

STANDARD MORTGAGE TERMS - RESIDENTIAL

LAND TITLES REGISTRATION FILING
NO.: 182122533

The following set of Standard Mortgage Terms are included in every Mortgage (the "Mortgage") which refers to this set of terms by its filing number as provided in Section 113.2(2) of the *Land Titles Act*, RSA 2000, c.L.-4, as amended.

In this set of Standard Mortgage Terms:

"Confidential Personal Information" means any and all information or data protected by Privacy Laws, including (without limitation) information or data that (i) is personal information or information about an identifiable individual (as more particularly defined in the applicable Privacy Laws) that was collected, used, disclosed or accessible to such party; or (ii) is information from which an individual or individual's identity can be ascertained either from the information itself or by combining the information with information from other sources available to the parties.

"Financial Guarantor" means Canada Mortgage and Housing Corporation as guarantor in connection with the financing by the Mortgagee of all or any part of the Indebtedness.

"Indebtedness" means all debts and liabilities, present or future, absolute or contingent, matured or not, at any time owing by me to the Mortgagee, howsoever arising and whether incurred by me alone or with any other person or other persons and whether as guarantor or surety; provided, for the avoidance of doubt, that any Indebtedness in respect of any Loan(s) that is/are insured and/or financed by the Mortgagee under a NHA Program shall have priority as to payment, collection, and in respect of this Mortgage, enforcement over any other Loan irrespective of the time or order of any Loan, made by the Mortgagee to me from time to time pursuant to a Lending Agreement secured or to be secured by this Mortgage that is not insured and/or financed under a NHA Program.

"Lands" means the Land described in the Mortgage and all fixtures, buildings, improvements and other structures thereon whether now or in the future.

"Lending Agreement" means the agreement creating the Indebtedness as referred to in the Mortgage, as the same may from time to time be amended, extended, renewed or replaced. The Mortgage is made pursuant to the *Land Titles Act*. If the Indebtedness is insured under a NHA Program, it is made pursuant to the *National Housing Act*. If this is a high ratio Mortgage, it is insured by an insurer licensed to carry on business in the Province of Alberta.

"Loan" means each loan made by the Mortgagee to me from time to time pursuant to a Lending Agreement between the parties, on such terms as notified to me from time to time, that I have agreed in writing will be secured by this Mortgage; provided, for the avoidance of doubt, that either (i) each additional loan that is made under a Lending Agreement after the initial advance (including any new or additional advances, increases to principal, or further borrowings or extensions of the term, including in the case of any fluctuating account or accounts, revolving loans, lines of credit, additional or further advances beyond an initial advance, re-advances, and multiple facilities (each an "Additional Advance" and, collectively, "Additional Advances")) will be treated as a new Loan, or (ii) the Additional Advances in the aggregate will be treated as a new Loan, and in each case of (i) or (ii), such new Loan will be treated as a separate and distinct Loan from any Loan that is insured and/or financed under a NHA Program for all purposes including enforcement.

"Mortgage" means and includes the Mortgage and all attached schedules, and this set of Standard Mortgage Terms all as the same may from time to time be amended, extended, renewed or replaced.

"Mortgagee" refers to the Mortgagee named in the Mortgage and its successors and assigns.

"Mortgagor," "I" and "me" refer to each person who signs the Mortgage as mortgagor and their heirs, executors, administrators, successors and assigns. Where more than one person signs the Mortgage, the liability shall be joint and several.

"NHA Program" means a Mortgagee financing or private or public mortgage insurance program under the *National Housing Act* (Canada), R.S.C., 1985, c. N-11 and associated regulations, as such may be amended, re-enacted or replaced from time to time.

"Privacy Laws" means the *Personal Information Protection and Electronic Documents Act* (Canada), *Personal Information Protection Act* (Alberta) and any regulations thereunder, as amended or supplemented from time to time, and any other similar applicable federal, provincial or territorial legislation now in force or that may in the future come into force in Canada governing the protection of personal information in the private sector applicable to the conduct of business by the Mortgagee, any mortgage loan insurer, the Financial Guarantor, any other person having or proposing to acquire any interest in all or any part of the Indebtedness, including any Loan under the related Lending Agreement, from time to time (including their respective advisors, agents, lawyers, accountants, consultants, appraisers, credit verification sources, credit rating agencies and servicers), any other person in connection with any collection or enforcement proceedings taken under or in respect of all or any part of the Indebtedness, including any Loan or the related Lending Agreement and to the activities contemplated herein, together with any common law duties of confidentiality owed by the such persons to me or any guarantor.

I hereby covenant and agree with the Mortgagee as follows:

**PAYMENT OF
INDEBTEDNESS
SECURED**

1. I agree to pay the Indebtedness secured, including all interest, including compound interest, costs and other charges due under the Mortgage or any other agreement giving rise to such Indebtedness. Payment of such Indebtedness shall be made in accordance with the terms of any agreement giving rise to the Indebtedness.

NON-MERGER

2. THAT NEITHER this Mortgage nor the taking of a judgment on or the exercise of any remedies in respect of any of the covenants or agreements contained therein or in any instrument creating such Indebtedness shall operate as a merger of the Indebtedness or any other present or future instruments or security which the Mortgagee may hold for payment of the Indebtedness hereby secured, or of the Indebtedness itself; or in any way suspend the payment of, affect or prejudice the rights, remedies or powers, legal or equitable, which the Mortgagee may hold in connection with the Lending Agreement or any other present or future instrument or security held for payment of the Indebtedness hereby secured; or in any way prejudice or merge in any future instrument or security which may be taken by the Mortgagee by extension or renewal of or substitution for the Lending Agreement or other present or future judgment or other proceedings under the Lending Agreement, or any other present or future instrument or security representing the Indebtedness hereby secured, reduce pro tanto the amount secured or outstanding hereunder and the amount outstanding of the Lending Agreement or other instrument or security held for the Indebtedness to the extent of such payments made.

DEFAULT

3. (a) I agree that if any default shall happen to be made in any payment of Indebtedness or any other monies secured by the Mortgage or any part thereof, then, and in such event, the whole of the Indebtedness, and any other sums hereby secured shall, at the option of the Mortgagee, become due and payable as if the time herein mentioned for payment of such Indebtedness had fully come and expired. I further agree that in the event of the breach of any of the covenants in this Mortgage, the Mortgagee shall at its option be at liberty to call in forthwith the whole of the Indebtedness and other sums secured by this Mortgage and eject all persons in possession of the Lands. PROVIDED, however, and the parties hereby agree, that the powers contained in this paragraph must be actually invoked to become effective and that nothing herein shall cause any limitation period to commence to run unless and until the Mortgagee shall actually exercise the option hereinbefore contained. It is further agreed that the issuance of a Statement of Claim shall itself be sufficient notice of the exercise, by the Mortgagee, of its option herein contained. I agree that all notices and documents may, in addition to any other means, be served on me by posting the same on the door of the Lands or by ordinary mail addressed to the last address provided by me to the Mortgagee, or by email to the email address provided by me to the Mortgagee, and the same shall be in lieu of and shall have the same effect and be taken as personal service or notice on me.
- (b) I further covenant that the Mortgagee shall not be bound to pursue action on my covenant to pay or in debt together with an action to realize upon the security created by the Mortgage, but the Mortgagee shall have the right to commence separate actions on each and every covenant, with separate action in foreclosure should it so desire. Judgment in any one action shall not operate to merge any rights of the Mortgagee to separately pursue other covenants or foreclosure action. No delay by the Mortgagee in the enforcement of any rights under the Mortgage shall in any way prejudice the rights of the Mortgagee in any way whatsoever. I shall not assert any right of set-off, counterclaim or any equities between me and the Mortgagee in any foreclosure action or action for judicial sale of the Lands, it being understood and agreed that any such claims must be advanced by me in a separate action. I agree that the Mortgagee has not acted in a fiduciary capacity toward me in regard to this Mortgage.
- (c) I agree that every certificate or affidavit by an authorized employee of the Mortgagee purporting to show the amount owing of the Indebtedness at any particular time or purporting to state the rate of any variable interest rate shall be prima facie evidence against me without the necessity of proving the authorization of the person taking such certificate.

