

## STANDARD MORTGAGE TERMS - RESIDENTIAL

In this set of Standard Mortgage Terms, "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. "Mortgagor" and "I" 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. "Mortgagee" refers to the Mortgagee named in the Mortgage and its successors and assigns. "Indebtedness" means all debts and liabilities, present or future, absolute or contingent, matured or not, at any time owing by the Mortgagor to the Mortgagee, howsoever arising and whether incurred by the Mortgagor alone or with any other person or other persons and whether as Mortgagor or surety. "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, 2000*. If this is a CMHC insured Mortgage, 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 Saskatchewan.

THE MORTGAGOR hereby covenants and agrees with the Mortgagee as follows:

### **PAYMENT OF INDEBTEDNESS SECURED**

- The Mortgagor agrees 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**

- 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**

- (a) I hereby 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.

- 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. The Mortgagor shall not assert any right of set-off, counterclaim or any equities between the Mortgagor 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 the Mortgagor in a separate action. The Mortgagor agrees that the Mortgagee has not acted in a fiduciary capacity to the Mortgagor in regard to this Mortgage.
- 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**

- THAT
  - 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.
  - 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.
  - 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.

- In the event of failure on my part to execute any obligation undertaken under Clause 4 or Clause 23 (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.
- 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.
- 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**

- 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**

- AND further, that if I shall make 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 distrain 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**

- IT is also agreed between the Mortgagee and I that if I shall make 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**

- 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 the agent of the Mortgagor. The Mortgagor 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 Mortgagor or the Mortgagee, 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 the business of the Mortgagor relating to the Lands or any part thereof and in so doing shall have the same powers as the Mortgagor 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.**

- 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**

- 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**

- Without the prior written consent of the Mortgagee, the Mortgagor 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**

- 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:

- 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;

- 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;
- 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**

- 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**

- 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 the covenants of the Mortgagor or encumbrancer in any prior mortgage or encumbrance and in the event I shall make default in payment of the said monies due under any prior mortgage or encumbrance or shall fail to observe or perform the covenants of the Mortgagor 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 the Mortgagor 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, the Mortgagor will not increase the Indebtedness balance under the prior encumbrance.

**PERFORMANCE**

- I shall not be entitled to a discharge of this Mortgage until and unless I shall 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**

- 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**

- AND it is further agreed between me and the Mortgagee for the purpose of Section 129(2) of The Land Titles Act, 2000 that where this Mortgage secures future or contingent indebtedness, including a revolving line of credit, it is acknowledged and agreed that the Mortgage shall be a continuing security for the repayment of all amounts advanced on the credit notwithstanding when such advances occur. And further, 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.

THIS Mortgage shall not be void if the Indebtedness has been repaid in full. This Mortgage shall be void only when the Indebtedness has been repaid in full and the Mortgagee gives written notice that the Mortgagor shall not be allowed to borrow further monies and there has been performance of all covenants and conditions on the part of the Mortgagor to be performed.

**FURTHER LOAN DOCUMENTS**

- 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**

- 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**

- 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**

- 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**

- 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**

- 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**

- 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.

**NON-WAIVER**

- 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**

- 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 make 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**

- 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**

- 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**

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

- 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**

- 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**

- AND it is further agreed between the Mortgagor and the Mortgagee that the Mortgagee may from time to time extend the time for the payment of the Indebtedness hereby secured without affecting the liability of the Mortgagor hereunder or the security hereby given and nothing but the actual payment and satisfaction of such Indebtedness shall discharge the Mortgagor 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, the Mortgagor 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 an extension agreement to the Mortgagor, the Mortgagee may include the terms of automatic renewal proposed by the Mortgagee. The Mortgagor may accept such terms or such alternate terms as may be offered by the Mortgagee, but in the event the Mortgagor fails to return the proposed extension agreement within the time specified therein, any subsequent payment by the Mortgagor shall, at the option of the Mortgagee, be deemed to be an acceptance of the terms of automatic extension proposed by the Mortgagee.

**EXPROPRIATION**

- 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:
  - 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;
  - 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;
  - 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

- 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  
CHATELS**

- 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**

- IN the event the Lands or part of the Lands mortgaged herein is a condominium under the Condominium Property Act of Saskatchewan or similar legislation, the following shall apply:
  - "Condominium Corporation" as used herein means the Condominium Corporation of which the Mortgagor is a member by virtue of the ownership by the Mortgagor of the condominium unit being charged by this Mortgage.
  - 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:
    - In all cases in which a unanimous or special resolution is required by the Condominium Property Act of Saskatchewan as amended, the bylaws of the Condominium Corporation, or any agreement with the Condominium Corporation; and
    - 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.
  - 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.
  - I agree to observe and perform all covenants and provisions required to be observed and performed pursuant to:
    - The terms of this Mortgage,

- The Condominium Property Act of Saskatchewan, all amendments hereto, and any legislation passed in substitution thereof, and
- The bylaws and regulations of the Condominium Corporation and any amendments thereto.
- 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.
- 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**

- THAT in the event that this Mortgage is a building or construction Mortgage, it is the intention of the parties hereto that:
  - 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;
  - 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;
  - 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;
  - 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;
  - the Mortgagee shall be entitled, at the expense of the Mortgagor, to inspect all aspects of the construction and make tests of materials, and the

Mortgagor will not cover any portion of the construction work requiring inspection by the Mortgagee until the Mortgagee has inspected the same, and the Mortgagor shall forthwith remedy and carry out again any work which does not conform to the Mortgagee's reasonable requirements;

- the Mortgagee shall not be obliged to hold back advances to provide the lien fund or other protection to the Mortgagor under the Builder's Lien Act of Saskatchewan 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**

- THAT I warrant and represent that:
  - 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);
  - 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;
  - 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;
  - 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
  - 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:

- remedy forthwith, at its own expense, any environmental damage that may occur or be discovered on the Lands in the future,
- 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;
- 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;

- 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;
- 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
- 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:

- 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
- 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

- 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 biphenyls ("PCBs") or PCB contaminated fluids or equipment, explosives, radioactive substances, petroleum and associated products, underground storage tanks or surface impoundments.

- SECURITIZATION**
- I acknowledge that the Indebtedness which is secured by this Mortgage and any additional collateral security which may be required by the Mortgagee to be granted by me pursuant to the provisions of any Lending Agreement issued with respect to the Indebtedness may be assigned, sold or securitized without further notice to or consent by me. I further acknowledge and agree that as part of such assignment, sale or securitization the information and materials provided in connection with this transaction or under any loan documents may be released or disclosed to the public or any private entity or group in an offering memorandum, prospectus or other disclosure document; to any subsequent or proposed purchaser and their third party advisors and/or agents; to the Mortgagee; to governmental authorities having jurisdiction over such sales or securitizations; to the servicer and its successors; and to other servicing entities who service securitized pools from time to time of which the Indebtedness and the Lending Agreements may become part.

- DISCLOSURE**
- 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**

- 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:
  - 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;
  - 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.

**MORTGAGOR'S ASSURANCE OF TITLE**

- AND I hereby covenant with the Mortgagee that:
  - I have a good title to the Lands;
  - I have a right to Mortgage the Lands;
  - In case of a default the Mortgagee shall have quiet possession of the Lands free from all encumbrances;
  - I will execute such further assurances of the Lands as may be required;
  - 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;
  - 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**

- 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.