


**Notice of Mortgage Renewal and Disclosure Statement**

<u>Synergy Credit Union Ltd</u> (the "Credit Union")	Mortgage Loan # <u>800201447614</u>
To: Borrower/Mortgagor(s):	Maturity Date <u>July 23, 2016</u>
<u>TRICIA D MCDONALD (131)</u> Name	_____ Name
_____ Name	_____ Name
_____ Address	_____ Guarantor(s):
	_____
_____	_____ Co-covenantor(s):
_____	_____

**This Notice of Mortgage Renewal and Disclosure Statement sets out the terms for the renewal of your mortgage loan and the associated cost of borrowing. Please keep a copy of this document for future reference.**

The term of your mortgage loan expires on the Maturity Date and at that time your loan will be payable in full. However, the Credit Union is prepared to renew your loan for a further term on the terms and conditions contained in this Notice

The renewal terms are included as a Schedule with this Notice. Where more than one option is offered, each option is identified on a separate Schedule for you to choose one. If you wish to renew your mortgage on these terms, please return one copy to the Credit Union by the Maturity Date with your choice of renewal option selected. All mortgagors and any co-covenantors or guarantors must sign where indicated.

- EFFECTIVE DATE OF RENEWAL:** July 23, 2016
- OUTSTANDING BALANCE AT RENEWAL:** \$ 174,051.25 (principal and interest)  
The Outstanding Balance at Renewal assumes all scheduled payments are made up to and including the Maturity Date. If all payments are not made the Outstanding Balance at Renewal will change and the Credit Union may refuse to renew your mortgage loan
- FEES AND CHARGES:**  
You are responsible for paying all fees and charges payable in connection with the renewal. By law only certain fees and charges are included in the Total of Cost of Credit and APR

Fees and Charges	Amount	Included in Total Cost of Credit and APR	Financed Amount
Credit Union Admin. / Renewal Fee			
Credit Union Skip A Payment Fee			
Credit Union Discharge Fee			
Credit Union Assignment Fee	\$ 250.00		
Other			
<b>Total Fees</b>		\$ -	\$ -

Credit Union fee amounts indicated are effective as of the date of disclosure and are subject to change at any time

- TERM OF THE RENEWAL AND AMORTIZATION:**  
The term is the period between the effective date of renewal and the date when full payment of the loan is due. Where the loan is on demand there is no fixed term for the loan.  
  
The term for the renewal may be different depending upon the Option selected. The applicable term is specified in each Option.  
  
Amortization is the time it would take to pay off your loan in full, based on the regular payments and the initial interest rate set out in this Statement

5. **INTEREST RATE:**

Each Option identifies an applicable annual interest rate. The interest rate is either fixed or floating. When the interest is fixed it stays constant for the term of the renewal chosen. When it is floating it varies according to changes in the Credit Union Prime Rate.

"Credit Union Prime Rate" means the floating annual rate of interest established from time to time by the Credit Union as the base rate it will use to determine rates of interest on its Canadian Dollar loans which are payable at Credit Union Prime Rate. A change in the Credit Union Prime Rate will change the interest on your loan in the same manner.

Interest continues to accrue daily on the outstanding balance of the loan.

If a payment is skipped, missed or late, unpaid interest may be added to the principal amount of the loan and interest will be charged on the total amount at this rate of interest.

6. **PAYMENTS:**

For Fixed Term renewals with scheduled payments the loan is being repaid by the fixed installments of principal and interest until the end of the term selected.

For Demand renewals the principal amount of the loan and any accrued interest is due at any time upon the demand of the Credit Union. Where the renewal is specified as Demand with suggested payments you will be required to make payments of principal and interest or interest only until Demand or the date specified in the credit agreement.

As between interest and principal, payments will be applied first to interest and second to principal.

You may be required to make payments into a tax account as part of your regular payments. If there is a change to the amount of the taxes your payment may change. Payments into the tax account are not included when calculating the Total Cost of Credit and APR. If you are on a balance method of tax payments the payments will be applied to reduce the outstanding balance of the loan as and when received. When taxes are due the Credit Union will make an advance under the mortgage to pay the applicable taxes and add the advance to the outstanding balance of the loan.

7. **TOTAL OF ALL PAYMENTS:**

The total of all payments is the total amount of all principal and interest payments for the term plus any payments for fees, charges or insurance which are included in the Total Cost of Credit. For Floating Rate loans the total of all payments is an estimate based on the initial interest rate.

8. **TOTAL COST OF CREDIT:**

Total Cost of Credit is the difference between advances made to you or on your behalf and the Total of All Payments made by you. It takes into account interest and any fees and charges that are to be included in the Total Cost of Credit for the Term less any cash back amount and Fees and Charges Paid By the Credit Union. Where your loan does not have scheduled principal payments, the Total Cost of Credit calculation assumes the principal is repaid by one single payment one year after the Effective Date. Where your loan is payable on demand with suggested payments until a date specified in the credit agreement, that date is considered the end of the term for the purpose of calculating the Total Cost of Credit.