INSURANCE

4. THAT
 - (a) I shall forthwith insure and during the continuance of this Mortgage keep insured in favour of the Mortgagee, against loss or damage by fire, and as the Mortgagee may require, also insure against loss or damage by tempest, tornado, cyclone, lightning and such other risks and perils as the Mortgagee may deem expedient, each and every building on the Lands and those which may hereafter be erected thereon, both during erection and thereafter, and all chattels secured hereby, for the full insurable value thereof in lawful money of Canada. This covenant shall in addition include boiler, plate glass, rental and public liability insurance in an amount satisfactory to the Mortgagee.
 - (b) Prior to the making of any advance by the Mortgagee, I shall forthwith assign, transfer and deliver over unto the Mortgagee a policy or policies of insurance and receipts appertaining thereto evidencing such insurance, and at least fifteen days prior to the expiry of a policy or at least five days prior to the date fixed for cancellation of a policy should notice of cancellation be given, I shall deliver to the Mortgagee evidence of renewal or replacement of any such insurance.

- (c) Every policy of insurance shall be effected in such terms and with such insurer as may be approved by the Mortgagee. The loss under each policy shall be made payable to the Mortgagee with preference in its favour over any claim of any other person and each policy shall be retained by the Mortgagee during the currency of this loan. Should an insurer at any time cease to have the approval of the Mortgagee, I shall effect such new insurance as the Mortgagee may desire.
- (d) In the event of failure on my part to execute any obligation undertaken under Clause 4 or Clause 24 (crop and hail insurance) of this Mortgage, the Mortgagee may effect such insurance as it deems proper without assuming any obligation in connection therewith and without prejudice to any other rights and remedies of the Mortgagee, and I covenant to repay to the Mortgagee all premiums paid by it, and the amount of such premiums, from the date same are actually paid by the Mortgagee, shall in the meantime be added to the Indebtedness and shall be a charge upon the Lands and shall bear interest at the interest rate.
- (e) In case of loss or damage, I shall immediately notify the Mortgagee and the Mortgagee shall have the right to apply the insurance proceeds wholly or in part in reduction of the Indebtedness secured by this Mortgage notwithstanding that no amount at such time may be due and payable under the terms of repayment, or the insurance proceeds at the Mortgagee's sole discretion may be used to meet costs of repair or reconstruction or may be paid in whole or in part to me, or to my assigns in which event the sum shall not be credited to amounts secured by the Mortgage. No damage may be repaired nor any reconstruction effected without the approval of the Mortgagee. The Mortgagee, may, at its option in case of loss or damage by fire, declare the whole amount of the Indebtedness hereby secured along with any unpaid interest to be due and payable.
- (f) AND I further agree to furnish forthwith, on the happening of such loss or damage by fire or other hazard or peril, and at my expense, all the necessary proofs of loss and to do all the acts necessary to enable the Mortgagee to obtain payment of the insurance monies.

ATTORNMENT

- 5. AND for the purpose of better securing the punctual payment of the interest on the Indebtedness, I do hereby attorn to and become tenant of the Mortgagee with respect to the Lands, at a yearly rental equivalent to the annual interest payable hereunder, to be paid in the manner and on the days and times herein appointed for the payment of the said interest. Upon payment of such rent the same shall be taken to be, and shall be, in satisfaction of the said interest; but nothing in this provision shall make the Mortgagee chargeable or accountable as Mortgagee in possession and further provided that the Mortgagee may at any time after default in payment or performance of any covenant or condition hereunder, enter into and upon the Lands, or any part thereof, and determine the tenancy hereby created without giving any notice to quit.

DISTRAINT

- 6. AND further, that if I default in payment of any part of the Indebtedness or interest or any other monies intended to be secured hereby, it shall and may be lawful for the Mortgagee, and I do hereby grant full power and license to the Mortgagee, to enter, seize and distraint upon the Lands, or any part thereof, and by distress warrant to recover by way of rent reserved, as in the case of a demise of the Lands, as much of the Indebtedness, interest and other monies as shall from time to time be or remain in arrears and unpaid, together with all costs, charges and expenses of the Mortgagee incurred as a result of such seizure or distress as in like cases of distress for rent.

POSSESSION

- 7. IT is also agreed between the Mortgagee and I that if I default in payment of the Indebtedness and interest thereon or any part thereof, then the Mortgagee shall have the right and power, and I do hereby covenant with the Mortgagee for such purpose, and do grant to the Mortgagee full license and authority for such purpose, when and so often as in its discretion it shall think fit, to enter into possession, either by itself or its agent, of the Lands, and to collect the rents and profits thereof, and to make any demise and at such rent as it shall think proper, and that any proceedings for sale or foreclosure may be taken either before or after the subject demise or lease. Nothing in the foregoing provisions shall make the Mortgagee chargeable or accountable as a Mortgagee in possession.

RECEIVER

- 8. THAT the Mortgagee shall be entitled (in addition and without prejudice to all its other rights and privileges) forthwith to apply for and obtain the appointment of a Receiver or Manager, or Receiver and Manager or Receiver-Manager (hereinafter referred to as the "Receiver") of the Lands and of the rents and profits thereof without the necessity of first exercising its right to enter into possession and every such Receiver shall be deemed as my agent. I shall be solely responsible for the acts or defaults of the Receiver and the Receiver shall have power to demand, recover and receive all the income from the Lands of which he may be appointed Receiver by action, distress or otherwise, either in the name of the Mortgagee or myself, and give effectual receipts therefor. Every such Receiver may by writing at the discretion of the Mortgagee be vested with any or all of the powers and discretions of the Mortgagee herein contained and such Receiver may complete or carry on my business relating to the Lands or any part thereof and in so doing shall have the same powers as I would have had in carrying on the same if it had not been in default hereunder, and for such purpose, the Receiver may borrow or raise money by way of security on all or any part or parts of the Lands, either in priority to this Mortgage or otherwise, and may exercise all the powers conferred upon the Mortgagee hereby. The Receiver may be removed, and if any Receiver is removed, dies or

refuses to act or becomes incapable of acting, a new Receiver may be appointed from time to time by the Mortgagee. The Mortgagee may from time to time fix the remuneration of every Receiver and may recompense every such Receiver for all disbursements properly incurred by him in carrying out his duties, and his fees and such payments shall be added to the Indebtedness and be a charge upon the Lands and shall be payable on demand and shall bear interest at the rate then in effect. The Receiver shall not be deemed to be a Mortgagee in possession and shall not be accountable except for the monies actually received and the person paying money to, or in any way dealing with, the Receiver shall not be concerned to inquire as to the authority of the Receiver to act. Subject to the retention of his remuneration and disbursements as aforesaid, the Receiver shall apply all monies received by him as the Mortgagee may from time to time at its option direct in writing, namely: in discharge of all rents, taxes, rates, assessments and outgoings whatever affecting the Lands; in payments due under any prior Mortgage or lien; in payment of any premiums for fire, or other insurance, if any, properly payable under this Mortgage, payment of which is directed or confirmed in writing by the Mortgagee; in payment of the cost of executing necessary or proper repairs to the Lands or any part thereof directed or confirmed in writing by the Mortgagee; in payment of the cost of carrying out or executing any of the powers, duties or discretions which vest in or may be vested in the Receiver by reason of the provisions contained in this clause; in payment of the interest accruing due under this Mortgage, and in or towards the discharge of the Indebtedness monies or any instalments thereof and solicitors' costs and other monies due and payable under this Mortgage, if and to the extent directed in writing by the Mortgagee; and shall pay the residue, if any, of the money received by him to the person who, but for the possession of the Receiver, would have been entitled to receive the income.

