance company and the individual title insurance policy number on the Solicitor's Interim Report/Requisition for Funds form;

- (2) interest will accrue on the mortgage funds advanced from the date of the advance. **If proceeds cannot be disbursed within 3 business days of the scheduled advance date, return the cheque or funds to us. If the funds are returned after 3 business days following the scheduled advance date, you will be responsible for any costs incurred and any accrued interest may be charged to your law firm.** Accrued interest calculated to the interest adjustment date will be debited from the client's bank account on the interest adjustment date. The accrued interest for mortgages on which progress advances are made will be deducted from the second and subsequent advances;
- (3) if the property is to be registered under a provincial New Home Warranty Plan, the New Home Warranty Plan enrolment numbers for the builder and the housing unit must be obtained prior to the first advance, and a completed copy of a satisfactory Certificate of Completion and Possession including any attachments must be submitted to our office prior to the final advance;
- (4) for construction or mortgages where there is more than one advance, you must make a subsearch before each progress advance or completion payment is made to the mortgagor. If subsequent encumbrances of any kind are disclosed, all mortgage advances should be withheld and the facts reported to us. **Amounts required to be held back by you are not withheld from the advances provided to you by us.** In the event the funds have to be returned to us for any reason they must be received by our office no later than three business days after the date they were originally received by your office. If the funds are returned after three business days following the date they were received by your office, you will be responsible for any costs incurred and any accrued interest may be charged to your law firm.
- (5) if the mortgagors have selected a mortgage with a cash back offer, the cash back amount will be added to the net advance. **If the mortgage proceeds cannot be disbursed within 3 business days of the scheduled advance date, you must return the cash back funds to us along with the mortgage funds as set out above.**

INTEREST ADJUSTMENT AND DATE OF PAYMENTS

The interest adjustment date to be used is as shown on the Mortgage Approval and any change to such date must be approved by us. The mortgage must be drawn using the payment dates in accordance with the monthly or flexi terms, as applicable, reflected in the Mortgage Approval. The payment amount must represent the blended principal and interest component only.

SURVEYS

A Plan of Survey or Surveyor's Certificate/Real Property Report of the Property signed by a qualified surveyor, which sets out the Property (including all buildings and structures) in its current state must be obtained and provided with your Solicitor's Final Report and Certificate of Title. If any changes have been made to the Property since the date of the survey, a Declaration of Possession must be given to the effect that any changes or additions since the date of the survey comply with municipal by-laws.

The survey must indicate:

- (1) the legal description (being the lot and plan number or concession number, if applicable), measurements and boundaries of the Property and any discrepancies between the legal description of the Property and the property described by the Plan of Survey;
- (2) all buildings, structures or the foundations of the buildings under construction and their respective dimensions and distances from the boundaries of the lands;
- (3) any encroachments on or from adjacent lands and the location of all easements; and
- (4) the municipal address of the Property, if there is an existing building.

A PLAN/SURVEY IS NOT REQUIRED IF THE PROPERTY IS A SINGLE CONDOMINIUM/STRATA UNIT.

DO NOT SUBMIT AN ORIGINAL PLAN OF SURVEY OR SURVEYOR'S CERTIFICATE/REAL PROPERTY REPORT TO US AS IT WILL NOT BE RETURNED. HOWEVER, RETAIN A COPY IN YOUR FILES FOR A PERIOD OF 7 YEARS. PLEASE ENSURE THAT THE MORTGAGORS ARE FULLY AWARE OF THE IMPORTANCE OF RETAINING THE ORIGINAL SURVEY.

TITLE INSURANCE OPTION: If a Plan of Survey or a Surveyor's Certificate/Real Property Report as described above (or, in Manitoba, a Building Location Certificate and Zoning Memorandum) is not available, we will accept title insurance issued by a title insurance company approved by us in advance. Please refer to Option 2 (Title Insurance Option) for further details.

PROTOCOL OPTION: If a Plan of Survey or Surveyor's Certificate/Real Property Report (or, in Manitoba, a Building Location Certificate and Zoning Memorandum) is not available, then in lieu of such survey or report, we will rely on your opinion issued in accordance with the Protocol. Please refer to Option 3 (Protocol Option) above for further details.

