



GENERAL INSTRUCTIONS TO LAWYER/NOTARY
Collateral Mortgages
All Provinces, except Quebec and New Brunswick

NOTE: WHEN CALLING OR CORRESPONDING WITH US, ALWAYS QUOTE OUR SERVICE REFERENCE FILE (SRF) NUMBER

We are retaining you to act on behalf of the Royal Bank of Canada, (the "Mortgagee", "we" or "our") in this mortgage transaction. Prepare the Mortgage in accordance with these General Instructions, our Specific Instructions and any additional instructions applicable to the transaction. You are to assume sole responsibility for the accuracy and validity of all documents and the preparation and registration of the Mortgage. You are to confirm the identity of the Mortgagor(s), Guarantor(s) and any consenting spouse, register the Mortgage, investigate title and perform all usual searches relating to the property to ensure that there are no rights or other claims having priority over the Mortgage (unless consented to by us). Obtain all customary certificates and keep them in your file. Do not send copies to the Mortgagee. In lieu of your title opinion we will accept a title insurance policy issued by one of: Chicago Title Insurance Company, FCT Insurance Company Ltd. (carrying on business under the name First Canadian Title), Lawyers' Professional Indemnity Company (TitlePlus), Travellers Guarantee Company of Canada or Stewart Title Guaranty Company. Once you have agreed to act on our behalf, you may not advise or counsel the Mortgagor(s) to renegotiate any terms of the underlying loans or Mortgage or to investigate the availability of alternative lending arrangements. If there is an actual conflict of interest, we will seek alternative counsel. **Your account for this matter will be paid by our mutual client.**

We will not review nor approve any draft documents. We will not review the final documents sent to us. If the documents are not prepared in accordance with our instructions or the Mortgage does not have the priority indicated in our Specific Instructions and, as a result, we suffer a loss, then we will seek to recover any such loss from you. You are to take all steps that would be taken by a careful and prudent solicitor/notary on behalf of a client. This includes, without limitation, advising the Mortgagee of any material fact known to you that might affect its decision to advance the loan. If the funds will be used to purchase the property, you must verify that the purchase price in the Agreement of Purchase and Sale is the same as the price indicated in our Specific Instructions. You must also advise us if: (i) the property value significantly escalated over a short period of time; (ii) the vendor under the Agreement of Purchase and Sale (Contract of Sale) was not the registered owner at the time the Agreement of Purchase and Sale was signed; (iii) the Agreement of Purchase and Sale has been amended to provide for significant repairs to be made by the purchaser; or (iv) there are any unusual credits on the statement of adjustments in favour of the Mortgagor(s), including any deposits not required or referred to in the Agreement of Purchase and Sale.

To report any unusual or suspected fraudulent activity relating to the transaction or the subject property, call during regular business hours at 1-888-215-8687, with the following exceptions: in BC and the Prairie provinces call 1- 866-665-0272.

For mortgages registered electronically, you are to ensure that the registration of the mortgage is in accordance with our instructions and is properly authorized by the mortgagor (and his/her spouse, where applicable).

Contact our Personal Service Centre at the telephone numbers provided in clause 17 when:

- You have any questions on the transaction; or
- You have issues to report relating to title that may affect our security or priority or which are contrary to our instructions; or
- The property is located in a provincial or national park; or
- The property is **not leasehold land** and **is located** on First Nation lands (also referred to Reserve lands).

Note - If the property is leasehold land, refer to our instructions in **Section 10. Leasehold Property**

Our mortgage documents are available at our legal documents web site at www.rbcroyalbank.com/legalforms. You are responsible for downloading the applicable document(s), completing them, arranging execution and providing copies to the Mortgagor(s). Please note that amendments are not to be made to any of our forms without our prior written approval. **Note:** For electronic mandates transmitted through Assyst Real Estate (the "Platform"), all required documents are available on the Platform. This means you should not download documents from our legal documents web site. By accepting an electronic mandate transmitted through the Platform, you are consenting (on your and your client's behalf, if appropriate) to receive the relevant documents electronically; please arrange for a copy of this confirmation to be retained for future reference.

ADDITIONAL INSTRUCTIONS FOR ELECTRONIC MANDATES TRANSMITTED THROUGH ASSYST REAL ESTATE (All provinces):

Unless otherwise indicated, all instructions applicable to non-electronic transactions also apply to electronic transactions. In addition:

- (i) For electronic mandates transmitted through Assyst Real Estate (the "Platform"), the mandate is deemed to have been received by you at the time of acceptance by you via the Platform.
- (ii) Unless otherwise indicated, all documents you require, including the Mortgage and related documentation, are available on the Platform and may be relied upon by you as the most current version. Do not download any documents from our legal documents web site.
- (iii) When you accept an electronic mandate you are representing to the Mortgagee that you are a lawyer in good standing with your provincial law society (or, in B.C., a notary in good standing with the Society of Notaries Public of British Columbia) and that you have been issued a valid digital signature by:
 - (a) In Ontario, Alberta, Saskatchewan, Nova Scotia, Prince Edward Island and Newfoundland and Labrador: Telus Certification Authority;
 - (b) In British Columbia, the Law Society of British Columbia, through Juricert⁺;
 - (c) In Manitoba, Legal Data Resources (Manitoba) Corporation, a non-profit corporation established by the Law Society of Manitoba which validates lawyer status through the Law Society of Manitoba.

Throughout these instructions, all references to a « digital signature » mean a valid digital signature issued by the above bodies/organization shown for your province.

You undertake to notify the Mortgagee and Telus Corporation (the company that owns and operates Assyst Real Estate) immediately in the event you are no longer a lawyer or notary in good standing or if the digital signature issued to you is compromised or no longer in force.