9. **APR:**

The APR is the Total Cost of Credit expressed as an annual percentage.

10. **PREPAYMENT CONDITIONS AND CHARGES:**

Each Option indicates whether the term is Open or Closed.

If it is Open you are entitled to prepay your entire loan at any time during the term without additional charge or penalty. You may make a partial prepayment without penalty on any scheduled payment date or at least monthly.

If it is Closed then when your loan is not in default you may prepay all or part of your loan before the end of the term upon the terms and conditions set out in the schedule.

11. **SKIP A PAYMENT (complete if applicable)**

So long as you meet any qualifying and notice requirements as specified by the Credit Union you may be allowed to skip a regular payment on your loan. The unpaid amount resulting from the skipped payment will be handled as follows:

N/A

12. **ELECTRONIC STATEMENTS (complete if applicable)**

You request the Credit Union deliver and You consent to receive, periodic statements relating to Your loans electronically, via internet banking only, in which case You understand and agree that statements will be accessible via internet banking only.

13. **OTHER TERMS AND CONDITIONS FOR THE RENEWAL:**

(a) Any renewal fees are due upon the renewal of your mortgage.

(b) All terms of the Mortgage continue to apply except those that are changed by this Notice. This Agreement is a mortgage extension agreement only and not a new Mortgage or a substitution or novation to the Mortgage.

(c) The nominal rate method of interest calculation applies to your mortgage loan, meaning the Credit Union is not deemed to reinvest any interest that it receives from time to time to reduce the applicable interest rate under your Mortgage.

(d) Where you choose a floating rate of interest the Credit Union may adjust your payments, including any automatic debits, on notice to you to reflect any changes in the Credit Union Prime Rate of interest from time to time.

(e) Should the Mortgage rate decline at the Maturity Date, you will be given the benefit of the lower rate so long as this Agreement is signed and returned to us by the Maturity Date. In that event, we will advise you of the change in payments because of the decline in the interest rate applicable. A revised Notice of Mortgage Renewal and Disclosure Statement will be sent to you with the new payment terms.

- (f) If this Agreement is not returned to our office by the Effective Date of Renewal or is returned with no option selected, your loan will become immediately due and payable in full. However, if you have previously agreed, the Credit Union may, at its option, extend the loan for an equivalent term to the term that most recently expired at the current rate of interest applicable to such term and all other terms of the loan and mortgage will continue to apply except those that are changed by this Notice. In the event the Credit Union elects to extend the term as allowed in this provision, the renewal terms are those indicated in Option \_\_\_\_\_
- (g) If upon the expiry of the new Maturity Date of this or any future renewal you do not sign a further renewal agreement with the Credit Union you agree the Credit Union may, at its option extend the term of your loan a further term equivalent to the term that most recently expired at the current rate of interest applicable to such term. The Credit union will advise you of the rate, term and payment amount
- (h) This Agreement should be read with the original Mortgage and is treated as part of the Mortgage. Where terms are changed by this Notice, the Mortgage is considered to be amended as per those terms. For the purposes of section 10 of the Interest Act the date of the Mortgage shall be deemed to be the Effective Date of Renewal
- (i) Nothing in this Notice is intended to create any merger or discharge or release the Mortgage or alter or affect the rights of the Credit Union against any guarantor or co-covenantor or against anyone claiming an interest in the mortgaged land.
- (j) Any default and payment as agreed in the Option selected under this Agreement is deemed to be a default under the Mortgage. Upon such default, at the option of the Credit Union, the entire loan is immediately due and payable
- (k) You agree the Credit Union may debit any of your accounts for the Mortgage payment and every payment is your ongoing acknowledgement of the Mortgage debt
- (l) This Notice is binding on the Mortgagor, and any co-covenantor or guarantor, and each of their executors, administrators, successors in title and assigns and will continue for the benefit of the Credit Union and the Credit Union's successors and assigns
- (m) This Notice is intended to be written in a plain language easy-read format. When words or expressions of a general nature are used, it is intended that they be comprehensive, unless the context clearly dictates otherwise.

**14. YOUR SIGNATURE:**

Your signature on this Notice means

- (a) You agree to the terms and conditions for renewal,
- (b) You have received notice of the cost of borrowing;
- (c) You know the term and cost of borrowing for the Option selected
- (d) You know the term and cost of borrowing for the Option selected,
- (e) Where there is more than one Borrower on your mortgage loan, you consent and agree to the Credit Union delivering future statements, notices or other documents required to be delivered in relation to this mortgage loan to only one Borrower

**15. QUESTIONS:**

If you have any questions about this Notice or any of the Options offered you may contact the Credit Union during ordinary business hours by calling 1-306-825-3301 or 1-866-825-3301. Any changes to this phone number will be set out in your monthly statement of account.

**16. PRIVACY:**

Credit Union and Privacy legislation restrict the use of personal, financial or credit information (Information) without consent. To obtain details about Credit Union policies and procedures for protecting privacy of information and customer rights please contact the Credit Union, Attention: Privacy Officer.

