



Royal Bank of Canada  
**Nisga'a Nation Housing Loan Program**  
**Approval of Loan and Cost of Borrowing**  
 Statement of Disclosure (Fixed Rate)

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 (including the attached Schedule "A") and agree to its terms and conditions. You should keep this Statement because it contains important information.

**Date:**

**Loan number:**

**Name and Address of Borrowers:**

**Description of Property:**

**Location of Property:**

**Guarantor: Nisga'a Nation**

<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 an administration fee, this fee is included in the annual percentage rate calculation.
<b>Term</b>	Your Loan term is . 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.
<b>Payments</b>	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>  <b>Monthly</b> every month on the <b>XX</b> of each month, commencing on <b>XX</b> .  <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

	<p>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>
<b>Amortization Period</b>	It will take <b>months</b> to pay your Loan in full based on its current terms and conditions.
<b>Prepayment Privilege</b>	<p>If all of your payments are up to date you can pay some or all of the principal amount owing at any time. Please see section G 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 Section G(3) for details.</p>
<b>Prepayment Charges</b>	No Prepayment charge is payable if you prepay your Loan early.
<b>Default Insurance</b>	Not applicable
<b>Other Fees</b>	<p>Processing Fee/ Inspection Fee: \$</p> <p>Fee for Copy of Document/Statement: <b>\$5.00</b> (charged when you request the copy)</p>

#### A. 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:

Processing Fee/Inspection Fee: \$

Other: \$

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

#### B. Your Term and Amortization Period

##### (1) 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.

##### (2) Interest Adjustment Date

The Interest Adjustment Date is \_\_\_\_\_. This is the date on which the Term starts. It is the date that you have asked for the funds to be advanced.

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.

##### (3) 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.

##### (4) Balance Owing at Maturity

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.

### C. Interest Rate and Annual Percentage Rate

#### (1) Interest Rate

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

#### (2) Annual Percentage Rate

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.

#### (3) 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.

### D. 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:

Your 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

Processing Fee/Inspection Fee: \$ \_\_\_\_\_

Plus

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

Total Cost of Borrowing during the Term: \$ \_\_\_\_\_

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

### E. Loan 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. Please refer to Schedule "A" for more information on HomeProtector insurance.

#### 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 x 12 ÷ 48, collected 52 times each year;
- (ii) Bi-Weekly: monthly principal and interest payment x 12 ÷ 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.

### (3) 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.

## F. 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 ; or
- 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; or
- Bi-weekly: payable every two weeks\* on every second , commencing on ; or
- 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 is set for 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.

## G. Prepayment and Other Options

### (1) Restriction

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

### (2) 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.

### (3) Double-Up® Payment Option

In addition to your prepayment rights in section G(2), 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.

### (4) 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.

### (5) 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 section B(1), 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 section D above. 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.

\$100 [i.e., the amount of administrative charge] 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 [i.e., \$100 X ½] = proportionate refund

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

#### **H. 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.

#### **I. 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.

#### **J. 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.

#### **K. 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.

#### **L. Cancellation**

We may refuse to lend you money if:

- (i) the Loan Agreement is not signed on or before the date the Commitment Period ends;
- (ii) the property you wish to acquire does not meet our lending criteria;
- (iii) at the time of the advance, the property does not meet or exceed CMHC's then current guidelines;
- (iv) 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
- (v) 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.

#### **M. Legal Tender**

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

#### **N. 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.

#### **O. Communicating with You, Questions and Complaints**

##### **(a) 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. You can either request joint disclosure for all documents, which means that all cost of borrowing documents will be sent to one address or, if you wish, the disclosure documents can be sent to each of you at the address that appears in our records. If you select separate disclosure, then each of you will receive the cost of borrowing disclosure documents separately. Your choice will continue to apply even after you renew, extend or amend your credit agreement. At any time, you may change from joint disclosure to separate disclosure. You can do this by visiting any branch or by calling us at 1-800-769-2511. If you later want to change from separate disclosure back to joint disclosure, you will have to sign a document requesting the change. Whether you select joint disclosure or separate disclosure, you must always give us your current address and you must always let us know if your address changes.