TAXES

The amount of the tax component (if any) is not to be included in the mortgage payment set out in the mortgage document. All tax bills issued and unpaid at the interest adjustment date are to be paid in full.

FIRE AND HAZARD INSURANCE

You must verify that fire insurance and extended coverage for not less than the Guaranteed or Full Replacement Value, unless otherwise specified, is in force and that the mortgage clause of the Insurance Bureau of Canada is included in the policy, and arrange for loss to be payable to CIBC Mortgages Inc., trading as FirstLine Mortgages as first mortgagee. We cannot accept a mortgage clause, or amendments to the mortgage clause, that would effectively extend less coverage to us than that provided by the standard mortgage clause of the Insurance Bureau of Canada. For rental or income producing property, we require "loss of rental income" to be included in the insurance coverage. Unless specified under "Special Instructions", please advise the insurance company that we DO NOT require a copy of the policy or renewals.

Any loss payable to CIBC Mortgages Inc., trading as FirstLine Mortgages, should be sent to the following address:

**FirstLine Mortgages
PO Box 115, Commerce Court
Postal Stn, Toronto, ON
M5L 1E5**

REPORTING ON TITLE

- (1) At the time of first advance, we require the signed Solicitor's Interim Report/Requisition for Funds form.
- (2) If there is no impediment to making a second or subsequent advance, it is not necessary to provide another Solicitor's Interim Report/Requisition for Funds.
- (3) Within thirty days after the loan has been disbursed in full, or if you have chosen Option 3, within 30 days after registration of the mortgage is complete, a Solicitor's Final Report and Certificate of Title should be completed and forwarded to FirstLine Mortgages, PO Box 115, Commerce Court Postal Stn, Toronto, ON M5L 1E5: ATTENTION: FINAL DOCUMENT DEPARTMENT. If the final documentation will be delayed, you should advise us in writing of the anticipated date of our receipt of that documentation.

COSTS

All costs incurred with respect to this mortgage, unless otherwise specified in our Mortgage Approval, must be borne by the mortgagor(s).



PRE-AUTHORIZED DEBIT FORM

TO: CIBC MORTGAGES INC., trading as FirstLine Mortgages (“CMI”)

RE: MORTGAGE LOAN NUMBER: _____

PROPERTY ADDRESS: _____

We hereby request and authorize CIBC Mortgages Inc. to draw a cheque under its personal “Pre-authorized Debit” (PAD) Plan against our account at the Bank or financial institution indicated below (or at any of its branches) for the purpose of paying our mortgage loan payment amount of \$ _____ on a _____ (insert payment frequency e.g. weekly, bi-weekly, monthly, semi-monthly) basis commencing on the _____ day of _____, 20____ (insert first payment date).

If any of us applied for and were approved for Mortgage Life Insurance provided by The Manufacturers Life Insurance Company in respect of the above mortgage (or if any of us apply for such insurance in the future), we authorize and understand that the insurance payment described in the insured’s Mortgage Life Insurance application and certificate of insurance is included in (or will be added to and collected with) our mortgage loan payment amount.

If any of us applied for and were approved for the Home Owner’s Advantage Program provided by Assurant Services Canada Inc. in respect of the above mortgage, we authorize and understand that the membership fee payment described in the applicant’s Home Owner’s Advantage Program terms and conditions document is included in (or after the initial 12 month membership complimentary period will be added to and collected with) our mortgage loan payment amount.

Our bank or financial institution is authorized to deal with such cheques as if signed by us. We agree to provide 30 days written notice of any changes in our banking information. **We hereby waive the requirement for CMI to provide written notice of the amount and date of each withdrawal from our designated account and of any change in the amount or date of any withdrawal for any reason. This payment authorization may be assigned by CMI and in such event CMI will provide us with information regarding the identity and contact information of the assignee.** This PAD Agreement can be revoked or cancelled at any time by us upon written notice to CMI at least 30 calendar days prior to due date of next pre-authorized debit payment.

