

**1. MORTGAGE TYPE**

- ☒ Mortgage ☐ Mortgage of Mortgage ☐ Encumbrance ☐ Mortgage of Encumbrance

**2. MORTGAGOR**

- ☐ Individual  
☐ Corporation  
☐ Executor, Administrator, Trustee  
☐ Government and Government Agency

**3. LAND DESCRIPTION AND PRIOR INSTRUMENTS**

Land 1



- ☒ All or part of a title  
☒ Current title number ☐ Issuing from title number

- ☒ All ☐ Part

Land Description

- ☐ All units in a condominium plan  
☐ All lots, blocks and parcels in a plan

Subject to the following instruments

- ☐ Currently on title  
☐ Registered prior in series

**4. MORTGAGEE**

- ☐ Individual  Full legal name required  
☐ Corporation  
☐ Executor, Administrator  
☐ Government and Government Agency

**5. TERMS AND PAYMENT PROVISIONS**

Mortgage Description

Mortgage Principal Amount

Canadian Dollar (CAD)



Standard Charge Mortgage Terms



- ☒ Deposited at land titles as number

and name

- ☐ Not applicable

Loan Description



Loan Principal Amount

Canadian Dollar (CAD)

- ☐ Mortgage secures a revolving credit up to the loan principal amount

Payment Details

Prime is defined as

- ☐ Scheduled Payments  
☐ Payable on Demand

## Additional Provisions

- ☐ Covenantor will sign  
☐ Guarantee Mortgage  
☐ Collateral Mortgage  
☐ Secures present and future liabilities  
☐ Secures current or running account  
☐ Prepayment terms  
☐ Other

**6. THE FARM LANDS OWNERSHIP ACT EVIDENCE**

The registration of this instrument does not contravene the provisions of *The Farm Lands Ownership Act* because

- ☐ The within land is not farm land as defined in *The Farm Lands Ownership Act*.  
☐ All of the within lands are farm land and are being mortgaged pursuant to a *bona fide* debt obligation.  
☐ Some of the within lands are farm land and the farm lands are being mortgaged pursuant to a *bona fide* debt obligation.  
☐ Other



## 7. INSTRUMENT PREPARED BY

Given Name	<input type="text"/>	Middle Names	<input type="text"/>	Surname	<input type="text"/>	Suffix	<input type="text"/>
Company	<input type="text"/>						
Telephone +	<input type="text"/>	<input type="text"/>	<input type="text"/>	Extension	<input type="text"/>	E-Mail	<input type="text"/>
File Number	<input type="text"/>			Description	<input type="text"/>		

## Lock Form and Create Signature Pages



Once you have clicked the Lock Form and Create Signature Pages button, you will not be able to change the registration form. You will be able to fill in certain areas in the signature pages before printing.

If you want to change the registration form once the signature pages have been created, you must click the Unlock Form and Remove Signature Pages button. If you do this, you will lose all changes made to the signature pages. Any signature pages already printed will be invalid and will have to be regenerated, reprinted and, where they have already been signed, resigned.

Image Only

THE REAL PROPERTY ACT

STANDARD CHARGE MORTGAGE TERMS

Filed by: SCOTIA MORTGAGE CORPORATION  
Filing Date: October 12, 2017  
Filing Name: Scotia Mortgage Corporation (Variable Rate Mortgage)  
Filing Number: 4894451/1