PAYMENT OF UTILITIES, ETC.

9. AND it is further agreed between the Mortgagee and I that I will pay all taxes, utilities and rates, condominium levies, liens, charges, and encumbrances, which are now or may hereafter be levied or charged against the Lands, or on this Mortgage or on the Mortgagee in respect of this Mortgage and that the Mortgagee may at such time or times as it may deem it necessary, without the concurrence of any other person, make arrangements for the repairing, finishing, adding to or putting in order any building or buildings or improvements on the Lands and for managing and taking care of the Lands and may pay any such taxes, utilities and rates and any liens, condominium levies, charges or encumbrances upon the Lands, and monies for insurance, and the amount so paid or Indebtedness incurred as aforesaid by the Mortgagee, together with all costs, charges and expenses which may be incurred in connection therewith or in the taking, recovering and keeping possession of the Lands or inspecting the same (including allowances for such purpose) and generally in any other steps or proceedings, whether in Court or not, taken to protect its security or realize the monies secured by the Mortgage, or to perfect the title to the Lands, shall become part of the Indebtedness hereby secured and be a charge on the Lands in favour of the Mortgagee, and shall be payable forthwith by me, my heirs, executors, administrators, successors or assigns to the Mortgagee with interest at the interest rate from the date of payment of same by the Mortgagee, and in default, proceedings for sale or foreclosure may be taken in addition to all other remedies. In the event of the money hereby advanced, or any part thereof, being applied to the payment of any, charges or encumbrances, the Mortgagee shall stand in the position of and be entitled to all the rights and remedies, whether legal or equitable of the person or persons so paid, whether any such charges or encumbrances have or have not been cancelled from the titles respecting the Lands.

VACANCY & PRESERVATION

10. AND it is further agreed between the Mortgagee and I that, in the event the Lands are vacant or apparently vacant, or in the event it would appear that there is any present or future risk of destruction or damage to the Lands, whether or not I am in default under the terms of this Mortgage, the Mortgagee shall have the right to enter any building located upon the Lands, and shall have the right to forcibly enter if necessary, for the purpose of preserving the said building and maintaining adequate electricity and heat to the Lands. The Mortgagee shall not by such action be deemed to be a Mortgagee in possession and shall not be considered a trespasser. All of the Mortgagee's costs with respect to so protecting or preserving the Lands, or in maintaining heat or electricity, shall be added to the Indebtedness secured by the Mortgage and shall be a charge upon the Lands.

NO MATERIAL ALTERATIONS

11. Without the prior written consent of the Mortgagee, I shall not make any material alterations or changes or additions to the Lands, and without limitation, to any buildings thereon or in respect of any use of the Lands, and then only in accordance with any terms or conditions that the Mortgagee may impose in respect of its consent thereto, it being the intention hereof that any such alterations, additions or changes shall not in the opinion of the Mortgagee adversely affect the security of this Mortgage either during or after the making of such alterations, changes or additions.

PROPERTY TAXES

12. I covenant to pay when and as the same fall due all taxes, rates, condominium levies, liens, charges, encumbrances or claims which are or may be or become charges or claims against the Lands or on this Mortgage or on the Mortgagee in respect of this Mortgage; provided that in respect of municipal taxes, school taxes and local improvement rates (hereinafter referred to as "taxes") chargeable against the Lands, the Mortgagee shall have the right but not the obligation to collect said taxes in the following manner:
- (a) The Mortgagee may deduct from any advance of the monies secured by this Mortgage an amount sufficient to pay the taxes which are due or accruing due as at the date of the advance;

- (b) After the date for adjustment of interest I shall pay to the Mortgagee in monthly instalments on the dates on which instalments of Indebtedness and interest are payable under the Lending Agreement, sums estimated by the Mortgagee to be sufficient to pay the whole amount of taxes on or before the due date for payment thereof or, if such tax amount is payable in instalments, then the full amount of such taxes, on or before the due date for payment of the first instalment thereof;
- (c) Except as provided in the last preceding clause, I shall, in each and every month, pay to the Mortgagee one-twelfth of the amount (as estimated by the Mortgagee) of the taxes next becoming due and payable; and shall also pay to the Mortgagee, on demand, the amount, if any, by which the actual taxes exceed such estimated amount.

The Mortgagee agrees to apply such deduction and payments on the taxes chargeable against the Lands so long as I am not in default under any covenant, proviso or agreement contained in the Mortgage, but nothing herein contained shall obligate the Mortgagee to apply such payments on account of taxes more often than yearly. Provided, however, that if, before any sum or sums so paid to the Mortgagee shall have so been applied, there shall be default by me in respect of any payment of Indebtedness or interest as herein provided, the Mortgagee may apply such sum or sums in or towards payment of the Indebtedness and/or interest in default. I further covenant and agree to transmit to the Mortgagee the assessment notices, tax bills and other notices affecting the imposition of taxes and rates, condominium levies, liens, charges and encumbrances, forthwith after the receipt of same by me.

I further agree that I shall not be entitled to any interest on any monies paid by me to the Mortgagee on account for the taxes, rates, liens, charges, or claims above noted.

Notwithstanding the foregoing, the Mortgagee shall not be obliged to collect taxes as aforesaid and at its option may leave the payment thereof to the Mortgagee.

ATTORNEY FOR SALE

13. PROVIDED that upon default being made in payment of any of the monies hereby secured, I hereby appoint the Mortgagee attorney on my behalf and the Mortgagee shall be entitled to sell and convey the Lands without entering into possession of the same and without giving any notice to me of its intention to do so, and either before or after and subject to any demise or lease made by the Mortgagee as hereinbefore provided. Provided that any sale made under the powers hereby given may be on such terms as to credit or otherwise as shall appear to the Mortgagee most advantageous, and for such price as can be reasonably obtained therefor, and that sales may be made of any portion or portions of the Lands from time to time to satisfy any interest or any part of the Indebtedness overdue, leaving the Indebtedness balance thereof to run at interest payable as aforesaid, and the Mortgagee may make any stipulation as to the title or otherwise as the Mortgagee may deem proper, and the Mortgagee may rescind or vary any contract for sale of any of the Lands and resell without being responsible for any loss occasioned thereby, and for any of these purposes may make and execute such agreements and assurances as the Mortgagee deems necessary.

