



GENERAL INFORMATION ON MORTGAGE INSURANCE CMHC

For the purposes of this document, the terms “you” and “your” refer to the borrower whereas “we” and “us” refer to B2B Bank (hereinafter the “Bank”).

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1.	Coverage Provided	<p>Should you fail to fulfill your obligations towards the Bank, the Insurer shall indemnify the Bank, as provided for under the Master Loan Insurance Policy entered into and signed between the Bank and the Insurer.</p> <p>The granting of Mortgage Insurance shall not release you from fulfilling your loan obligations towards the Bank.</p>
2.	Party Protected	The Bank is the party protected.
3.	Party which Pays for the Cost of Mortgage Insurance	<p>The Bank pays the cost of mortgage insurance. You shall reimburse the Bank for the cost of mortgage insurance equal to the total amount charged by the Insurer indicated below.</p> <p>The amount of the applicable insurance premium is financed on the total loan amount. You shall pay the applicable provincial tax in cash, as financing is not available, as applicable.</p>
4.	Manner in which the Amount is being Charged by the Insurer	<p>The amount charged by the Insurer comprises the insurance premium, fees (as applicable) and provincial tax, as applicable.</p> <p>The insurance premium is calculated as a percentage of the mortgage loan amount (in the event of a purchase or new insured financing or the portability of the terms and conditions of an existing Bank loan to another Bank-held loan in respect of the purchase of another property) or of the additional amount requested (in the event of a refinancing). This percentage, referred to as the “insurance premium rate”, is based on the total price/value of the subject property, also referred to as the “loan-to-value” ratio. The higher the loan-to-value ratio, the higher the insurance premium charged.</p> <p>Other factors may cause the insurance rate premium to vary, such as extended amortization (e.g. greater than 25 years), type of downpayment paid towards the new purchase (e.g. non-traditional downpayment), borrower-specific programs (e.g. Self-Employed programs, financing for rental properties, etc.) or any other factors that could increase the overall insurance risk as determined by the Insurer.</p> <p>For information on the cost of mortgage loan insurance charged by the Insurer, please refer to the information posted on the Insurer’s Web site at http://www.cmhc-schl.gc.ca/en/co/moloin/moloin_005.cfm</p>
5.	Other Information in respect of the Mortgage Insurance	For further information on mortgage loan insurance, please visit the Insurer’s Web site at www.cmhc-schl.gc.ca