Table of Contents

		Page #
SECTION 1	DEFINITIONS	1
SECTION 2	DESCRIPTION OF PROPERTY MORTGAGED	1
SECTION 3	WHAT THE MORTGAGE DOES	1
SECTION 4	INTEREST	2
SECTION 5	HOW YOU WILL REPAY YOUR LOAN	2
SECTION 6	PREPAYMENT	3
SECTION 7	NO OBLIGATION TO ADVANCE	4
SECTION 8	YOUR TITLE TO THE PROPERTY	4
SECTION 9	YOUR RESPONSIBILITIES	4
SECTION 10	BUILDING MORTGAGES	7
SECTION 11	TRANSFER OF LEASES AND RENTS	7
SECTION 12	APPOINTING A RECEIVER	7
SECTION 13	PROTECTING OUR SECURITY AND INSPECTIONS	8
SECTION 14	IMMEDIATE PAYMENT	8
SECTION 15	DELAY IN ENFORCEMENT	9
SECTION 16	ENFORCING OUR RIGHTS	9
SECTION 17	DEALING WITH THE PROPERTY	10
SECTION 18	AMENDMENTS	10
SECTION 19	GIVING NOTICE	10
SECTION 20	EFFECT ON OTHER AGREEMENTS, OBLIGATIONS AND SECURITY	11
SECTION 21	CONDOMINIUM PROVISIONS	11
SECTION 22	RELEASING THE PROPERTY FROM THE MORTGAGE	11
SECTION 23	DISCHARGE OR ASSIGNMENT OF MORTGAGE	12
SECTION 24	WHO IS BOUND BY THE MORTGAGE	12
SECTION 25	GUARANTEE	12
SECTION 26	HEADINGS	13
SECTION 27	HOME WARRANTY PLAN/PROGRAM	13
SECTION 28	OUR PRIORITY	13
SECTION 29	FINAL REPORT	13
SECTION 30	CHANGE OF CORPORATE CONTROL OR STATUS	13
SECTION 31	REPRESENTATIONS AND WARRANTIES	13
SECTION 32	COSTS AND SERVICING FEES	14
SECTION 33	ADDITIONAL COSTS AND SERVICING FEES	14
SECTION 34	ASSIGNABILITY	15
SECTION 35	SEVERABILITY	15
SECTION 36	EQUIVALENT RATES	15

SECTION 1    DEFINITIONS

- 1.01     In this set of Standard Charge Mortgage Terms, the following terms have the following meanings:
- (a)     **Balance Due Date** means the date described as the **Balance Due Date** in the Mortgage.
  - (b)     **Buildings** means all buildings and Improvements covered by the Mortgage, as set out in Section 2 ,whether presently existing or built in the future, both during construction and afterwards.
  - (c)     **Compound Interest** has the meaning described in Subsection 4.03 of these Standard Charge Mortgage Terms.
  - (d)     **Condominium Corporation** means any condominium corporation of which the Property is a part.
  - (e)     **Costs and Servicing Fees** means all costs and servicing fees referred to in the Mortgage including without limitation costs and servicing fees described in Section 32 and Section 33 of these Standard Charge Mortgage Terms.
  - (f)     **Final Payment Date** means the date described as the **Last Payment Date** in the Mortgage.
  - (g)     **First Payment Date** means the date described as the **First Payment Date** in the Mortgage.
  - (h)     **Improvement** means any construction, erection, remodeling, rebuilding, installation, alteration, addition, change, tear down, renovation, repair or demolition on, of or to your Property or a part of your Property.
  - (i)     **Interest** has the meaning described in Subsection 4.01 of these Standard Charge Mortgage Terms.
  - (j)     **Interest Rate** has the meaning described in Subsection 4.01 of these Standard Charge Mortgage Terms.
  - (k)     **Judgment** has the meaning described in Subsection 16.08.
  - (l)     **Loan Amount** means the outstanding balance of all amounts (including without limitation Interest) owing to us from time to time under the Mortgage, as amended from time to time.
  - (m)     **Monthly Loan Payment** means the principal and Interest payment due on each Payment Date and described as the **Amount of Each Payment** in the Mortgage.
  - (n)     **Mortgage** means the Mortgage (in the paper based form or electronic format approved from time to time under The *Real Property Act*), any terms contained within it and this set of Standard Charge Mortgage Terms.
  - (o)     **Payment Date** means the same date each month as the First Payment Date.
  - (p)     **Person** means a natural person or any other legal entity such as a corporation.
  - (q)     **Principal Amount** means the amount specified as the Mortgage Principal Amount in the Mortgage or from time to time owing on account of principal under the Mortgage.
  - (r)     **Property** means the lands described under the headings **Land** or Land **Description** in the Mortgage and everything else included under the heading **Description of Property Mortgaged** in Section 2.
  - (s)     **Standard Charge Mortgage Terms** means this set of standard charge mortgage terms.
  - (t)     **Term Start Date** means the date described as the Interest Adjustment Date in the Mortgage and is the date the mortgage term starts.
  - (u)     **We, our** and **us** means Scotiabank or The Bank of Nova Scotia, the Mortgagee including our successors and assigns, and, as appropriate, any of our subsidiaries. Scotiabank acts as an agent for Scotia Mortgage Corporation, a wholly owned subsidiary. Any of our subsidiaries such as Scotia Mortgage Corporation, may act as our agent. Dealing with them is the same as dealing with us.
  - (v)     **You** and **your** mean each and every Person who has signed or is bound by the Mortgage, as Mortgagor, and anyone who has signed the Agreements.
- 1.02     The Mortgage is made pursuant to *The Real Property Act* and *The Mortgages Act*. **If the Mortgage is Canada Mortgage and Housing Corporation (CMHC) insured, or insured by any other third party provider of similar insurance, it is made according to the *National Housing Act (Canada)*.**
- 1.03     References to sections refer to sections of this set of Standard Charge Mortgage Terms. **Any reference to an Act in this Mortgage includes any amendment, replacement, or re-enactment of that Act.**
- 1.04     The Mortgage does not change or release you from any of your obligations under any contracts, credit agreements, companion booklets (as amended or replaced), promissory notes, bills, guarantees, notices or other documents, now or in the future, and all renewals, extensions, amendments, restatements, replacements and substitutions of them.