AS A SUBSEQUENT MORTGAGE

14. IN the event that this Mortgage is granted and approved by the Mortgagee as a second or other subsequent charge upon the Lands, or in the event that this Mortgage is postponed to any other mortgage or charge upon the Lands, I covenant and agree that I will well and truly pay all money accruing due under all prior mortgages and encumbrances charging the Lands, as and when the same shall become due, and that I will well and truly observe and perform my covenants or encumbrancer in any prior mortgage or encumbrance and in the event I default in payment of the said monies due under any prior mortgage or encumbrance or shall fail to observe or perform my covenants or encumbrancer in any prior mortgage or encumbrance then such default or failure shall constitute default under this Mortgage; AND FURTHER that in the event of default in payment of the monies due under any prior mortgage or encumbrance, the Mortgagee shall have the right, but not the obligation, to pay the same and any monies so paid by the Mortgagee herein shall forthwith be due and payable to the Mortgagee together with interest thereon at the rate herein mentioned, and shall be a charge upon the Lands and shall be recoverable, inter alia, by foreclosure proceedings along with other monies secured by this Mortgage. In the event that a prior encumbrance is a party other than the Mortgagee, then I shall not, without the consent of the Mortgagee, which consent may be unreasonably withheld, renegotiate any of the terms of the prior encumbrance in any way which would decrease the value of the Mortgagee's security, and in particular without limiting the generality of the foregoing, I will not increase the Indebtedness balance under the prior encumbrance.

PERFORMANCE

15. I shall not be entitled to a discharge of this Mortgage until and unless I have kept and performed all the covenants, provisos, agreements and stipulations herein contained, whether the Mortgagee has taken legal proceedings thereon and recovered judgment or otherwise, and I covenant with the Mortgagee that I shall and will in everything I do, perform and keep all the provisions and covenants in these presents, according to the true intent and meaning thereof.

ADVANCE OF MONIES

16. AND it is further agreed between me and the Mortgagee that the said Mortgagee shall not be bound for any reason whatsoever to advance the money hereby intended to be secured nor shall the Mortgagee, in the event of advancing or having advanced a portion, be bound to advance the balance thereof.

AND further, if any portion of the Indebtedness secured by this Mortgage shall not be advanced at the date hereof the Mortgagee may advance the same in one or more sums at any future date or dates and the amount of such shall be considered and treated as having been so secured and advanced as at the date of this Mortgage. The advance in part of the Indebtedness shall not bind the Mortgagee to advance the whole of the Indebtedness or any unadvanced portion thereof, but nevertheless the charge or Mortgage by this Mortgage created shall take effect forthwith on the execution of the Mortgage.

AND further, any portion of the Indebtedness secured hereby which is repaid may be re-advanced in whole or in part at any time and any amount when re-advanced shall form part of the outstanding Indebtedness of this Mortgage and be secured hereby.

REVOLVING CREDIT

17. AND it is further agreed between me and the Mortgagee for the purpose of Section 104(2) of the Land Titles Act, RSA 2000, c.L-4, as amended or replaced from time to time, that this Mortgage may be held by the Mortgagee as security for a revolving line of credit up to a specific sum equal to the Maximum Principal Secured as set out in the Mortgage.

FURTHER LOAN DOCUMENTS

18. AND it is further agreed between me and the Mortgagee that all advances hereunder, all re-advances and all sums advanced by revolving line of credit may be evidenced by one or more line of credit agreements, overdraft protection agreements, or other documentation howsoever described, or any combination thereof, and the amount advanced pursuant to such documentation shall, if the documentation so provides, form part of the Indebtedness secured hereby.

PARTIAL RELEASE

19. AND it is further agreed that the Mortgagee may release any part or parts of the Lands at any time in its sole discretion, either with or without any consideration therefor, without responsibility therefor and without releasing any other part of the Lands, or any collateral security, or any person from this Mortgage, and from any of the covenants herein contained or contained in any collateral security.

PREPAYMENT

20. AND I further agree that if I have any right to prepay the principal amount of any portion of the Indebtedness secured hereby, such right will be set out in the Lending Agreements.

ACCRETION

21. AND it is hereby declared and agreed that any erection, machinery, affixed or otherwise, buildings or improvements, now or hereafter put upon the Lands shall thereupon become fixtures, and be part of the Lands and form a part of this Mortgage.

SOLICITOR COSTS ON DEFAULT

22. IN case of default being made in any of the covenants, agreements, provisos, and stipulations herein contained, and by reason of such default, the Mortgagee considers it necessary to place this Mortgage in the hands of its solicitors, then I covenant and agree with the Mortgagee to pay the full costs of the said solicitors on a solicitor and his own client basis such that the Mortgagee is to be fully indemnified for any such costs incurred. Any costs actually paid by the Mortgagee to its solicitors shall, at the time of payment, be added to the Indebtedness outstanding and shall bear interest at the interest rate and shall be a charge on the Lands.

WASTE

23. AND further that I will remain in actual personal possession of the Lands during the existence of this Mortgage, and will not permit or suffer any act of waste upon the Lands, and will during the existence of these presents well and sufficiently repair, maintain, mend and keep the buildings now or hereafter on the Lands and all fixtures and things thereunto affixed in good and substantial repair.

FARM LANDS

24. AND in case that this is a Mortgage on farm lands, I agree that I shall at the request of the Mortgagee insure the crops now or hereafter on the Lands if any of the Lands are now or shall hereafter be brought under cultivation, for the amount of their full insurance value against loss or damage by hail. I will if any part of the Lands be now under cultivation or if any part of the Lands shall hereafter during the continuance of this security be brought under cultivation, cultivate all such part or parts in the most approved husband-like manner so as to maintain the Lands in a good state of cultivation; PROVIDED, however, that I may summer-fallow in good farmer-like manner one-third of all broken acres of such cultivated Lands (if any) in any year.

MORTGAGE OF LEASE

25. If my interest in the Lands is as a lessee, sub-lessee, licensee or sub-licensee (collectively a "lessee") of the whole or any portion of the Lands pursuant to a lease:
- (a) I hereby demise, sub-lease and mortgage my interest and the lease and any renewals, extensions or replacements of the lease to the Mortgagee, by way of a sub-lease, except for the last day of the term of the lease (the "reversion") which is excepted out of the charge created by this Mortgage but which shall be deemed to be held by you in trust for the Mortgagee to be assigned or disposed of as the Mortgagee or anyone claiming through the Mortgagee may direct, and the Mortgagee shall have power on any realization to appoint a new person as Trustee of the reversion;
 - (b) if the lease cannot be effectively charged without consent, any charge intended to be created by this Mortgage upon your interest in the lease shall not become effective until, but shall become effective immediately when, all consents necessary for the validity and effectiveness of such charge have been obtained or waived by all appropriate persons;
 - (c) I represent to the Mortgagee that the lease is valid and in good standing, in full force and effect and unsurrendered, the Mortgagor has the right to mortgage its interest and the lease to the Mortgagee, all rents or other amounts payable under the lease have been paid and all other obligations under the lease, whether mine or the landlords, have been performed or complied with;
 - (d) I will promptly perform and observe all of the terms, covenants and conditions required to be performed and observed by it under the lease, including payment of rent and the renewing of the lease;
 - (e) I will provide notice to the lessor that, as a term of the lease, a copy of all notices to be given under the lease by the lessor to the lessee will be provided to the Mortgagee;
 - (f) I shall take no action or be guilty of any default which shall or may cause the lease to be terminated or forfeited, or, without the Mortgagee's prior written consent, surrender or give any notice which would have the effect of terminating, or permitting the termination of, the lease;
 - (g) I will promptly notify the Mortgagee in writing of any default or of any condition that with or without the passage of time or the giving of any notice might result in a default under, or the termination of, the lease, and I will promptly cause a copy of each notice it receives under the lease to be delivered to the Mortgagee;
 - (h) in the event that I, at any time or from time to time, extend the size of the leasehold land herein or increases the size of its equity in the leasehold land or becomes registered as owner or entitled to become registered as owner of the full fee simple then the Mortgage of the leasehold land shall become enlarged to be a mortgage of the increased size of the Lands or of the increased size of the equity or of the full fee simple, as the case may be;
 - (i) I will not during the continuance of this mortgage, without the Mortgagee's prior written consent, modify, alter or suffer or permit any modification or alteration of the lease and any such altered or modified lease shall be charged by this Mortgage;
 - (j) I will promptly obtain from the lessor under the lease and deliver to the Mortgagee, a certificate stating that the lease is in full force and effect, is unmodified or modified as the case may be, that no notice of termination thereon has been served on me thereunder, stating the date to which the rent has been paid and stating whether or not there are any defaults thereunder and specifying the nature of such defaults, if any;
 - (k) I shall not consent to the subordination of the lease to any mortgage of the interest of the lessor (or leasehold interest of the sub-lessor) thereof in the Lands; and
 - (l) I will at the proper time and times take such proceedings, and make, do and execute such acts, deeds, matters and things as may be requisite for obtaining a renewal of the lease.