Name of Bank/Financial Institution: _____

Telephone Number: _____

Branch Address: _____

City/Province/Postal Code: _____

Bank Transit Number: _____ Institution Number: _____ Account Number: _____

Account Type: Savings **with** Chequing Chequing only

N.B. Savings accounts without chequing privileges or personal lines of credit, accounts outside Canada, VISA, MasterCard cannot be used for pre-authorized debit withdrawals. Post-dated cheques are not acceptable.

Option 1 – We enclose a sample “VOID” cheque.



Option 2 – We enclose a Bank Generated Account Validation Form stamped by the financial institution where the bank account is held.

Please note that the VOID cheque or Bank Generated Account Validation Form must be provided in addition to, and not in place of, the Pre-Authorized Debit Form.

We have certain recourse rights if any debit does not comply with this agreement. We have the right to receive reimbursement for any debit that is not authorized or is not consistent with this PAD Agreement. To obtain more information on our recourse rights, we may contact our financial institution or visit the Canadian Payments Association at www.cdnpay.ca

_____	_____	_____
MORTGAGOR’S NAME	SIGNATURE	DATE
_____	_____	_____
MORTGAGOR’S NAME	SIGNATURE	DATE
_____	_____	_____
GUARANTOR’S NAME	SIGNATURE	DATE
_____	_____	_____
OTHER ACCOUNT HOLDER	SIGNATURE	DATE



SOLICITOR'S INTERIM REPORT/REQUISITION FOR FUNDS

FAX THIS COMPLETED FORM TO THE NUMBER SET OUT IN YOUR INSTRUCTIONS, AT LEAST 4 BUSINESS DAYS PRIOR TO THE DATE FUNDS ARE REQUIRED.

FIRSTLINE Reference Number:

Mortgagor(s):	
Civic address of property mortgaged, including postal code	
Brief legal description of property	
Name, address and telephone number of Municipal Tax Office	
Roll No.:	Annual Tax Amount: \$ Gross Annual Tax Amount (B.C. only): \$
Solicitor's Trust Account Data (information must be entered): Name of Bank/Trust Co: Bank Number (3 digits): Transit Number (5 digits): Trust A/C Number: Trust A/C Name: or, make cheque payable for pickup to:	Annual Interest Rate: % Interest Adjustment Date: Maturity Date: Mortgage Amount: \$ Payment Amount: \$ Date funds required:
	<p align="center">"IN TRUST"</p> <p align="center">"IN TRUST"</p>

OPTION 1

THE UNDERSIGNED HEREBY CERTIFIES THAT WHEN THIS ADVANCE IS MADE:

- (1) All tax and utility bills issued up to the Mortgage Advance will have been paid in full.
- (2) The Mortgagor(s) will have executed a mortgage in accordance with your instructions and Mortgage Approval.
- (3) The funds representing the principal amount secured by the Mortgage are to be disbursed within 3 business days of my receipt of the funds.
- (4) When the funds are disbursed, the Mortgagor will have a good and marketable title, free and clear of all judgments, executions, charges and other liens except for the above Mortgage and you will have a valid first charge against the property mortgaged.
- (5) Details of fire, hazard and other insurance as specified in your Instructions to Solicitor will have been verified.
- (6) Your requirements with respect to Guarantors and the taking of collateral security as defined in your Mortgage Approval and your Instructions to Solicitor will have been met.
- (7) Unless otherwise recorded below, all registered restrictions, building/ zoning bylaws and statutes or regulations of any provincial or other competent authority will have been complied with and there are no easements, encroachments, encumbrances or other qualifications (including taxes) EXCEPT as noted below. You were informed of these matters prior to this report and these were accepted by you. They are detrimental neither to your security nor to the marketability of title. (PARTICULARS OF EXCEPTIONS – attach separate sheet, if required)
- (8) All requirements in the Instructions to Solicitor relating to ascertaining the identity of all mortgagors and guarantors will have been met. If required by the Mortgage Approval, the fully completed IVF will be faxed to you before funds are disbursed.