SECTION 2    DESCRIPTION OF PROPERTY MORTGAGED

- 2.01     The Property, including any Buildings and any other property that is at any time attached or affixed to the land or Buildings, including without limitation any fixtures or Improvements, and all other associated rights including easements and rights-of-way and all related rents and profits are charged by this Mortgage.

SECTION 3    WHAT THE MORTGAGE DOES

- 3.01     By signing this Mortgage, you charge your entire interest in the Property to us and to anyone to whom the Mortgage is transferred in any way, as security for the payment to us of the Loan Amount and the performance of your obligations under the Mortgage. The preceding sentence does not include the final day of any lease.
- 3.02     Our charge upon your interest in the Property, subject to the Mortgage, will end when:
- (a)     you have repaid the Loan Amount including without limitation all amounts to which we may become entitled under the Mortgage;
  - (b)     you have done everything else you have promised to do in the Mortgage; and
  - (c)     we have signed and delivered to you a discharge of the Mortgage.

- 3.03 You may remain in possession of the Property in accordance with the Mortgage. We can take any steps necessary to protect the entire interest you have charged to us and you authorize us and agree that we may, on your behalf, execute and/or register any documents necessary to give effect to your charging your entire interest to us. This includes, but is not limited to, rectifying clerical errors.
- 3.04 You agree to perform all of your obligations and to pay in accordance with this Mortgage all amounts including without limitation all Costs and Servicing Fees and other amounts due to us under this Mortgage, and all Interest, including without limitation Compound Interest, accruing on the Loan Amount from time to time. These amounts are secured by this Mortgage and form part of the Loan Amount.
- 3.05 You agree that all payments that you make to us or that we ask you to make will be made in full without any set off, abatement, counterclaim, deduction or withholding whatsoever. You agree that you do not have a right to cancel, offset or reduce any payment or debt by any amount we owe you.

**SECTION 4 INTEREST**

**4.01 Interest Rate**

The interest rate (the “**Interest Rate**”) payable by you on the Loan Amount is a variable rate, expressed as a rate per annum, equal to our Variable Rate Mortgage (VRM) Base Rate plus or minus the number of percentage points per annum specified as the Interest Rate in the Mortgage. Our VRM Base Rate varies from time to time, as the Prime Rate of The Bank of Nova Scotia varies. Interest is calculated monthly not in advance. Interest at this variable rate is payable on the Loan Amount both before and after the Final Payment Date, default and Judgment. The Interest Rate will vary automatically on the day the Bank of Nova Scotia Prime Rate changes. Wherever this Mortgage refers to the Interest Rate payable on the Loan Amount, that expression means the VRM Base Rate plus or minus the number of percentage points per annum specified in the Mortgage and payable as set out above. The VRM Base Rate and the Interest Rate payable on the Loan Amount at the time the first person signs the Mortgage (as set out in the Mortgage) will remain in effect after you sign the Mortgage until they are varied as provided under this Section 4.01. Section 36 of this set of Standard Charge Mortgage Terms sets out interest rates calculated half-yearly not in advance which are equivalent to interest rates calculated monthly not in advance.