NON-WAIVER

26. AND it is further agreed that the waiver by the Mortgagee of one or more defaults under this Mortgage shall not be construed as a waiver of any subsequent or other default. AND it is further agreed that the foreclosure, cancellation or any other dealings with any other security for the monies advanced hereunder or secured hereby shall not release or affect this Mortgage and that the taking of this Mortgage or the foreclosure or cancellation thereof or any other dealings with, or proceedings under this Mortgage, shall not release or affect any other security held by the Mortgagee for the monies advanced or secured hereby, and shall not affect the Mortgagee's right to pursue me in debt or upon any other of the covenants in this Mortgage contained.

SOLICITOR'S FEES

27. AND it is further agreed that all fees and charges of the Mortgagee's solicitors, on a solicitor and his own client basis, incurred in connection with the preparation and registration of this Mortgage and the passing on of my title to the Lands under this Mortgage shall be paid for by me forthwith and if I default in paying the same the Mortgagee may pay the amount of such fees and charges and add the amount so paid to the Indebtedness hereby secured and it shall thereafter be a charge on the Lands in favour of the Mortgagee and shall be repayable with interest as aforesaid at the Interest Rate.

GENDER AND NUMBER

28. AND it is further agreed that wherever the singular or masculine is used throughout this Mortgage, the plural or feminine or body corporate shall be implied wherever the context so requires. And it is further agreed that if this Mortgage is entered into and executed by more than one person then all the covenants and stipulations herein contained and implied shall apply to and be binding upon each person jointly and severally.

ASSIGNS

29. AND it is further agreed that this Mortgage and all the covenants herein shall be binding upon and enure to the benefit of the executors, administrators, successors and assigns of Mortgagee.

TRANSFER OR SALE OF PROPERTY

30. NOTWITHSTANDING ANYTHING CONTAINED HEREIN TO THE CONTRARY, it is hereby understood and agreed that;

- (a) In the event of a transfer or entering into of any agreement of sale or transfer of title to the Lands, without having prior consent in writing of the Mortgagee, this Mortgage shall become immediately due and payable at the option of the Mortgagee and such option may be exercised by notice in writing sent to me by prepaid mail at the address last known to the Mortgagee. Acceptance of any payment by the Mortgagee from someone other than me will not mean that the Mortgagee consents or approves of the transfer or proposed transfer. If I am a corporation, any transfer or issue by sale, assignment, bequest, inheritance, operation of law or other disposition, or by subscription, of all or any part of my corporate shares to any person or group resulting, in the Mortgagee's opinion, in a change of control shall be deemed to be a transfer within the meaning of this paragraph;
- (b) In the event that title or possession of the Lands has been obtained by a purchaser or transferee without the prior consent in writing of the Mortgagee the aforesaid option may be exercised by notice in writing sent to the aforesaid purchaser or transferee by prepaid mail at the address of the aforesaid purchaser or transferee last known to the Mortgagee or as shown on the Certificate of Title to the Lands; and
- (c) In the event that title or possession of the Lands has been obtained by a purchaser or transferee with or without the consent in writing of the Mortgagee, all of the covenants herein shall be binding upon and enure to the benefit of the purchaser or transferee.

COST OF DISCHARGE

31. IN the event of a discharge of this Mortgage I will pay all costs of discharge including legal fees (on a solicitor and his own client basis) for preparation of the discharge and the Mortgagee shall have a reasonable time to prepare and forward to me the discharge documents.

EXTENSION OF MORTGAGE

32. AND it is further agreed between the Mortgagee and I that the Mortgagee may from time to time extend the time for the payment of the Indebtedness hereby secured without affecting my liability hereunder or the security hereby given and nothing but the actual payment and satisfaction of such Indebtedness shall discharge me or this Mortgage. Any extension shall be at such interest rate and upon such other terms as may be agreed upon by the parties hereto and such interest rate and such other terms shall be binding without the necessity of registering an Extension or Amending Agreement against the title to the Lands on all persons who may take an interest in the Lands subsequent to this Mortgage, notwithstanding that such interest may be at a rate of interest greater than is set out herein. And it is further agreed that if this Mortgage is entered into and executed by more than one person then any one of such persons may enter an extension of this Mortgage and the same shall be binding on all persons to the same extent as if the person signing was the agent of all such parties with express authority to act on behalf of all such parties. Except as provided herein, I and all parties liable for the Indebtedness hereby secured agree that any renewal or amendment shall not affect the liability of anyone who does not sign such agreement, and such agreement shall not be a novation unless specifically so provided in the extension agreement. The term "Mortgage" as used herein shall include any extension.

If the Mortgagee chooses to provide me with an extension agreement, the Mortgagee may include the terms of automatic renewal proposed by the Mortgagee. I may accept such terms or such alternate terms as may be offered by the Mortgagee, but in the event I fail to return the proposed extension agreement within the time specified therein, any subsequent payment by me shall, at the option of the Mortgagee, be deemed to be an acceptance of the terms of automatic extension proposed by the Mortgagee.

EXPROPRIATION

33. IN the event the Lands which are the subject matter of this Mortgage are wholly or partially taken by expropriation or by the right of an eminent domain, or any similar such taking, then the following shall apply:
- (a) I shall forward to the Mortgagee a copy of any notice or documentation relating to the expropriation or taking by right of eminent domain immediately upon receipt of the said documentation;
 - (b) The entire balance of the Indebtedness and interest then outstanding shall at the option of the Mortgagee and without demand or notice become due and payable;
 - (c) I do hereby assign to the Mortgagee the full proceeds to be obtained or acquired by such taking and further assign to the Mortgagee my right to negotiate settlement on my behalf with the taking authority; and
 - (d) Agree that service of a copy of this Mortgage on the expropriating authority shall be sufficient authority for the expropriating authority to deliver proceeds to the Mortgagee in accordance with the terms of the assignment contained herein.

CHARGE ON CHATTELS

34. I also pledge and charge to and in favour of the Mortgagee, as additional security for the Indebtedness, all appliances which shall include, but not be limited to, the following; refrigerator, freezer, dishwasher, stove, and microwave oven, and whether same be built-in or moveable in nature and whether currently at the Lands or later brought onto the Lands and I further agree not to remove these appliances while there are any sums outstanding to the Mortgagee hereunder. All improvements now or hereafter on the Lands including, but not limiting the generality of the foregoing, all buildings, fences, heating, plumbing, air conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows and storm doors, and all apparatus and equipment appurtenant thereto are and shall, in addition to other fixtures thereon, be and become fixtures and an accession to and a part of the Lands and shall be a portion of the security for the monies hereby secured.