- (iv) You are responsible for complying with these and any other instructions applicable to the transaction and ensuring that the Mortgage and all related documents comply with them. The Mortgage for each mandate transmitted through the Platform will have already been completed with the Mortgagor's information. Please review the contents of the Mortgage and any other documents received through the Platform to ensure they have been completed in accordance with these and any other instructions applicable to the transaction. Please ensure the information displayed in the Mortgage conforms with the information displayed in clause 1 of the Specific Instructions. Please also refer to section 3 of these General Instructions.
- (v) Where the Specific Instructions require that you have the Mortgagor sign the RBC Homeline Plan[®] Agreement (Form 243) you must return the signed copy to us.
- (vi) Complete an RBC Homeline Plan Request for Funds (Form 3958), sign it by digital signature and send it via the Platform, at least 3 days before funds are required. **In submitting an RBC Homeline Plan Request for Funds through the Platform, you are representing to the Mortgagee that you have searched the**

title to the property, that the Mortgagor(s) have, or will have, good and marketable title when the Mortgage is registered, that you have complied with these and any other instructions applicable to the transaction and are satisfied that all matters referred to in these documents, other than signature and registration of the Mortgage and forwarding of the documents, are completed.

- (vii) If you have indicated on the RBC Homeline Plan Request for Funds (Form 3958) that a cheque be delivered to your branch, you are authorized to deposit the cheque representing the mortgage proceeds into your trust account once all pre-disbursement conditions, except for signature and registration of the Mortgage, have been met.
- (viii) Funds must not be disbursed until you are satisfied that all matters referred to in these and any other instructions applicable to the transaction have been followed, including registration of the Transfer/Deed of Land/Deed of Sale (for purchase transactions) and our first-ranking Mortgage, and you have undertaken (or, for purchase transactions in all provinces, you have received a valid and enforceable undertaking from the vendor's solicitor/notary) to register a discharge of the rights of any existing Mortgagee creditor, as soon as possible;
- (ix) You must complete the RBC Homeline Plan - Notice of Registration (Form 3958), where applicable, and enter the registration number of the mortgage in the appropriate field on the Platform immediately once known;
- (x) Your Report on Title and Security (Form 4177) is available on the Platform and should be signed using your digital signature and returned to us via the Platform. Please note that we do not require a Report on Title and Security Update for electronic mandates completed through the Platform;
- (xi) Section 19 (a) – For all provinces, do not return the requested documentation. Please retain in your file. In all provinces, you must ensure that the registration number of the mortgage is entered on the Platform;
- (xii) Sections 19 (b), 19 (e), 19 (f), 19 (g), 19 (h) and 19 (i) – Please return the signed paper original to us.

1. IDENTIFICATION OF THE PARTIES

We will identify the Mortgagor(s), Mortgagor's spouse and Customer(s) in our Specific Instructions, based on the application approval terms. RBC must be notified of and approve any changes, prior to the request for mortgage funds. When a change is approved, amended instructions will be issued. Please note that we have not confirmed who holds title to the property. If title is to be held otherwise than in the Mortgagor(s) name, please contact the Personal Service Centre at the number indicated in clause 17.

If a Mortgagor or consenting spouse is not personally known to you, verify the identity of the person by examining at least one piece of photo identification. You may want to contact the person in advance to advise of this requirement. Make a photocopy of the identification card or document for your file, but do not send it to the Mortgagee.

2. SEARCH OF TITLE / TITLE INSURANCE

(a) Full Search Requirement

We require your opinion that the Mortgagor(s) has/have good and marketable title to the property or is/are the registered owner(s), as applicable in the province or territory in which the mortgaged property is located, and the priority of the Mortgage. You are to obtain written confirmation of the good standing of any prior mortgages, charges/liens and the amount owing under them. You do not need to confirm the good standing of a prior mortgage in favour of the Mortgagee, Royal Trust Corporation of Canada or The Royal Trust Company (collectively "the Bank"). You are to undertake such searches as are generally conducted in connection with the delivery of a title opinion and prepare a Report on Title and Security (Form 4177) and, if applicable, a Report on Title and Security Update (Form 3938) available on our legal documents web site. Alternatively, you may obtain a lender's title insurance policy. Please note that we do not require a Report on Title and Security Update for electronic mandates completed through the Platform.

(b) Summary Search Requirements - Ontario and Atlantic Canada only

Notwithstanding clause 2(a) above, if the property is subject to an existing mortgage in favour of RBC and the property is located in Ontario or Atlantic Canada, your report on title may be based upon a summary search of title. If that is the case, you are to report using the Report on Title and Security (Form 4177) and, if applicable, a Report on Title and Security Update (Form 3938) available on our legal documents web site, with the amendments required to reflect a summary search of title. You are still required to determine the status of realty taxes, utilities or other charges that may claim a lien against the property in priority to the Mortgage and determine if there are outstanding work orders. Alternatively, you may obtain a lender's title insurance policy from a title insurer as referenced on page 1 of this document.

(c) Special Instructions for Leasehold Mortgages

- (i) If this is a leasehold mortgage on First Nation land, please see our Additional Instructions to Lawyer – Leasehold Mortgages on Indian Lands (Form 4231) on our legal documents website.
- (ii) If this is a leasehold mortgage on non-First Nation land, you are required to obtain a lender's title insurance policy from a title insurer as referenced on page 1 of this document.

(d) Special Instructions on Title Insurance – “Gap coverage” – B.C., Alberta, Manitoba, Saskatchewan

If title insurance is used, funds may be advanced prior to the registration of the Mortgage, provided:

- (i) a policy of title insurance has been confirmed, bearing a date either prior to or the same as the date of the advance; and
- (ii) the executed Mortgage and transfer of land (if the Mortgage is in conjunction with a purchase) in registrable form have been forwarded to the Land Titles Office for registration.