**4.02 How you can determine the Interest Rate**

After each VRM Base Rate change we will mail a notice showing your new Interest Rate and the date it became effective. The notice will be sent to your last known address shown in our records. However, our failure to mail a notice or the fact that you do not receive it will not prevent the Interest Rate from varying. The VRM Base Rate in effect at any time will be available at any branch of The Bank of Nova Scotia in Canada or at [www.scotiabank.com](http://www.scotiabank.com).

**4.03 Compound Interest**

If on any Payment Date you do not make the Monthly Loan Payment due on that day, we will charge you Interest on any overdue portion of the Loan Amount (including without limitation Interest) until paid to us. This is called compound interest (the “Compound Interest”). Compound Interest, if applicable, shall be paid on each Payment Date. We will also charge Interest, at the Interest Rate, on Compound Interest that is overdue until paid to us, both before and after the Final Payment Date as well as both before and after default and Judgment.

**4.04 Deferred Interest**

If the Interest that has accrued on the Loan Amount from one Payment Date (or, in the case of the First Payment, from the Term Start Date) to the next Payment Date exceeds the Monthly Loan Payment, the excess (the “**Deferred Interest**”) will bear Interest at the Interest Rate payable on the Loan Amount. On the next Payment Date the Interest on the Deferred Interest will be added to the Deferred Interest and become part of it. If the Deferred Interest is not paid on that Payment Date, it will bear Interest at the Interest Rate payable on the Loan Amount and that Interest will be added to the Deferred Interest on the next Payment Date, and so on.

**SECTION 5 HOW YOU WILL REPAY YOUR LOAN**

**5.01 Currency and Place of Payment**

You shall pay the Loan Amount and all other payments to us in Canadian dollars at the Branch address set out as the Mortgagee Address for Service in the Mortgage, or at any other place we may designate, and such payments shall be made in accordance with this Section 5.

**5.02 Payments after the Term Start Date**

The Principal Amount, together with Interest calculated from the Term Start Date, shall become due and be paid by you in regular Monthly Loan Payments. You will make your Monthly Loan Payments to us in equal installments in the amount specified as the Amount of Each Payment in the Mortgage beginning on the First Payment Date and continuing monthly thereafter until the Final Payment Date. Each date that you are required to make a Monthly Loan Payment is called a Payment Date. You will pay the balance of the Principal Amount, together with all Interest due and payable on it, on the Balance Due Date.

**5.03 Application of Monthly Loan Payments**

Each Monthly Loan Payment will be applied:

- (a) first, to pay or reduce the Interest (other than Deferred Interest) that has accrued on the Loan Amount from (and including) the previous Payment Date to (but excluding) the Payment Date on which the payment is made (if the payment is the First Monthly Loan Payment, the Interest will be the Interest that has accrued from the Term Start Date);
- (b) second, if any of the payment remains, to pay or reduce Deferred Interest, if any; and
- (c) thirdly, if any of the payment remains, to reduce the Principal Amount outstanding.

**5.04 Early Payment on Sale or Charge**

If you sell, convey, transfer, mortgage, charge or otherwise encumber your Property, we may, at our option, require you to pay all the money that you owe us under this Mortgage immediately, unless we have given our prior written consent to the sale, conveyance, transfer, mortgage, charge or encumbrance. If we consent to the sale, conveyance, transfer, mortgage, charge or encumbrance and do not require you to immediately pay all the money that you owe us under this Mortgage, your obligations to us under this Mortgage and our rights against you or anyone else who is liable for the payment of money owing under this Mortgage are not



affected. Our providing a mortgage statement does not constitute a consent to any sale, conveyance, transfer, mortgage, charge or encumbrance of the Property.