CONDOMINIUMS

35. IN the event the Lands or part of the Lands mortgaged herein is a condominium under the *Condominium Property Act* of Alberta or similar legislation, the following shall apply:
- (a) "Condominium Corporation" as used herein means the Condominium Corporation of which I am a member by virtue of the ownership by me of the condominium unit being charged by this Mortgage.
 - (b) I hereby assign, transfer and set over unto the Mortgagee without any obligation to vote and without any liability for voting or not voting, all my rights which now exist, or may hereafter come into existence, to vote at meetings of the Condominium Corporation:
 - i. In all cases in which a unanimous or special resolution is required by the *Condominium Property Act* of Alberta as amended, the bylaws of the Condominium Corporation, or any agreement with the Condominium Corporation; and
 - ii. In all other cases where the Mortgagee is either not present at the meeting either in person or by proxy, or if present in person, does not wish to vote.
 - (c) I do hereby covenant and agree to execute any documents which the Mortgagee may request me to execute, including, but not limited to proxies if required, in order to give effect to the assignment of the aforesaid voting rights to the Mortgagee.
 - (d) I agree to observe and perform all covenants and provisions required to be observed and performed pursuant to:
 - i. The terms of this Mortgage,
 - ii. The Condominium Property Act of Alberta, all amendments hereto, and any legislation passed in substitution thereof, and
 - iii. The bylaws and regulations of the Condominium Corporation and any amendments thereto.
 - (e) I further covenant and agree that where I default in my obligation to contribute to the common expenses assessed or levied by the Condominium Corporation, or any authorized agent on its behalf, or any assessment, instalment or payment due to the Condominium Corporation or upon breach of any covenant or provision hereinbefore in this paragraph contained, including those covenants or provisions referred to in this clause (e), regardless of any other action or proceeding taken or to be taken by the Condominium Corporation, the Mortgagee, at its option and without notice to me, may deem such default a default under the terms of the Mortgage and proceed to exercise its right herein.
 - (f) Upon default herein and notwithstanding any other right or action of the Condominium Corporation or the Mortgagee, the Mortgagee may distrain for arrears of any assessments, instalments or payments due to Mortgagee or arising under any of the Clauses herein contained.

**CONSTRUCTION
MORTGAGE**

36. THAT in the event that this Mortgage is a building or construction Mortgage, it is the intention of the parties hereto that:
- (a) the building or buildings being erected or to be erected on the Lands form part of the security for the full amount of the monies secured by this Mortgage;
 - (b) all advances on this Mortgage are to be made from time to time in the future in accordance with the progress of construction of such building or buildings or upon its or their completion and occupation;
 - (c) I will construct the building, buildings, and other improvements on the Lands in accordance with plans and specifications which have been or which may hereafter be approved by the Mortgagee, in accordance with applicable building codes, in accordance with the Mortgagee's construction standards, and will carry on diligently to completion the construction of the said building, buildings, and other improvements, and will complete such construction in compliance with the requirements of all municipal and other governmental authorities, laws, by-laws or regulations, and will, when so required by the Mortgagee, supply the Mortgagee with evidence or confirmation from any such municipal or governmental authority of such compliance;
 - (d) in the event that any such building, buildings and other improvements now or hereafter in the course of construction remain unfinished and without any work being done for a period of ten consecutive days, the Mortgagee may enter the Lands and do all work necessary to protect the same from deterioration and to complete the construction in such manner as the Mortgagee may see fit, and any monies expended by the Mortgagee pursuant to this subclause shall be a charge on the Lands and bear interest at the Interest Rate and shall be deemed to constitute part of the Indebtedness;
 - (e) the Mortgagee shall be entitled, at my expense, to inspect all aspects of the construction and make tests of materials, and I will not cover any portion of the construction work requiring inspection by the Mortgagee until the Mortgagee has inspected the same, and I shall forthwith remedy and carry out again any work which does not conform to the Mortgagee's reasonable requirements;
 - (f) the Mortgagee shall not be obliged to hold back advances to provide the lien fund or other protection to me under the *Builder's Lien Act* of Alberta or any other similar statute (the "Act"); provided that if the Mortgagee holds back any advances in a manner similar to the way the said Act provides for an owner to make holdbacks then, notwithstanding such holdbacks by the Mortgagee, such holdbacks shall not constitute the lien fund under the said Act and the Mortgagee shall not be a Mortgagee authorized by the owner to disburse money secured by a Mortgage as referred to in the said Act.

ENVIRONMENT

37. THAT I warrant and represent that:
- (a) no Hazardous Substances (as defined herein) have been or will be used, stored, processed, manufactured, handled or discharged in, on, under or from the Lands (except as have been disclosed to and approved by the Mortgagee in writing);
 - (b) neither the Lands nor, to the best of my belief, any adjacent land(s), have ever been used as or for a waste disposal site or coal gasification site, and there are not now, nor were there ever, any underground storage tanks on the Lands;
 - (c) all permits, licenses, certificates, approvals, authorizations, registrations or the like required by the Requirements of Environmental Law (as defined herein) for the operation of my business on the Lands, or any tenant, subtenant, assignee or other occupant of any portion of the Lands, have been obtained and are valid, in full force and effect and in good standing;
 - (d) no environmental damage has ever occurred on, or will result from my use of the Lands or any tenant, subtenant, assignee or other occupant of any portion of the Lands; and
 - (e) there are no convictions (or prosecutions settled prior to conviction) or outstanding or threatened investigations, claims, work orders, notices, directives or other similar remedial actions against me or the Lands in relation to any Requirements of Environmental Law.

THAT I covenant that I will:

- (f) remedy forthwith, at its own expense, any environmental damage that may occur or be discovered on the Lands in the future,
- (g) comply with and monitor, on a regular basis, its compliance and the compliance of any tenant, subtenant, assignee or other occupant of any portion of the Lands with all Requirements of Environmental Law;

- (h) notify the Mortgagee promptly of any event or occurrence that will, or is likely to, give rise to a report, order, inquiry or investigation relating to a matter that may have an adverse effect on the financial position of me or the Lands or any action, suit or proceeding against myself or others having an interest in the Lands relating to, or a violation of, the Requirements of Environmental Law, including any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, dispersal, leaching or migration of Hazardous Substances into on or under the Lands, air and surface and ground water, and will also notify the Mortgagee promptly of any such above-mentioned information of which I have received knowledge relating to land(s) adjacent to the Lands;
- (i) not lease or consent to any sub-lease of any part of the Lands to a tenant, sub-tenant or assignee who may engage in, nor permit any tenant, subtenant, assignee or occupant of the Lands to engage in, a business involving the generation of environmental contamination or the storing, handling, processing, manufacturing or disposing of Hazardous Substances in, on, under or from the Lands and any lease, sub-lease or assignment of any part of the Lands shall preserve as against any lessee, sub-lessee or assignee all of the rights of the Mortgagee herein;
- (j) remove, in accordance with all Requirements of Environmental Law, any Hazardous Substances from the Lands forthwith upon their discovery and advise the Mortgagee forthwith in writing of the procedures taken; and
- (k) provide to the Mortgagee upon request such information, certificates, or statutory declarations as to compliance with the provisions hereof and all Requirements of Environmental Law and conduct upon request by the Mortgagee and deliver to the Mortgagee such environmental audits or site assessments as may be reasonably necessary to ensure compliance with the Requirements of Environmental Law.