OPTION 2 (Title Insurance Option)

THE UNDERSIGNED HEREBY CERTIFIES THAT WHEN THIS ADVANCE IS MADE:

- (1) The property will be title insured by the title insurance company set out below without any exceptions or qualifications by the title insurance company.
- (2) All requirements in the Instructions to Solicitor relating to title insurance and ascertaining the identity of all mortgagors and guarantors will have been met. If required by the Mortgage Approval, the fully completed IVF will be faxed to you before funds are disbursed.

Name of title insurance company	Individual title insurance policy number
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OPTION 3 (Western Law Societies' Conveyancing Protocol Option)

THE UNDERSIGNED HEREBY CERTIFIES THAT WHEN THIS ADVANCE IS MADE:

- (1) This transaction is a transaction to which the Western Law Societies' Conveyancing Protocol applies.
- (2) All of the items under the above Option 1 will have been met.
- (3) We have complied with the Western Law Societies' Conveyancing Protocol (***INSERT PROVINCE***) in the conduct of this transaction, and have acted in accordance with your Instructions to Solicitor (which are incorporated herein) with respect to the mortgage described above. Subject to any qualifications noted below, which have been accepted by you, it is our opinion that the mortgage can now be funded and the funds disbursed.

PARTICULARS OF EXCEPTIONS/QUALIFICATIONS IF ANY (applies to ALL Options)

Existing Property New Construction

Enclosures: PAD Form (signed by mortgagor(s))
 Void cheque or Bank Generated Account Validation Form (if the latter, it must be stamped by the financial institution where the account is held)
 IVF (fully completed and signed)

Name of Law Firm:	
Name of Solicitor:	Name of Paralegal:
Tel. No.:	Fax No.:

Date: _____

Signature of Solicitor only



SOLICITOR'S FINAL REPORT AND CERTIFICATE OF TITLE

TO: **CIBC MORTGAGES INC.**

FIRSTLINE Ref. No.:

Mortgagor(s):	
Covenantor(s) (if any):	
Civic address of property mortgaged, including postal code	
Brief legal description of property	
Electronic Registration	<input type="checkbox"/> Yes <input type="checkbox"/> No
Date of mortgage:	Registration No.:
Land Registry Office:	Registration date:
Mortgage Amount: \$	Taxes paid to:

FIRE AND HAZARD INSURANCE: Verified and loss payable to you, as instructed.

Insurer
Policy No.
Agent

ASCERTAINING IDENTITY OF EACH MORTGAGOR AND GUARANTOR

The undersigned ascertained the identity of each mortgagor and guarantor in accordance with your Instructions to Solicitor. The completed Identification Verification Form ("IVF") and, where applicable, the paper document(s) upon which the undersigned relied to ascertain the identity of each mortgagor and guarantor which is a corporation or other entity, or (a) copy(ies) thereof, is/are attached and form(s) part of this Final Report and Certificate of Title.

- OPTION 1**
The undersigned hereby certifies that the mortgage and all ancillary documentation have been drawn and registered in accordance with your written instructions. The mortgagor has good and marketable title to the Property, free and clear of all judgments and other charges and you have a valid first charge against the Property, subject only to the exceptions shown below, which are detrimental neither to your security nor to the marketability of title.
- OPTION 2 (Title Insurance Option)**
All requirements contained in your Instructions to Solicitor have been carried out and the subject property has been insured with the title insurance company named in the Solicitor's Interim Report/Requisition for Funds form.
- OPTION 3 (Western Law Societies' Conveyancing Protocol Option)**
The undersigned hereby certifies that the mortgage and all ancillary documentation have been drawn and registered in accordance with your written instructions. The mortgagor has good and marketable title free and clear of all judgements and other charges and you have a valid first charge against the property subject only to the exceptions shown below, which are neither detrimental to your security nor to the marketability of title.

The undersigned hereby certifies that s/he has complied with the Western Law Societies Conveyancing Protocol (***INSERT PROVINCE***) applicable to the property in the conduct of this transaction and has acted and issued this report in accordance with your Instructions to Solicitor (which are incorporated herein) with respect to the mortgage described above. Subject to any qualifications noted below which have been accepted in writing by you, the undersigned acknowledges and confirms that this opinion is given pursuant to and in accordance with the Western Law Societies Conveyancing Protocol (***INSERT PROVINCE***).