(e) Western Law Societies Conveyancing Protocol – applicable to B.C., Alberta, Manitoba and Saskatchewan

The Mortgagee acknowledges that collateral mortgage transactions in B.C., Alberta, Manitoba and Saskatchewan may close in accordance with the Western Law Societies Conveyancing Protocol (referred to, for each province in which the mortgaged property is situated, as the “Protocol”). For transactions to which the Protocol applies you are authorized to advance funds in accordance with terms of the Protocol, subject to the following:

- (i) We require no written opinion from you prior to requesting mortgage funds. If the Mortgage secures an RBC Homeline Plan Agreement, you should submit an RBC Homeline Plan Request for Funds – Notice of Registration (Form 3958). In requesting the funds, you represent to us that you have complied with the Protocol in the conduct of this transaction with respect to the real property described in the Specific Instructions. For all other collateral mortgages, fax a Notice of Registration to the Customer's branch to have the funds released. In faxing us the Notice of Registration, you represent to us that you have complied with the Protocol in the conduct of this transaction with respect to the real property described in the Specific Instructions.
- (ii) Please provide your opinion in the ordinary course. You will note that our final Report on Title and Security (Form 4177) includes an amended Protocol opinion.
- (iii) by issuing the Protocol opinion you acknowledge and agree that if there is:
 - (A) an intervening registered (or unregistered of which you are aware) encumbrance not noted therein which takes priority over the mortgage contrary to the instructions (in Alberta, Manitoba and Saskatchewan, only); or
 - (B) a survey problem or defect not noted therein which would have been disclosed by an appropriate surveyor's certificate prepared prior to the disbursement of mortgage funds (in all Protocol provinces),

then you will be responsible to the Mortgagee for any actual losses (including the cost of repairs) that it suffers as a result.

3. MORTGAGE PREPARATION

(a) Alberta

- (i) Download the Standard Mortgage Terms and Mortgage from our legal documents web site;
- (i) Prepare the Mortgage using the information from our Specific Instructions. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), you should delete the "All Obligations" paragraph and keep the "RBC Homeline Plan" paragraph under the definition of "Customer Liabilities" in Schedule "A" of Form 3953. For all other Prime Rate mortgages collateral mortgages you should keep the "All Obligations" paragraph and delete the "RBC Homeline Plan" paragraph under the definition of "Customer Liabilities" in Schedule "A" of Form 3953.
- (ii) For the address of the Mortgagee in Box 2 of the Mortgage, insert the address of the Personal Service Centre provided in our Specific Instructions;
- (iii) If the Customer is not the same as the Mortgagor, insert the Customer(s) name(s) into Box 9 of the Mortgage;
- (iv) Please note that if a Guarantee is taken, it must be signed at the same time as the Mortgage. As you have been retained to represent us in this transaction please ensure the guarantor appears and acknowledges the guarantee before a lawyer who meets with the requirements of the Guarantees Acknowledgement Act (Alberta).
- (v) If the mortgage has been approved on the basis that the property is located in a national park, see our National Parks Instructions on our legal documents web site.

(b) British Columbia

- (i) If the Mortgagor is a married person and the Mortgagor's spouse is not or will not be the registered owner of the land, have the unregistered spouse sign a Postponement of Entitlement under the Family Law Act (Form 3950) and, if appropriate, a Solicitor's Certificate of Independent Legal Advice (Form 3949). These documents are available at our legal documents web site;
- (ii) Obtain and prepare the Form B Mortgage - Part 1 and Form E Schedule using the information from our Specific Instructions and from Attachment 1, "Information for Completion of British Columbia Form E Schedule" which is attached to these Instructions. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), you should delete the "All Obligations" paragraph in Attachment 1 and keep the "RBC Homeline Plan" paragraph under the definition of "Customer Liabilities". For all other collateral mortgages, you should keep the "All Obligations" paragraph in Attachment 1 and delete the "RBC Homeline Plan" paragraph under the definition of "Customer Liabilities".
- (iii) Download the applicable Standard Mortgage Terms from our legal documents web site;
- (iv) At Item 5, state the following:
 - Items 5(a) Principal Amount and 5(b) Interest Rate, insert "SEE SCHEDULE" and insert the amounts from the Specific Instructions into the Form E Schedule;
 - Items 5(c) Interest Adjustment Date, 5(f) First Payment Date, 5(g) Amount of each periodic payment, 5(h) Interest Act Statement and 5(i) Last Payment Date, answer "N/A";
 - For Item 5(d) Interest Calculation Period, answer "Monthly, not in advance";
 - Items 5(e) Payment Date and 5(l) Balance Due Date, answer "On Demand";
 - Item 5(j), Assignment of Rents: Select "No".

- Item 5(k) Place of Payment, state: "Postal Address in Item 4".

- (v) At Item 7, select "Yes".
- (vi) At Item 10, Additional or Modified Terms, insert the following: "SEE SCHEDULE"
- (vii) Download the Acknowledgement (Form 4178) from our legal documents web site and have it signed by the Mortgagor to acknowledge receipt of all documents.
- (viii) If the property is a strata lot, also register the Mortgagee's interest on a stratified parking stall by way of an inter alia Mortgage.

(c) Manitoba

(A) All Mandates

- (i) Download the Standard Charge Mortgage Terms from our legal documents web site;
- (ii) Obtain the form of mortgage that is regulated and approved by the Registrar General or District Registrar pursuant to the Real Property Act (Manitoba), as amended from time to time (the "Mortgage Form"), and complete it using the information from our Specific Instructions.
- (iii) In Box 5 of the Mortgage Form, select the Payable on Demand option and complete using the information from our Specific Instructions. Please refer to our Standard Charge Terms, available on our legal forms website, for the land titles number and name. For mortgages having a variable rate of interest, in the definition of "Prime Rate" in Box 5 of the Mortgage Form in the Prime Rate is defined as field of Box 5 of the Mortgage Form, insert "See Details in the Other Details field below". In the Other Details field under the Scheduled Payments option in Box 5 of the Mortgage Form insert the definition of Prime Rate found in section 1 of the Standard Charge Terms, available on our legal forms website.
- (iv) Referring to our Specific Instructions, if the document is titled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), using the information provided in our Specific Instructions and in our mutual client's signed RBC Homeline Plan Agreement, insert the following text under the Collateral Mortgage selection in the Other selection in the Additional Provisions section of Box 5 of the Mortgage Form: "This mortgage secures an RBC Homeline Plan. The name(s) of the "Customer" referred to in the set of standard mortgage terms that apply to this Mortgage is/are **[names Customers]**."
- (v) if the document is titled "Specific Instructions for Collateral Mortgages/Hypothecs except Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3916), using the "Customer Name" that appears in our Specific Instructions, under the Collateral mortgage selection in the Additional Provisions section of Box 5 of the Mortgage Form, insert the following: "This mortgage secures All Obligations. The name(s) of the "Customer" referred to in the set of standard mortgage terms that apply to this Mortgage is/are **[names Customers]**"
- (vi) For all mortgages, under the Other selection in the Additional Provisions section Box 5 of the Mortgage Form, insert the following: "This Mortgage secures the last dollars owed by the Mortgagor. The standard charge mortgage terms contain a revolving feature."