THAT I further covenant that I will be liable for and fully indemnify the Mortgagee, its officers, directors, employees, agents, shareholders and members, and agrees to hold each of them harmless, from and against any and all losses, liabilities, damages, costs, demand, expenses and claims of any and every kind whatsoever relating to any breach of non-compliance with laws or regulations by me or its directors, officers, servants, agents, tenants or invitees, or relating to any Hazardous Substances handled, placed, held, located or disposed of on or in the Lands or related to any claims or proceedings (whether by civil action or related to any enforcement or recovery action under statute or regulation) for injury or damage to person or property from or relating directly or indirectly to the use, presence, handling, disposal, escape or release of any Hazardous Substances on or from the Lands. Such indemnity includes, without limitation, indemnity against

- (l) all costs (including legal expenses on a solicitor-and-his-own-client basis) of defending, counterclaiming and/or claiming against myself or any third parties in respect of any action or matter; and
- (m) any and all costs, liabilities, claims or damages arising out of a settlement of any action entered into by the Mortgagee with or without my consent, which at any time or from time to time may be paid, incurred or asserted against any of the parties indemnified hereby for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from, the Lands or into or upon any Lands, the atmosphere, or any watercourse body of water or wetland, of any Hazardous Substances; and
- (n) any and all environmental remedial costs incurred by the Mortgagee directly or indirectly arising out of or attributable to the non-compliance of myself with environmental laws, regulations or orders or to the presence on, under or about the Lands of Hazardous Substances.

THAT all such liability and indemnity shall survive the repayment of or sale or foreclosure under this Mortgage and any other extinguishing of my obligations under this Mortgage and any other exercise by the Mortgagee of any remedies available to it against me.

For the purposes hereof:

“Requirements of Environmental Law” means all requirements of the common law or of statutes, regulations, by-laws, ordinances, treaties, judgments and decrees, and (whether or not they have the force of law) rules, policies, guidelines, orders, approvals, notices, permits, directives and the like, of any federal, territorial, provincial, regional, municipal or local judicial, regulatory or administrative agency, board or governmental authority relating to environmental, or occupational health and safety matters and the Lands and the activities carried out thereon (whether in the past, present or the future) including, but not limited to, all such requirements relating to: (i) the protection, preservation or remediation of the natural environment (the air, land, surface water or groundwater); (ii) the generation, handling, treatment, storage, transportation or disposal of or other dealing with solid, gaseous or liquid waste; and (iii) Hazardous Substances, as defined herein.

“Hazardous Substances” means substances or conditions that are prohibited, controlled or otherwise regulated or are otherwise hazardous in fact such as contaminants, pollutants, toxic, dangerous or hazardous substances, toxic, dangerous or hazardous materials, designated substances, controlled products, including without limitation, wastes, subject wastes, urea formaldehyde foam type of insulation, asbestos or asbestos-containing materials, polychlorinated biphenyl (“PCBs”) or PCB contaminated fluids or equipment, explosives, radioactive substances, petroleum and associated products, underground storage tanks or surface impoundments.

DISCLOSURE

38. I acknowledge and agree that before or after any default under this Mortgage, any and all payments or other funds paid to or received by the Mortgagee from or on behalf of the Mortgagor may be applied by the Mortgagee in reduction of the Indebtedness in whole or in part or allocated as the Mortgagee in its absolute unfettered discretion may determine notwithstanding any request or direction by me or anyone on my behalf.

SEVERABILITY OF PROVISIONS

39. IF for any reason any covenant contained in this Mortgage, or the application thereof to any part or circumstances, is to any extent held or rendered invalid, unenforceable or illegal, then such covenant shall:

- (a) be deemed to be independent of the remainder of this Mortgage and be severable and divisible therefrom, and its invalidity, unenforceability and illegality shall not affect, impair or invalidate the remainder of this Mortgage or any part thereof;
- (b) continue to be applicable and enforceable to the fullest extent permitted by law, against any party and circumstance other than those to which it has been held or rendered invalid, unenforceable or illegal by a Court of competent jurisdiction.

ASSURANCE OF TITLE

40. AND I hereby covenant with the Mortgagee that:

- (a) I have a good title to the Lands;
- (b) I have a right to Mortgage the Lands;
- (c) In case of a default the Mortgagee shall have quiet possession of the Lands free from all encumbrances;
- (d) I will execute such further assurances of the Lands as may be required;
- (e) I have done no act to encumber the Lands other than as disclosed upon the Certificate of Title to the Lands as of the date hereof;
- (f) I will deposit with the Mortgagee all documents and papers concerning or affecting the title of the Lands and they shall be held by the Mortgagee during the currency of this Mortgage.

CHARGE ON LAND

41. AND for the better securing to the Mortgagee the repayment in manner aforesaid of the Indebtedness and interest and other charges and money hereby secured, I do hereby Mortgage to the said Mortgagee all my estate and interest in the Lands.

NHA PROGRAM

42. I hereby acknowledge and agree that, as provided herein, the Mortgagee, at its option exercisable in its sole discretion, may insure or, in connection with the Mortgagee obtaining any financing under a NHA Program, deal with all or any part of the Indebtedness, including any Loan or any interest therein, without restriction and without notice to me, any borrower or guarantor, or any other person, and that it has consented to such insurance being obtained and/or dealings and that no further notice is required. Furthermore, with respect to any mortgage that is insured and/or financed under a NHA Program, I and any other borrower or guarantor hereby acknowledge and agree that:

(a) any Additional Advances on such terms as notified to me from time to time, are only permitted on the condition that (i) each Additional Advance is a new Loan, or (ii) all such Additional Advances are in the aggregate a new Loan, and in each case of (i) or (ii), the new Loan will be treated as a separate and distinct Loan for all purposes including enforcement, made to me and I covenant and agree to enter into such additional or new security documentation requested by the Mortgagee to evidence the foregoing, including and without limitation a new commitment letter and a new charge;

(b) any references or rights, in favour of the Mortgagee or otherwise, with respect to any consolidation of any security, mortgages, loans, or property with respect to any loan that is insured and/or financed under a NHA Program, are disclaimed by the Mortgagee and not applicable, with the intent that the mortgage securing only the Loan(s) that are insured and/or financed under a NHA Program be registered against the Lands and the Lands only secure the Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness; and

(c) any references or rights, in favour of the Mortgagee or otherwise, with respect to any cross-collateralization or cross-default of any security, mortgages, loans, or property, or the granting of property as security for more than one Loan, or more than one Loan being secured by a single property, in cases where not all of such Loans secured by this Mortgage are insured and/or financed under a NHA Program, are disclaimed by the Mortgagee and not applicable with respect to any Loans that are not insured and/or financed under a NHA Program, with the intent that the mortgage securing only the Loan(s) that are insured and/or financed under a NHA Program shall be registered against the Lands and the Lands shall only secure the Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness, provided, for the avoidance of doubt, that (i) any Indebtedness in respect of any Loan(s) (including, for the avoidance of doubt, without limitation, any costs and expenses with respect thereto) that is/are insured and/or financed by the Mortgagee under a NHA Program shall have priority as to payment, collection and in respect of mortgage enforcement over any other Loan made by the Mortgagee to me from time to time pursuant to a Lending Agreement secured or to be secured by this Mortgage that is not insured and/or financed under a NHA Program; (ii) in no event shall the Mortgagee seek an order under any bankruptcy legislation or file or prove a claim in any bankruptcy proceeding or for the appointment of any trustee in bankruptcy in respect of me until after the date that the outstanding principal amount of all Loans that are insured and/or financed under a NHA Program are irrevocably discharged in full; and (iii) to the extent that all insurance proceeds and realization proceeds arising from or relating to enforcement of this Mortgage are insufficient to irrevocably discharge in full all Indebtedness, the deficiency in respect of any Indebtedness other than Indebtedness in respect of Loans that are insured and/or financed under a NHA Program shall be borne by the Mortgagee and the Mortgagee shall not pursue any judgment in respect of an amount that is greater than such deficiency.