For electronically registered Charge/Mortgage of Land, I hereby certify that:

The effect of the electronically registered documents has been fully explained to the parties "signing" the documents.

- Enclosures: Survey and/or Title Insurance Certificate
 Acknowledgement and Direction (electronically registered documents in Ontario only)
 Registered Copy of Mortgage
 Original Identification Verification Form (fully completed and signed)
 Other

Dated at _____, this _____ day of _____, 20____.

Name and telephone number of law firm and of Solicitor

Signature of Solicitor

Exceptions/Qualifications:

NOTE: The following reservations need not be listed or, if preferred, may be briefly described: EASEMENTS, etc., for utilities servicing the property provided the building does not encroach thereon and is not affected thereby; OCCUPANCY or USE RESTRICTIONS which would not be violated by normal use of the property for the purposes intended or for which it is adaptable.



Appendix 'A' Acceptable Forms of Identification

Prior to disbursement of funds, we require you to ascertain the identity of each mortgagor, guarantor and, where applicable, signing officer. Each mortgagor, guarantor and where applicable, signing officer must present to you for examination:

1. Two pieces of Identification from PART "A", provided that at least one of them bears the person's photo, and at least one of them bears the person's signature, **or**
2. One piece of Identification from PART "A" **and** one piece of Identification from PART "B"; provided that the piece from Part "A" bears the person's photo, and at least one of them bears the person's signature.

("Acceptable Identification"). No other form of identification is acceptable. All identification must be original, valid, legible and not substantially damaged. Each mortgagor, guarantor and signing officer is required to be physically present when you ascertain his or her identity.

Part "A"	Part "B"
<ul style="list-style-type: none"> • Birth certificate issued in Canada • Canadian passport • Certificate of Canadian Citizenship or Certificate of Naturalization (paper document or laminated card, but not a commemorative issue) • Certificate of Indian Status issued by the Government of Canada • Correctional Service Canada identification card with the individual's name and photo • Driver's license issued in Canada, as permitted to be used for identification purposes under provincial law <ul style="list-style-type: none"> • If a driver's license is presented, record the province or territory in which the license was issued. • In Quebec only, a driver's license can be used only if an individual volunteers it when asked for identification. • Document or card, with the individual's photo and signature, issued by any of the following authorities or their successors: <ul style="list-style-type: none"> • Alberta Registries • Department of Government Services and Lands of the province of Newfoundland and Labrador • Department of Service, Nova Scotia and Municipal Relations • Department of Transportation and Public Works of the province of Prince Edward Island • Department of Transportation of the Northwest Territories • Insurance Corporation of British Columbia • Saskatchewan Government Insurance • Service New Brunswick. • Department of Community Government and Transportation of the Territory of Nunavut • Government of Canada employee identity card with the individual's name and photo • Canadian Forces Identification card • Canadian Firearms License • Liquor Control Board Age of Majority (BYID) card • Municipal, provincial or federal police force identification • Permanent Resident (PR) Card or Citizenship and Immigration Canada Form IMM 1000, IMM 1442 or IMM 5292 • Provincial health card, as permitted to be used for identification purposes under provincial law. This identification: <ul style="list-style-type: none"> • isn't valid for Ontario, Manitoba or Prince Edward Island • In Quebec, can only be used if the individual volunteers it when asked for identification. • Old Age Security (OAS) identification card issued by the Government of Canada before January 2008 that has both a social insurance number (SIN) and signature. <p>Note: OAS cards issued after January 2008 don't have a SIN or Signature and can't be used as acceptable identification.</p> <ul style="list-style-type: none"> • In Quebec, the OAS card can only be used if the individual volunteers it when asked for identification. • Social Insurance Number (SIN) card issued by the Government of Canada • United Kingdom passport • United States passport • United States Permanent Resident Card (Green Card) • Manitoba Identification Card (MPIC) issued by the Manitoba Public Insurance Corporation • NEXUS or CANPASS Air membership card issued by the Canada Border Services Agency • Ontario Photo Card 	<ul style="list-style-type: none"> • CIBC personal Convenience Card • Convenience Card issued by another well-known and reputable Canadian financial institution, with the individual's name embossed on the card and their signature • CIBC non-personal Convenience Cards that are embossed with the person's name • Canadian National Institute for the Blind (CNIB) card with the individual's photograph and signature • Certificate of Registration of Birth Abroad • Certificate of Retention of Canadian Citizenship • Credit card issued by a well-known and reputable retail store in the individual's name or showing his/her name embossed on the card with the individual's signature • Employee identity card, issued by an employer that is well known to the community • Foreign passport (excluding United Kingdom and United States passports) • Major credit card (e.g., VISA, MasterCard, American Express) issued by a well-known and reputable Canadian financial institution, including CIBC, with the individual's name embossed on the card and their signature • Provincial hunting/fishing license (Outdoor card) • Senior citizen's privilege card issued by a well-known and reputable retail store, with the individual's name • United Kingdom driver's license • United State's driver's license • Veterans Affairs Canada Health Card