\_\_\_\_\_  
TRICIA D MCDONALD (131)

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ACKNOWLEDGEMENT OF CO-COVENANTOR(S)**

I have reviewed this Notice of Mortgage Renewal and Disclosure Statement and the Option selected and acknowledge my liability as Co-covenantor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**ACKNOWLEDGEMENT OF GUARANTOR(S)**

I have reviewed this Notice of Mortgage Renewal and Disclosure Statement and the Option selected and acknowledge my liability as Guarantor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

Schedule of Renewal Options

SUMMARY OF RENEWAL INFORMATION:

Mortgage Loan Number: 800201447614  
Branch Number: 165

**Mortgage Type:**  
Open

**Interest Rate (all rates indicated are per annum):**  
Fixed Interest Rate: 6.300%

**Term:**  
Fixed Term

Term: 12 months Amortization: 372 months

**New Maturity Date** July 23, 2017

**Payments:**

25 bi-weekly payments of \$ 491.64  
1 payment of \$ 172,669.35

**Total of All Payments:**

Principal and Interest: \$ 184,960.35  
Total of All Payments: \$ 184,960.35

**Total Cost of Credit:**

Interest: \$ 10,909.10  
Total Cost of Credit: \$ 10,909.10  
APR (Annual Percentage Rate): 6.300%

I / We choose this Option

\_\_\_\_\_  
(Initials)

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## **SCHEDULE "A"**

### **Prepayment Schedule – Open Mortgage**

The Mortgagor(s) shall have the privilege of at any time paying any sum in addition to the sums payable hereunder, on account or in full of the mortgage and interest, without notice of bonus, and in that event, interest on such amount so paid shall be computed only to such date of payment.

***Notwithstanding any partial prepayments, the mortgagor(s) shall continue to make all prescribed payments in accordance with the terms of this mortgage or of any collateral promissory note or any extensions or renewals thereof, without deduction, until all monies hereby secured have been fully repaid.***

Loren F. Politeski, Q.C.  
Myron I. Strilchuk  
Derek G. Milen (Retired)  
Scott A. Politeski  
Mel D. Wells

**Politeski Strilchuk Milen**  
**L A W Y E R S**

Todd R. Kirkpatrick  
Harvey J. Neufeld  
Jeffrey D. Kerr  
Meaghan C. LaRose  
Kulashree Gowder\*

Our File No.: 21756-49 JKPC

August 3, 2016

**Robertson Stromberg LLP**  
Suite 600, 105, 21<sup>st</sup> Street East  
Saskatoon, SK S7K 0B3

**Attention: Dustin Gillanders**

Dear Sir:

**Re: Synergy Credit Union Ltd. and Tricia McDonald**

In follow-up to our last discussions in this matter, we note that as of July 23, 2016, the renewal term had expired and all sums due and owing by your client to Synergy Credit Union Ltd. originally loaned under the mortgage, having Interest Register No. 113376304 and executed on October 29, 2007, and renewed on an effective date of July 23, 2015, are due and owing and all amounts outstanding are payable to our client.

As we discussed, Synergy has been unwilling to renew the mortgage given that it believes it is in the best interests of both Synergy and your client to part ways and has grown increasingly concerned about representations made about Synergy by your client. In particular, Synergy believes that your client has engaged in considerable social media campaigns that unfairly represent Synergy and its employees and officers.

However, on consideration, my client would hope to avoid the need to enforce its entitlement to call in the loan and commence a foreclosure. If Synergy could be satisfied that Ms. McDonald was seeking to obtain alternate financing and would be in a position to find alternate financing no later than one year from today's date, it will be prepared to offer Ms. McDonald a one year renewal of an open mortgage with a fixed interest rate of 6.3%, maturing on July 23, 2017. We would suggest that this would allow your client sufficient time to obtain new mortgage financing and as it is an open mortgage, Ms. McDonald could transfer her mortgage at any time that she secures new financing. It would also avoid the need for our client to commence a foreclosure action on Ms. McDonald.

Finally, this proposal would be conditional upon Ms. McDonald ceasing to engage in making comments directed against Synergy on social media in particular. Our client's intention is to allow both of these parties to part ways and toward that end, my client is prepared to forego commencement of foreclosure at this time. We would anticipate that Ms. McDonald would likewise be prepared to agree that if she accepts the offer of renewal set forward, that she will agree to not make statements about Synergy or its employees or officers on social media.

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5009 - 47 Street, Lloydminster, AB T9V 0E8  
Mailing Address: PO Box 20, Lloydminster, SK S9V 0X9

Phone: (780) 875-2288

Fax: (780) 875-3479

e-mail: jeff@psmlaw.ca  
assistant: loretta@psmlaw.ca

*Members of the Alberta and Saskatchewan Bars*

Politeski Strilchuk Milen

August 3, 2016  
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Please advise as to your client's position within 10 days of your receipt of this correspondence. If Ms. McDonald does not agree to the terms of renewal put forward, I have instructions to commence a foreclosure action.

Yours truly,

**Politeski Strilchuk Milen**

Per: Jeffrey D. Kerr

JDK/lnl  
Enclosure