(d) Newfoundland and Labrador

- (i) Download the applicable Mortgage (either Fixed or Prime Rate) from our legal documents web site and complete it using the information in our Specific Instructions. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), you must use the Collateral Mortgage, Form 4162, and, in section 2 under the definition of "Customer Liabilities,, you should delete the "All Obligations" subsection and keep the "RBC Homeline Plan" subsection. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs, except Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3916), for Prime Rate mortgages you should keep the "All Obligations" subsection and delete the "RBC Homeline Plan" subsection under the definition of "Customer Liabilities".

- (ii) The *Family Law Act*, Newfoundland, provides for an automatic and immediate vesting of a one-half joint interest of a spouse in a matrimonial home. Accordingly, even if the Registry of Deeds discloses that title is in the name of one spouse only, both spouses must be the Mortgagors. If there is a written agreement between the spouses stating that property rights will follow the name stated in the Registry of Deeds, the non-owning spouse must sign as guarantor not as Mortgagor.

(e) North West Territories/Nunavut

- (i) Download the applicable Mortgage (either Fixed or Prime Rate) from our legal documents web site and complete it using the information in our Specific Instructions. If our Specific Instructions are entitled “Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan” (Form 3906), you must use the Collateral Mortgage, Form 4168 in NWT and Form 4169 in NUN and, in section 2 under the definition of “Customer Liabilities”, you should delete the “All Obligations” subsection and keep the “RBC Homeline Plan” subsection. If our Specific Instructions are entitled “Specific Instructions for Collateral Mortgages/Hypothecs, except Collateral Mortgages/Hypothecs securing RBC Homeline Plan” (Form 3916), for Prime Rate mortgages you should keep the “All Obligations” subsection and delete the “RBC Homeline Plan” subsection under the definition of “Customer Liabilities”.

(f) Nova Scotia

- (i) Download the applicable Mortgage (either Fixed or Prime Rate) from our legal documents web site and complete it using the information in our Specific Instructions. If our Specific Instructions are entitled “Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan” Form 3906), you must use the Collateral Mortgage, Form 4161, and, in section 2 under the definition of “Customer Liabilities”, you should delete the “All Obligations” subsection and keep the “RBC Homeline Plan” subsection. If our Specific Instructions are entitled “Specific Instructions for Collateral Mortgages/Hypothecs, except Collateral Mortgages/Hypothecs securing RBC Homeline Plan” (Form 3916), for Prime Rate mortgages you should keep the “All Obligations” subsection and delete the “RBC Homeline Plan” subsection under the definition of “Customer Liabilities”.
- (ii) Ensure that the parcel is registered and the mortgage recorded using forms and cover pages prescribed by Regulations under the *Land Registration Act*, N.S., where applicable.

(g) Ontario

(A) All Mandates

- (i) Obtain and prepare Form 2 or complete the registration of the mortgage electronically (“E-Reg mortgage”). In the case of an E-Reg mortgage, you are authorized to complete, submit and deliver it for registration on our behalf.
- (ii) Download the Standard Charge Terms (SCT) from our legal documents web site and insert the SCT Number in Form 2 or in the E-Reg mortgage.
 - (i) Download the applicable rate Schedule Form 5 (Form 3926 for Fixed Rate or Form 3952 for Prime Rate) from our legal documents web site and complete it using the information in our Specific Instructions. If our Specific Instructions are entitled “Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan” (Form 3906), you should delete the “All Obligations” paragraph and keep the “RBC Homeline Plan” paragraph under the definition of “Customer Liabilities”. For all other Prime Rate collateral mortgages you should keep the “All Obligations” paragraph and delete the “RBC Homeline Plan” under the definition of “Customer Liabilities”.
- (iii) **A Schedule Form 5 must be completed and submitted as part of each E-Reg mortgage. If you fail to attach and submit the required Schedule, we will require you to rectify the error at no cost to either us or the Mortgagor.**

- (iv) For all E-Reg mortgages, the Chargor(s) and his/her spouse must execute an Authorization and Direction, generated by the electronic registration system authorizing the registration of an E-Reg mortgage on the terms set out in the Specific Instructions.
- (v) A copy of the computer print out confirming the registration of the E-Reg mortgage should be included with your report.

(B) Additional Instructions for Electronic Mandates Transmitted through the Platform

- (i) Clause 3(g)(A)(v) above does not apply. However, you must ensure that the registration number of the mortgage is immediately entered on the Platform.

(h) Prince Edward Island

- (i) Download the applicable Mortgage (either Fixed or Prime Rate) from our legal documents web site and complete it using the information in our Specific Instructions. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), you must use the Collateral Mortgage, Form 4163, and, in section 2 under the definition of "Customer Liabilities", you should delete the "All Obligations" subsection and keep the "RBC Homeline Plan" subsection. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs, except Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3916), for Prime Rate mortgages you should keep the "All Obligations" subsection and delete the "RBC Homeline Plan" subsection under the definition of "Customer Liabilities".

(i) Saskatchewan

- (i) Download the applicable Mortgage (either Fixed or Prime Rate) from our legal documents web site and complete it using the information in the Specific Instructions. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), you must use the Collateral Mortgage, Form 4167, and, in section 2 under the definition of "Customer Liabilities", you should delete the "All Obligations" subsection and keep the "RBC Homeline Plan" subsection. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs, except Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3916), for Prime Rate mortgages you should keep the "All Obligations" subsection and delete the "RBC Homeline Plan" subsection under the definition of "Customer Liabilities".
- (i) For any mortgage being registered pursuant to the LAND System in Saskatchewan, you must insert the following client number – **102218958**.
- (ii) For mortgages registered using the LAND System, a copy of the executed mortgage must be scanned into your computer system and attached to the Application for Interest Registration.
- (iii) Ascertain through discussions with the Mortgagor whether the Home Quarter protection provisions of the *Saskatchewan Farm Security Act* could apply. If so, obtain the necessary exclusion order.