CONSOLIDATION OF MORTGAGES

43. THAT the doctrine of consolidation will apply to this Mortgage and any other mortgages granted by me to the Mortgagee. This means that if I grant any other mortgages to the Mortgagee then, after default, the Mortgagee may consolidate this Mortgage with all of the mortgages so that I cannot repay the amounts secured by any one of the mortgages without repaying all of the monies secured by all of the mortgages. The foregoing provision is, however, subject to terms hereof, including that any references or rights, in favour of the Mortgagee or otherwise, with respect to any consolidation of any security, mortgages, loans, or property with respect to any Loan that is insured and/or financed under a NHA Program with any security, mortgages, loans, or property with respect to any Loan that is not insured and/or financed under a NHA Program, are disclaimed by the Mortgagee and not applicable, with the intent that the security securing only the Loan(s) that are insured and/or financed under a NHA Program be registered against the Lands and the Lands only secure the Indebtedness arising from Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness.

LOAN PRIORITY

44. IF this Mortgage secures Indebtedness relating to multiple Loans at any time, the Mortgagee has the right to allocate and apply all payments (including prepayments) received from or on behalf of me, or any other borrower or guarantor, to any Loan as the Mortgagee may determine in its sole discretion, both before and after default (regardless of any other designation or allocation of such payments by me or any other borrower or guarantor). The foregoing provision is however subject to terms hereof, including, for the avoidance of doubt, that (i) any Indebtedness (including, for the avoidance of doubt, without limitation, any costs and expenses with respect thereto) in respect of any Loan(s) that is/are insured and/or financed by the Mortgagee under a NHA Program shall have priority as to payment, collection, and in respect of this Mortgage, enforcement over any other Loan made by the Mortgagee to me from time to time pursuant to a lender agreement secured or to be secured by this Mortgage that is not insured and/or financed under a NHA Program; (ii) in no event shall the Mortgagee seek an order under any bankruptcy legislation or file or prove a claim in any bankruptcy proceeding or for the appointment of any trustee in bankruptcy in respect of me until after the date that the outstanding Indebtedness in respect of all Loans that are insured and/or financed under a NHA Program are irrevocably discharged in full; and (iii) to the extent that all insurance proceeds and realization proceeds arising from or relating to enforcement of this Mortgage are insufficient to irrevocably discharge in full all Indebtedness, the deficiency in respect of any Indebtedness other than Indebtedness in respect of Loans that are insured and/or financed under a NHA Program shall be borne by the Mortgagee and the Mortgagee shall not pursue any judgment in respect of an amount that is greater than such deficiency.

MORTGAGEE'S RIGHT TO FREELY DEAL WITH LOAN SECURED BY THIS MORTGAGE

45. THE Mortgagee, at its option exercisable in its sole discretion, may sell, transfer, assign, encumber, create a trust in respect of, securitize, in any transaction, insure, or otherwise deal with all or any part of the Indebtedness, including any Loan, the Indebtedness and applicable Lending Agreement, or any interest therein, without restriction and notice to me, any borrower, guarantor or any other person, and I hereby acknowledge and agree that I have consented to such dealings and that no further notices are required.

If the Mortgagee does so, I agree that this Mortgage shall continue to secure all Indebtedness, including each Loan and Indebtedness, or any interest therein, that have been so sold, transferred, assigned, encumbered, made subject to a trust, securitized, or otherwise dealt with, and all Indebtedness, including each Loan and Indebtedness, which arise after any such sale, transfer, assignment, encumbrance, trust, securitization, or other dealing (provided, for the avoidance of doubt, that the Loan and Indebtedness shall continue to be subject to the terms hereof, including that any Indebtedness in respect of a Loan that is insured and/or financed by the Mortgagee under a NHA Program shall have priority as to payment, collection, and in respect of this Mortgage, enforcement, irrespective of the time or

the order of any Loans, over any other Loan made by the Mortgagee to me from time to time pursuant to a Lending Agreement secured or to be secured by this Mortgage that is not insured and/or financed under a NHA Program, and this action shall not have any impact on the interest rate or other terms of the Loans pursuant to the respective Lending Agreements). Once sold, transferred, assigned, encumbered, made subject to a trust, securitized, or otherwise dealt with, such Indebtedness, including each Loan and all Indebtedness, or any interest therein may be repurchased, reacquired, or redeemed by the Mortgagee at any time, whether or not a default has occurred. The Mortgagee may from time to time, in connection with the sale, assignment, syndication or securitization of a Loan, or otherwise, appoint or designate a custodian or agent for a Loan, which custodian or agent may be the registered mortgagee. I acknowledge that such custodian or agent will have no liability whatsoever to me in connection with a Loan.

The Mortgagee shall have the unrestricted right from time to time to appoint a third party to service or administer any Loan, and to deal with me in place of the Mortgagee, provided that until the Mortgagee gives notice of such appointment I shall continue to deal with the Mortgagee in matters pertaining to the servicing or administration of the Loan.

CONSENT TO DISCLOSURE

46. IN connection with the processing, approving, funding, servicing, and administering, or any insurance, sale, securitization, or financing of all or any part of the Indebtedness, including any Loan under a related Lending Agreement, or any interest therein, any of the Mortgagee, any mortgage loan insurer, the Financial Guarantor, any other person having or proposing to acquire any interest in all or any part of the Indebtedness, including any Loan under a related Lending Agreement, from time to time (including their respective advisors, agents, lawyers, accountants, consultants, appraisers, credit verification sources, credit rating agencies and servicers), or any other person in connection with any collection or enforcement proceedings taken under or in respect of all or any part of the Indebtedness, including any Loan or a related Lending Agreement ("Information Access Persons"), may, as it may determine in its sole discretion in accordance with Privacy Laws, collect, use and store information and materials (including Confidential Personal Information) provided by me to, or obtained by or on behalf of, the relevant Information Access Person, relating to the Indebtedness, including any Loan under the related Lending Agreement, me, or the Lands (both before and after any new loan, any re-financing of a loan, any re-advances and any further advances on any loan, and/or any default) without further notice to me, any other borrower or guarantor, and any such Information Access Person may, as it may determine in its sole discretion in accordance with Privacy Laws, from time to time transfer, assign, release, disclose, exchange or share such information and materials (including Confidential Personal Information) to or with:

- i. any other Information Access Persons; and
- ii. any governmental authority having jurisdiction over it or any of its activities,

and I hereby irrevocably consent to the collection, use, storage, release, disclosure, exchange, sharing, transfer, and assignment of all such information and materials (including Confidential Personal Information) in accordance with Privacy Laws.

INSPECTIONS

47. I authorize each of the Mortgagee, any mortgage loan insurer, a Financial Guarantor, or any of its authorized representatives or agents to enter upon the Lands and to enter any buildings on the Lands at any time:

- i. to inspect the Lands and the condition of the buildings and other improvements on the Lands; and
- ii. to conduct any environmental testing, site assessment, investigation, or study that the Mortgagee or its authorized representatives deem necessary, including taking soil and ground water samples and creating bore holes in order to obtain such samples.

PARAMOUNTCY

48. The Mortgagor acknowledges and agrees that, to the extent of any inconsistency between a Lending Agreement and the terms and conditions of the Mortgage, the terms and conditions of the Mortgage shall prevail.