##### **(b) Questions**

You may raise any questions or concerns about the disclosure of, or manner of calculating, the cost of borrowing in respect of your Loan by writing to the branch with which you deal or by contacting any employee of the branch or contacting us at 1-800- 769-2511.

##### **(c) Complaints**

If you have any concerns about how an employee at a branch or we in general have handled your Loan, or how we calculated the details, you can write to that branch or you can contact the RBC Customer Relations Centre® at 1-800-769-2511. Our complaint process is described at the following website address: [www.rbc.com/customercare/complaint.html](http://www.rbc.com/customercare/complaint.html). If you experience a problem with the Loan that your branch or the RBC Customer Relations Centre did not resolve, you may contact the office of the RBC Ombudsman ([www.rbc.com/ombudsman](http://www.rbc.com/ombudsman)) by mail at: P.O. Box 1, Royal Bank Plaza, Toronto, Ontario M5J 2J5 or by fax at 416 974-6922.

If you are not satisfied with how we have dealt with your concerns relating to the disclosure of your cost of borrowing, please write to: Financial Consumer Agency of Canada ("FCAC"), 427 Laurier Avenue West, 6th Floor, Ottawa, Ontario K1R 1B9; or you may contact the FCAC through its website at [www.fcac-acfc.gc.ca](http://www.fcac-acfc.gc.ca); or through its Consumer Contact Centre at 1-866-461-3222.

**P. 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.

**Q. Special Conditions**

\_\_\_\_\_  
**Borrower**

\_\_\_\_\_  
**Borrower**

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**Borrower**

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**Borrower**

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**Borrower**

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**Borrower**

**Nisga'a Nation**

\_\_\_\_\_  
**Authorized Signatory**

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Authorized Signatory**

\_\_\_\_\_  
**Date**

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**Authorized Signatory**

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**Date**

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**Authorized Signatory**

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**Date**

\_\_\_\_\_  
**Authorized Signatory**

\_\_\_\_\_  
**Date**

## SCHEDULE "A"

### **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.

### **Terms You Need to Know:**

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 creditor's group life or life and disability insurance underwritten by The Canada Life Assurance Company and offered on new and existing mortgages and housing loans under the Nisga'a Nation Housing Loan Program, On-Reserve Housing Program, First Nation On-Reserve Program and the Chattel Loan Insurance Program with us. This insurance will pay off the insured Outstanding Amount if you die or pay the insured regular mortgage or housing loan payments (excluding property tax installments) for a period of time if you become disabled subject to the terms, conditions and exclusions outlined in the HomeProtector booklet (or HomeProtector distribution guide for residents of Quebec). The premium is collected as part of your regular payment. It is different from property insurance which protects your home and its contents and from housing loan insurance which protects us against default under your housing loan.

"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 Section C(1).

"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 Section B(1).

"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 Section A.

"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.

**HomeProtector insurance, if applicable**

If you have applied for HomeProtector insurance, the premium amount is indicated in Section E. HomeProtector insurance is voluntary and may be cancelled at any time. To cancel you must send a written request to the Insurance Service Centre with all borrowers (including guarantors) signing the request. If you cancel your insurance, your final premium will be adjusted to reflect insurance costs up to and including the date the Insurance Service Centre receives your cancellation. For further details and for the mailing address and telephone number of the Insurance Service Centre, please see your HomeProtector booklet.

If you have HomeProtector insurance, you acknowledge that you have received a booklet entitled "HomeProtector Life and disability insurance to protect your mortgage" (or the HomeProtector distribution guide for residents of Quebec) 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 booklet (or the HomeProtector distribution guide for residents of Quebec). If there are any discrepancies between the coverage status or the cost of insurance set out in this Statement and your Certificate of Insurance, the provisions of your Certificate govern.