(j) Yukon

- (i) Download the applicable Mortgage (either Fixed or Prime Rate) from our legal documents web site and complete it using the information in our Specific Instructions. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3906), you must use the Collateral Mortgage, Form 4170, and, in section 2 under the definition of "Customer Liabilities", you should delete the "All Obligations" subsection and keep the "RBC Homeline Plan" subsection. If our Specific Instructions are entitled "Specific Instructions for Collateral Mortgages/Hypothecs, except Collateral Mortgages/Hypothecs securing RBC Homeline Plan" (Form 3916), for Prime Rate mortgages you should keep the "All Obligations" subsection and delete the "RBC Homeline Plan" subsection under the definition of "Customer Liabilities".

4. SURVEY / ZONING

Survey

Obtain a current Survey/Surveyor's Certificate/Real Property Report/Location Certificate (the "survey") prepared by a qualified land surveyor showing the location of the existing building(s) and showing that these buildings are contained entirely within the limits of the land and that there are no encroachments on the land from adjoining properties. If an up-to-date survey is not available, we will accept the existing survey provided that the Mortgagor signs a statutory declaration stating that there have been no additions or improvements to the property since the date of the survey. You are to review the survey to confirm that there are no encroachments to or from the property and that all improvements situated on the property are located within the lot lines. You are also to confirm that the improvements comply with applicable by-laws relating to lot line, frontage and setback requirements and advise as to the zoning of the property. A copy of the survey is not required by the Mortgagee. Alternatively, a title insurance policy will be accepted in lieu of a survey. A survey is not required for condominium properties or for Protocol transactions.

(a) Zoning

Where possible obtain a letter from the appropriate municipal officer stating the buildings comply with all applicable building or zoning requirements. A copy of this document is not required by the Mortgagee. If a title insurance policy is obtained a letter is not required. This letter need not be obtained for Protocol transactions.

(b) Special Instructions on Subdivision of Land or Land-Use Planning

If applicable, obtain confirmation from the Mortgagor that the Mortgage is given in compliance with any statute or regulation relating to the subdivision of land or land use planning.

5. INSURANCE

Obtain evidence of insurance. For all insurance policies ensure that the policy contains the Insurance Bureau of Canada standard mortgage clause with the Mortgagee being first loss payee. For strata properties in B.C. the Mortgagee need not be added as a first loss payee. If the property is held "in trust", ensure that the policy lists the registered and beneficial owners of the property as co-insured. Do not provide a copy of the policy to the Mortgagee.

(a) For Homeowner insurance: Ensure there is a Broad Form or Comprehensive Form Package for at least the amount of the Mortgage or the replacement cost of the buildings, whichever is the lesser, with loss payable to the Mortgagee. If this is a mortgage of bare land, no insurance is required.

(b) For Condominium/Strata Corporation insurance: Ensure there is a Broad Form or Comprehensive Form Condominium/Strata Corporation Master Insurance Policy providing for the full replacement cost of the Condominium/Strata Corporation buildings, structures and all common elements.

For Condominium/Strata Unit insurance: Ensure there is a Broad Form or Comprehensive Form Condominium Unit Owner Package Policy covering the full replacement cost of improvements and betterments made to the unit by the owner of the unit.

6. WATER POTABILITY AND SEPTIC SYSTEMS

If the subject property is not connected to municipal services, you must obtain confirmation from the appropriate authority that the water is safe for human consumption. RBC will not review this confirmation. In lieu of confirmation from the appropriate authority, a title insurance policy that covers loss arising from water potability issues may be obtained.

Applicable only to properties not serviced by municipal sewage systems: If the funds will be used to construct a dwelling or to purchase a newly constructed dwelling, obtain a certificate or letter from a municipality or other regulatory authority regarding the installation and/or use of a septic system in accordance with relevant standards.

If the funds will be secured by a mortgage on a previously occupied dwelling, we require either such a certificate or letter, or confirmation from the Mortgagor(s) that to the best of their knowledge the septic system is operating satisfactorily. The confirmation from the Mortgagor(s) may be given by way of statutory declaration or other evidence satisfactory to you. For refinancing transactions, we require a certificate, a statutory declaration, or a septic system endorsement from a title insurer approved by us. The certificates and confirmations are to be retained in your file.

7. CONDOMINIUM/STRATA UNITS

If the property is a condominium/strata unit, obtain an estoppel /status /information /disclosure certificate. Retain the certificate in your file.

8. PREDISBURSEMENT CONDITIONS FOR ADVANCES – RBC Homeline Plan only

The following conditions apply to mortgages that secure loans under an RBC Homeline Plan only. Funds should not be disbursed until:

- (a) You are satisfied that the matters referred to in the Specific Instructions, these and any additional instructions applicable to the transaction are completed.
- (b) No construction liens are registered at the time of the advance.
- (c) The RBC Homeline Plan Agreement (Form 243) has been signed by all borrowers and returned to us at the address shown in section 17.
- (d) If this is a purchase transaction and the property is a newly constructed home, you have obtained the following certificate. (The certificate is to be retained in your file. We do not require a copy of the certificate.)
 - (i) in Alberta - a certificate of possession, and warranty certificate or other document which provides evidence of the warranty under the New Home Buyer Protection Act, Alberta.
 - (ii) in B.C. - a completion certificate from a third party new home warranty provider complying with the Homeowner Protection Act, B.C.;
 - (iii) in Manitoba - a possession certificate and a new home warranty certificate provided in accordance with The New Home Warranty Act, Manitoba;
 - (iv) in Ontario - a Tarion Warranty Corporation certificate of completion and possession;
 - (v) in Newfoundland & Labrador, Nova Scotia and Prince Edward Island - a certificate of completion and possession from one of the following third party new home warranty providers: Atlantic Home Warranty Program; Lux Residential Warranty Program; Progressive New Home Warranty Program (Echelon General Insurance Company);
 - (vi) in Saskatchewan - a certificate of completion and possession from one of the following third party new home warranty providers: Progressive New Home Warranty Program (Echelon General Insurance Company); National Home Warranty Program Ltd.; New Home Warranty Program of Saskatchewan; Blanket Home Warranty Ltd.;
 - (vii) in Northwest Territories, Yukon and Nunavut - an inspection by an appraiser confirming the construction is 100% complete.
- (e) For electronic mandates, please see the section entitled "Additional Instructions for Electronic Mandates Transmitted through Assyst Real Estate."