Mortgage No.	Property Address
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Prior to disbursing funds, we require that you ascertain the identity of each mortgagor, guarantor and signing officer in accordance with our Instructions to Solicitor, and send this fully completed and signed IVF to us. Each mortgagor, guarantor and signing officer is required to be physically present at the time you ascertain his or her identity. If required by the Mortgage Approval funds may not be disbursed until we have received and approved the IVF.

1. **For individuals**, you must record in (1) below the following information for each mortgagor, guarantor and, where applicable, signing officer:
 - ✓ **Full Name**
 - ✓ **Particulars of the Acceptable Identification (as defined on Appendix A – Acceptable Forms of Identification) produced to you by the individual**
2. **For corporations and other entities**, you must record in (2) below the corporation's or entity's registration number, the type of record referred to and, where applicable, the source of the electronic record.
 - (1) **Individuals and corporate/other entity signing officers.** Particulars of identification produced by each mortgagor, guarantor and, where applicable, signing officer:

Mortgagor/Guarantor/Signing Officer Full Name		
Identification Viewed from PART 'A' of Appendix 'A' Acceptable Forms of Identification	Number	Place of Issue:
Type		
Identification Viewed from PART 'A'/'B' of Appendix 'A' Acceptable Forms of Identification	Number	Place of Issue:
Type		

Mortgagor/Guarantor/Signing Officer Full Name		
Identification Viewed from PART 'A' of Appendix 'A' Acceptable Forms of Identification	Number	Place of Issue:
Type		
Identification Viewed from PART 'A'/'B' of Appendix 'A' Acceptable Forms of Identification	Number	Place of Issue:
Type		

Mortgagor/Guarantor/Signing Officer Full Name		
Identification Viewed from PART 'A' of Appendix 'A' Acceptable Forms of Identification	Number	Place of Issue:
Type		
Identification Viewed from PART 'A'/'B' of Appendix 'A' Acceptable Forms of Identification	Number	Place of Issue:
Type		

- (2) **Corporations and other entities.** Particulars of information ascertained for each mortgagor and guarantor which is a corporation or other entity:

Name of Corporation or other entity		
Type of entity (e.g., corporation, partnership, other entity [specify])	Registration Number	Type of record referred to
(If applicable): Source of the electronic version of the record (must be a source which is accessible to the public)		

Name of Corporation or other entity		
Type of entity (e.g., corporation, partnership, other entity [specify])	Registration Number	Type of record referred to
(If applicable): Source of the electronic version of the record (must be a source which is accessible to the public)		

Certificate of Solicitor or (if B.C.) Notary

I have complied with your instructions set out above and in the section of the Instructions to Solicitor entitled "Ascertaining the identity of each Mortgagor and Guarantor".

Date: _____

Solicitor / Notary's signature: _____

When completed, this form is to be faxed to FirstLine before funds are disbursed, and the original is to be returned to FirstLine as part of the Solicitor's Final Report.