**GENERAL ASSIGNMENT OF LEASES AND RENTS**

THIS ASSIGNMENT made on the \_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_.

BETWEEN:

 (hereinafter called the “Borrower”)

AND:

**SERVUS CREDIT UNION LTD.**

#200, 2850 Sunridge Boulevard NE

Calgary, AB T1Y 6G2

(hereinafter called “Credit Union”)

RECITAL:

As continuing security for the payment and performance of all debts, liabilities, and obligations of the Borrower to Credit Union howsoever arising (present and future, absolute and contingent, direct and indirect) ( the “Indebtedness”)and for value received, the receipt and sufficiency of which the Borrower acknowledges, the Borrower has agreed to assign to Credit Union all leases, licenses, tenancy agreements or rights of use or occupation of every kind in respect of the lands described in Schedule “A” hereto (the “Premises”) or any part thereof (which, as may be amended, extended, renewed or replaced from time to time are herein individually called a “Lease” and collectively the “Leases”) and all rents and other payments now or hereafter due under the Leases (the “Rents”);

**AGREEMENT:**

The Borrower agrees with Credit Union as follows:

1. The Borrower assigns to Credit Union:
2. all Leases;
3. all Rents;
4. the benefit of all guarantees of the leases; and
5. the benefit of all covenants by all tenants, lessees, users, occupiers and licensees of the Premises (collectively called the “Lessees”);

with full power and authority to demand, collect, sue for, distrain for, recover, receive and give receipts for the Rents, to enforce payment thereof and to enforce performance of all the Leases in the name of and as agent for the Borrower.

1. All Rents shall be recoverable as rent in arrears. Wherever Credit Union is entitled to levy distress against the goods and personal property of any of the Lessees or to re-enter the premises described in any Lease, Credit Union may use such force as it sees fit without being liable to any action in respect thereof or for any loss or damage occasioned thereby. The Borrower releases Credit Union from all actions, proceedings, claims or demands in respect of any such forceable entry or any loss or damage sustained by the Borrower in respect thereof.
2. Notwithstanding any variation of the terms of any agreement or arrangement with the Borrower or any extension of time for payment or any release of part or parts of the Premises, or of any collateral security, this Assignment shall continue as security until the Indebtedness and all terms of any agreement or agreements between the Borrower and Credit Union in respect of the Indebtedness are fully paid and satisfied.
3. Although this is a present Agreement, Credit Union shall not exercise its rights hereunder until Credit Union determines that default has been made in payment of the Indebtedness, or any part thereof, or in the performance of any term contained in any agreement between Credit Union and the Borrower in respect of the Indebtedness. Provided that the last day of any term or term of years reserved by any Lease whether oral or written is hereby excepted out of this Assignment and shall not form any part of the leases and rentals assigned, but if any lease or sale be made under any power herein or in other security for the indebtedness of the Borrower to the Credit Union contained of any leasehold interest forming a part of the Premises hereby assigned by the Borrower shall stand possessed of the Premises so leased or sold for the last day of the term granted by the Lease thereof or Agreement therefor, in trust for the purchaser or purchasers, their executors, administrators as assigned, to be assigned or disposed of as such purchaser or purchasers may direct
4. Credit Union may waive any default and shall not be bound to serve any notice on any Lessees on the happening of any default. No waiver shall extend to any subsequent default.
5. Credit Union is not responsible for collecting any Rents or performing any terms under any Lease. Credit Union shall not be a mortgagee in possession of the Premises by virtue of this Assignment or by virtue of anything done or omitted to be done by Credit Union in respect of this Assignment. Credit Union is not under any obligations to take any action or exercise any remedy in the collection or recovery of any Rents or to see to or enforce the performance of any terms of any Lease.
6. Credit Union shall only be liable to account for moneys which actually come into its hands by virtue of this Assignment, after deduction of all collection charges, inspection fees and other expenses (including legal fees as between a solicitor and his own client on a full indemnity basis) to which Credit Union may be put in respect of this Assignment and all moneys received by Credit Union shall be applied on account of any such part of the Indebtedness as the Credit Union sees fit.
7. The Borrower shall not, without the consent in writing of Credit Union:
	1. assign, pledge or hypothecate the whole or any part of any Leases or Rents other than to Credit Union;
	2. do or permit to do or permit any act to be done which either directly or indirectly has the effect of waiving, releasing, reducing or abating any rights or remedies of the Borrower or obligations of any other party under or in respect of any Lease;
	3. terminate, accept a surrender of or amend in any manner any Lease other than month to month tenancies; or
	4. receive or permit the prepayment of any Rent for more than two months in advance.
8. The Borrower will from time to time on demand furnish to Credit Union a current list of all Leases in such detail as Credit Union requires.
9. The Borrower shall execute such further documents as are required by Credit Union from time to time to perfect this Assignment.
10. This Assignment is taken by way of additional security only. Neither the taking of this Assignment nor anything done in respect of this Assignment shall in any way prejudice or limit the rights of Credit Union or the obligations of the Borrower under any other agreement between the Borrower and Credit Union or any collateral security thereto.
11. The Borrower will at the request of Credit Union from time to time give any of the Lessees notice of this Assignment and will obtain from those Lessees acknowledgement of such notice. The notice and acknowledgement shall be in the form required by Credit Union and such notice (or any notice of this Assignment given by Credit Union) shall be effective and binding on each Lessee upon Credit Union giving the Lessee notice that the Borrower has defaulted under the terms of any agreement between Credit Union and the Borrower, whether or not there has actually been a default under such agreement.
12. The rights and remedies given to Credit Union hereunder are in addition to and not in substitution for and shall not in any way derogate from or delay or prejudice any rights or remedies to which Credit Union may be entitled under or in respect of any other agreement between the Borrower and Credit Union.
13. The Borrower warrants and represents the Credit Union that:
14. none of the Leases or the Borrower’s rights, thereunder, including the right to receive the Rents, has been or will be amended, sublet, assigned, encumbered, discounted, anticipated, waived, reduced, released or abated without the prior written consent of Credit Union;
15. none of the Rents has been or will be paid prior to the due date for payment thereof other than as permitted by paragraph 8(d) hereof;
16. there has been no default under any lease by any of the parties thereto;
17. there is no outstanding dispute under any Lease between the Borrower and any of the Lessees;
18. the Borrower has performed and will perform all of its obligations under each Lease;
19. each Lease at the date hereof is valid, enforceable and in full force and effect;
20. the Borrower now has good right, full power and absolute authority to assign its rights in accordance with this Assignment.
21. The Borrower charges the Premises to Credit Union to secure the due performance of this Assignment and the payment of all Rents to Credit Union.
22. Credit Union or its agent may forthwith register this Assignment at such Registry Offices as Credit Union sees fit. The Borrower shall not take any steps to challenge or remove any instrument or notice filed in respect of this Assignment until the Indebtedness and all terms of any agreement between the Borrower and Credit Union in respect of the Indebtedness are fully paid and satisfied.
23. In this Assignment, “Borrower”, “Borrowers” and “Credit Union” include the heirs, executors, administrators, successors and assigns of the Borrower and Credit Union respectively; the singular number and masculine and neuter genders include the masculine, feminine and neuter genders and the plural number when the context so requires; and “term” or “terms” include conditions, covenants, agreements, stipulations, provisions and obligations. If this Assignment is executed by more than one person as Borrower, all terms herein contained are binding on all Borrowers jointly and severally.

The Borrower has executed this Assignment the day and year first above written.

SCHEDULE “A”