9. DISBURSEMENT OF FUNDS

(a) Applicable to RBC Homeline Plan Mortgages only:

(i) Advance in the form of credit to your trust account – If funds are required, you are to download from our legal documents web site an RBC Homeline Plan Request for Funds (Form 3958), prepare and fax it to the Personal Service Centre at the number in clause 17, at least 3 days before the funds are required.

We will advise you by fax when we have arranged for the loan proceeds to be credited to your trust account. Please verify that the information contained in this fax is correct. The amount deposited bears interest from the day of the deposit. The amount will be credited to your trust account on the express condition that it not be disbursed except in accordance with the Specific Instructions; these and any additional instructions applicable to the transaction and you are satisfied that all matters referred to herein and therein (other than forwarding final documents) are completed.

(ii) Advance in the form of Cheque – If the funds are required in less than 3 days notice contact the Personal Service Centre at the phone number indicated in section 17, or complete the RBC Homeline Plan Request for Funds (Form 3958) by indicating that you will pick up a cheque at your branch. If there are two cheques, one constitutes the proceeds of the RBC Homeline Plan and the second, if applicable, represents an incentive amount as disclosed in the RBC Homeline Plan Agreement. Prior to depositing the cheque(s) into your trust account, you must comply with all instructions in this document relating to pre-disbursement conditions. The cheque(s) must not be deposited into your trust account until all pre-disbursement conditions have been met.

When you negotiate the cheque(s), we will consider the funds to have been advanced in accordance with the Specific Instructions; these and any additional instructions applicable to the transaction and interest will accrue upon the funds advanced. **You may not negotiate any cheque(s) in excess of 5 business days after the commitment or advance date and the cheque(s) must be returned to the Personal Service Centre or delivered to the nearest RBC Royal Bank branch immediately, unless you receive instructions to the contrary from the Mortgagee.**

(iii) Additional funds – To request additional funds, you are to download from our legal documents web site an RBC Homeline Plan Request for Funds (Form 3958), prepare and fax it to the Personal Service Centre at least 3 days before the funds are required.

(iv) Change in closing date – If the closing date is extended beyond the commitment or advance date noted in the Agreement(s), you must advise the Customer(s) to contact the Personal Banker or Mortgage Specialist immediately. If the closing date cannot be met at the last minute, please note that **the Mortgagee will honour the rate commitment for up to 5 business days from the commitment or advance date.** If the closing date changes or if at any time the Customer(s) indicate(s) that they do not intend to proceed with the transaction

(a) if you have already faxed the Request for Funds to us - notify the Personal Service Centre at least 24 hours prior to the original closing date; or

(b) if the funds have already been disbursed - the Personal Service Centre must receive a cheque refunding the funds within 5 business days, otherwise per diem interest will be payable. You may also deliver a cheque to the nearest RBC Royal Bank branch.

(v) Activation of other loan segments – For the Customer to activate other loan segments, complete the RBC Homeline Plan – Notice of Registration (Form 3958) confirming registration of the Mortgage (or acceptance for registration in Protocol provinces) and fax it to the Personal Service Centre at the number in clause 17.

(b) Applicable to all Collateral Mortgages, except collateral mortgages securing RBC Homeline Plan:

(i) Disbursement of funds - Ensure that you complete the Notice of Registration confirming registration of the Mortgage (or acceptance for registration in Protocol provinces) and requesting advancement of the funds to the Customer. Please fax it to the Customer's branch.

(c) Applicable to all Collateral Mortgages, including RBC Homeline Plan:

(i) Deductions from the Advance – Mortgage default insurance premiums. If the mortgage is insured by a mortgage default insurer, the mortgage default insurance premium, application fee, and any applicable sales and service taxes will be deducted from the advance. The amount of the deduction appears in the Agreement(s). No deduction is taken from the advance of a refinanced Mortgage and should be paid by you from the funds received. Please see any special conditions in the Agreement(s) for any exceptions to the above.

(ii) Payment of taxes and liens. Any realty taxes or other charges or levies constituting a lien upon the property, which have or will become due and payable on or before the date of the advance and are unpaid at the date of any advance must be paid from the proceeds of the advance.

10. LEASEHOLD PROPERTY

If this is a leasehold mortgage on First Nations land, please see our legal documents web site for alternative instructions. If this is a leasehold mortgage on non-First Nations land, obtain a copy and review the lease to confirm that the remaining term of the lease exceeds the amortization period of the Mortgage. If this is a Residential Mortgage, the remaining term of the lease must exceed the amortization period by 5 years. If this is a Collateral Mortgage or Homeline Plan, the remaining term of the lease must be 35 years or greater. You must also advise the Mortgagee of the amount of the rental payments. Obtain all necessary consents of the landlord and its acknowledgment that the lease is in good standing.

If the property to be charged is a unit within a life lease development, a notice of the life lease interest must be registered on the title prior to the registration of the Mortgage. Since this is a mortgage of a leasehold interest, ensure the Mortgage indicates the leasehold interest and that it is being mortgaged by the Mortgagor(s). In lieu of your opinion regarding title and priority, you must obtain a lenders' title insurance policy with a life lease endorsement.

11. CORPORATION AS MORTGAGOR

If a corporation owns the property, obtain appropriate certificates confirming the existence and good standing of the corporation and confirm that it is qualified to own the property and to pledge the real property of the corporation to secure its debts and obligations. We require your opinion as to the due authorization, execution and delivery of the Mortgage and, if applicable, an opinion as to compliance of the Mortgage or guarantee, with the financial assistance provisions of the incorporating statute governing the Mortgagor. Confirm the identity of each signing officer, by obtaining at a minimum one piece of photographic identification with signature. Make a photocopy of them for your file.

If our specific instructions indicate the Mortgagor(s) Name(s) is a corporation, please review the corporate records to confirm all shareholders are listed as guarantors. If there are additional shareholders, contact the Mortgagee immediately at the phone number indicated in clause 17.

12. INVESTOR MORTGAGE

If the Mortgage is an Investor Mortgage, the Mortgagee acknowledges that the Investor Mortgage was approved with the understanding that the property is either currently rented or will be rented to a tenant. The Mortgagee consents to the use of the property for rental purposes and waives its right to treat the renting of the property to a tenant as a default under the Mortgage.

13. PROPERTY HELD "IN TRUST"

You will know if the property is held "in trust", by the use of those words next to the Mortgagor's name in our Specific Instructions. If the words "in trust" or "trustee for" are not used in connection with the Mortgagor's name and the property is held in trust, contact the Mortgagee immediately at the telephone number indicated in clause 17.

For all provinces and territories:

If the trustee acts on the direction of the beneficial owner(s), the trustee and the beneficial owner(s) must execute a Trustee and Beneficial Owner Agreement (Form 3946). Pursuant to the agreement, the beneficial owner(s) will mortgage the beneficial interest in the subject property. Form 3946 is available on our legal documents web site. If the mortgaged property is owned by a true trust under which the trustees act independently, a Trustee and Beneficial Owner Agreement is not required. However, you will be required to provide your opinion as to the due authorization, execution and delivery of the Mortgage by the trustee(s).

14. MORTGAGE EXECUTED UNDER A POWER OF ATTORNEY OR PROPERTY BEING PURCHASED UNDER A POWER OF ATTORNEY

If our Specific Instructions indicate the Mortgage will be executed under a power of attorney:

- (a) Confirm the identity of the attorney, as required by applicable law or your professional body. You must obtain at a minimum one piece of photographic identification with signature. Make a photocopy of it for your file and do not include a copy with your report.
- (b) Review the power of attorney and determine if, regardless of where it is executed, the power of attorney is valid for the purpose of granting the Mortgage and the Mortgage is duly authorized under the power of attorney.
- (c) Review the power of attorney to determine if there are any restrictions or limitations that may adversely impact the validity or enforceability of the Mortgage or otherwise limit the Mortgagee's ability to recover the mortgage funds. If there are any such restrictions or limitations, please contact us immediately.
- (d) For all mortgages executed under a power of attorney, a lender's title insurance policy issued by an approved title insurer mentioned above, must be obtained.

If our Specific Instructions do not refer to the Mortgage being executed under a power of attorney and the Mortgage will be executed under a power of attorney, contact us immediately at the number indicated in clause 17 to receive further instructions.

Ontario only:

If the proceeds of the Mortgage will be used to finance the purchase of the property and the transfer/deed will be executed under a power of attorney, you must complete the following additional due diligence:

- (e) Obtain and review the power of attorney and determine if, regardless of where it is executed, the power of attorney is valid for the purpose of transferring the property to the Mortgagee.
- (f) Obtain written confirmation from the vendor's solicitor that the power of attorney has not been revoked, the donor of the power of attorney is not deceased and that the vendor's solicitor has confirmed the identity of the attorney and the donor.
- (g) a lender's title insurance policy issued by an approved title insurer mentioned above, must be obtained.

15. INTEREST RATE BUYDOWN BY VENDOR OR OTHER THIRD PARTY (Excludes Builder Buydowns) – Applicable only to mortgage loan segments under RBC Homeline Plan mortgages

An interest rate buydown is an amount paid to a borrower under a RBC Homeline Plan Agreement to "buy down" or reduce the interest rate for the term of one or more mortgage loan segments. If the Special Conditions section our Specific Instructions indicate an interest rate buydown has been arranged for one or more mortgage loan segments:

- a) Obtain the Letter of Direction (Form 4942) from our legal documents website and complete same based on the information contained in the Special Conditions section.

- b) By signing the Letter of Direction the borrower(s) agree that the amount of the interest rate buydown will be deducted from the mortgage loan segment(s) proceeds which will impact the funds the Mortgagor(s) must provide for closing.
- c) The signed Letter of Direction must be delivered to us either prior to or with the request for mortgage funds.

16. FAMILY LAW PROVISIONS

You are to make sure that the Mortgage contains any statements required under the applicable marital property or matrimonial home legislation and that any required spousal/domestic partner consent to the Mortgage is properly given.

17. INQUIRIES AND CORRESPONDENCE

All inquiries relating to the mortgage, the disbursement of funds and other matters specified in these instructions, should be made by telephone to our Personal Service Centres at 1-844-418-9436.

If you need to fax documents to the Personal Service Centres, the Fax Numbers are:

For RBC Homeline Plan mortgages in:

All provinces and territories: 1-866-363-3356

For all other collateral mortgages in:

Atlantic Provinces and Ontario: 1-866-812-7828

All provinces and territories: 1-888-410-3956

When calling or corresponding, please quote the SRF number indicated in the Specific Instructions.

18. COPIES OF THE MORTGAGE DOCUMENTS

If this Mortgage secures a loan under an RBC Homeline Plan Agreement, the Agreement will have been signed at the branch, unless you have been told otherwise in the Specific Instructions.

If you are in a province where standard charge/mortgage terms or optional mortgage covenants are used, the Mortgagor(s) must be given a copy of the applicable terms or covenants before executing the Mortgage, and they must acknowledge receipt of the document, where required.

19. NOTICE OF CONSENT

We consent to your acting on behalf of the Customer(s), Mortgagor(s) and/or Guarantor(s) in connection with the Mortgage. We understand that you are obliged to raise all issues, which may be of importance to us or to the Customer(s), Mortgagor(s) and/or Guarantor(s), and to explain the legal effect of such issues to each party that may be affected by the issue. We also understand that any information received in connection with this matter from us or from the Customer(s), Mortgagor(s) and/or Guarantor(s) cannot be treated as confidential so far as the other party is concerned and if a conflict of interest arises between us and the Customer(s), Mortgagor(s) and/or Guarantor(s) which cannot be resolved, you will thereafter be unable to act for either party regarding this matter.

20. FINAL REPORT AND SUPPORTING DOCUMENTS

You will forward the original Mortgage and other supporting documentation to the Personal Service Centre within six (6) weeks of the registration of the Mortgage. If you are unable to provide the final documentation within this time frame, please advise our office in writing by fax as to the delay. Should you have any questions or require

clarification of these instructions, please notify our office at the numbers in clause 17 above.

For electronic mandates, please see the section entitled "Additional Instructions for Electronic Mandates Transmitted through Assyst Real Estate."

The documents required are:

- (a) Duplicate Registered Mortgage or confirmation of registration (electronic registration);
- (b) Guarantee (Fixed Rate Form 3936 and Prime Rate Form 3937)
- (c) Report on Title and Security (Form 4177, including a corporate or trust opinion, if applicable). If a title insurance policy is obtained, do not complete the title opinion section of the Report. Complete Title Insurance box;
- (d) Report on Title and Security Update (Form 3938);
- (e) Acknowledgement of receipt of Standard Mortgage/Charge Terms (where applicable);
- (f) Landlord's consent if this is a leasehold mortgage and consent to assignment is required by the terms of the lease, as well as a copy of the lease and any amendments to it;
- (g) Please provide the following, if applicable:

Manitoba – Certified Status of Title;

Nova Scotia – a Statement of Registered and Recorded Interest (Registrar Certified);

Saskatchewan – copy of title as downloaded from Information Services Corporation;

Yukon – certified copy of Title

- (i) Other province/territorial specific documents.

21. WHERE TO OBTAIN THE FORMS

Most forms are available on our legal documents web site at www.rbcroyalbank.com/legalforms and are to be downloaded and completed by you. If this is an electronic mandate transmitted through Assyst Real Estate, our legal documents are provided directly to you on the Platform.

The following forms are not on our legal documents web site and must be obtained by you independently:

- (a) B.C. Form B Mortgage - Part 1 and Form E Schedule (if applicable);
- (b) Manitoba form of mortgage that is regulated and approved by the Registrar General or District Registrar pursuant to the Real Property Act (Manitoba), as amended from time to time, and Schedule Form 16 (if applicable);
- (c) Ontario Form 2.

Attachment 1- Information for Completion of
British Columbia Form E Schedule

LAND TITLE ACT
FORM E
SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM

5. Payment Provisions

1) Principal Amount

The parties agree that this Mortgage will secure an amount up to **[\$insert principal amount]** (the “**Principal Amount**”) (together with interest and compound interest at the Interest Rate and our Costs). This Mortgage will not secure any amount of the aggregate principal part of the Customer Liabilities that exceeds this amount.

2) Interest Rate

You promise to pay us, on demand, the Customer Liabilities not to exceed the Principal Amount, together with interest on the amount demanded at a rate equal to the Prime Rate per annum in effect from time to time, **[plus/minus] [insert interest rate] per cent ([insert interest rate]%)** per annum (the “**Interest Rate**”). This interest will be calculated monthly, not in advance and is payable on demand, before and after Default and judgment. Interest will be charged on overdue interest at the Interest Rate.

10. Additional or Modified Terms

All words that are capitalized in this Schedule shall have the same defined meanings as are ascribed to such words in the Filed Standard Mortgage Terms referred to in Item 9 of the attached Mortgage – Part 1 (Land Title Act) Form B.

This Mortgage

- (1) You have agreed to grant this Mortgage of your Property as a continuing security for payment of all the Customer Liabilities.

Recitals:

- (a) We are lending money or providing other forms of credit (either now or in the future) to **[insert name(s) of Customer(s)]** who is referred to in this Schedule and the Filed Standard Mortgage Terms as the “Customer”. If more than one person is the Customer, the term “Customer” refers to all such persons.
- (b) In this document, we use the word “you” to describe the person who has signed, authorized or promised to be bound by this Mortgage. If more than one person has signed, authorized or promised to be bound by this Mortgage, then all of those persons will be jointly and severally liable to comply with all Promises under this Mortgage.
- (c) In this document, we use the word “we” or “us” to describe the financial institution lending money or providing other forms of credit to the Customer, which is the same as the mortgagee under this Mortgage.

- (d) **[NOTE: Delete the inapplicable paragraph and keep only the “All Obligations” or the “RBC Homeline Plan” paragraph (as applicable)]**

All Obligations

The term “**Customer Liabilities**” means all debts and other obligations the Customer owes to us (either now or in the future), including:

- (i) all the Customer’s debts and obligations, whether the debts are owing now or in the future, whether the debts are absolute or contingent, and whether they are due now or at some time in the future;
- (ii) any extensions, supplements, renewals or amendments of the debts or obligations;
- (iii) debts and obligations incurred or arising inside Canada or anywhere else;
- (iv) debts and obligations incurred with others; and
- (v) obligations the Customer incurred either as a principal debtor or as a guarantor or surety.

OR

RBC Homeline Plan

The term “**Customer Liabilities**” means all of the Customer’s debts and obligations under any current or future RBC Homeline Plan Agreement which by its terms is, or is to be, secured by the Mortgage and under any agreement entered into pursuant to any such RBC Homeline Plan Agreement, whether owing now or in the future, whether such debts or obligations are absolute or contingent, and whether they are due now or at some time in the future; and any extensions, supplements, renewals, amendments, restatements or replacements of such debts or obligations that you have agreed in writing in the Mortgage, and that you and the Customer have agreed in writing in an RBC Homeline Plan Agreement, or under any agreement entered into pursuant to an RBC Homeline Plan Agreement, will be secured by the Mortgage.

- (e) If the Customer Liabilities are reduced, or increased, or paid off, and then incurred again, the Customer Liabilities include all of those liabilities, up to the Principal Amount.
- (f) Unless otherwise defined, any capitalized terms mean the same as they do in the set of Filed Standard Mortgage Terms that apply to this Mortgage.