SECTION 6    PREPAYMENT

6.01      **Paying Off Your Mortgage Before the Maturity Date**

You may prepay some or the entire Mortgage early, based on the type of Mortgage you have. If the term of your Mortgage is open, this is indicated in the Additional Provisions section of your Mortgage. Otherwise the term of your Mortgage is closed. If we later agree to change or extend the terms of the Mortgage, these prepayment conditions may not apply to the extended or amended term and the prepayment conditions applicable to your amended or extended term will be set out in your renewal documentation.

6.02      **Miss a Payment® Option**

You may miss any scheduled payment as long as you have prepaid an amount equal to the amount of the scheduled payment you intend to miss in this term and your Mortgage is not in default. You cannot, however, miss your mortgage protection premium, if applicable. Extra payments or prepayments may not be used to miss a scheduled payment if this Mortgage is assumed by a subsequent purchaser.

6.03      **Continuing Liability**

Unless you prepay the balance of the Principal Amount owing, you must continue to make your regular scheduled payments.

6.04      **If your Mortgage does not provide for a Cap Rate and the Prepayment Type is Open**

- (a)      If the term of your Mortgage is open and you pay off the entire Principal Amount of your Mortgage within the first year from the Term Start Date, you will be charged an administration fee of \$200. After the first year from the Term Start Date, if all of your Mortgage payments are up to date, you can prepay some or the entire Principal Amount of the Mortgage at any time without an administration fee or any prepayment charges. If you received a cashback with your Mortgage, the cashback amount will be repaid as outlined in Subsection 6.08 below.
- (b)      You may early renew this Mortgage to a fixed rate, closed prepayment type mortgage for a term of three (3) years or longer without a prepayment charge.

6.05      **If your Mortgage provides for a Cap Rate and the Prepayment Type is Closed**

If your Monthly Loan Payments are up to date, you may increase your payments or pay off some of your Mortgage early in one of the three ways listed in the following chart. These options apply to partial prepayments only. The options are available each year and cannot be saved to use in a later year. Each year is defined as the twelve (12) month period starting on the Term Start Date (also referred to as the Interest Adjustment Date) or the anniversary of that date. If your Mortgage term is less than twelve (12) months, these options are available during the term. If we later agree to change or extend the term of the mortgage loan, these prepayment conditions may not apply to the extended or amended term and the repayment conditions applicable to your extended or amended term will be set out in your amendment or renewal documentation.

PREPAYMENT OPTIONS - STANDARD MORTGAGE		
How	When	What it Means
1. By paying an extra regular Monthly Loan Payment (plus property taxes)*	On any regular Payment Date during the year (or pro-rated if your payment frequency is other than monthly)	Your Principal Amount balance will be reduced by that amount
2. By paying one or more additional amounts up to a total of 15% of the original Principal Amount of your Mortgage*	At any time (excluding day prepaid in full), sum total not to exceed the yearly maximum	
3. By increasing your Monthly Loan Payment by up to 15% of the Monthly Loan Payment originally set for the term of the Mortgage	Once each year of the term of your mortgage	
*Only items 1 & 2 qualify for the <i>Miss-a-Payment</i> ® option		

6.06      **Prepayment Charge**

- (a)      If the term of your Mortgage is closed, when you prepay some, or the entire Principal Amount of your Mortgage, you will incur prepayment charges, unless the partial prepayment is in accordance with the prepayment options chart above.
- (b)      The charge to pay off some or the entire Principal Amount of your mortgage early is 3 months’ Interest costs on the amount you want to prepay. The Interest Rate used to calculate the 3 months interest is the Cap Rate. If you received a Cashback with your mortgage the cashback amount will be repayable as outlined in Section 6.08.

6.07      **If You Move (Porting the Mortgage)**

- (a)      If:

(i)    you are not in default;

(ii)   you sell your Property;

(iii)  you purchase another property within ninety (90) days of the sale of your original Property; and

(iv)  we agree in writing,

you can move your existing Mortgage to your new property. This means you may transfer the Principal Amount outstanding at the time of sale and your Interest Rate terms for the remaining term of the Mortgage to the new property.
- (b)      This privilege may only be used for one new mortgage. This privilege may not be used for construction mortgages or any non-personal residential mortgages. In addition, to be eligible to move the Mortgage to your new property, you must:

(i)    meet our mortgage approval and mortgage transfer criteria, including any requirements of the mortgage default insurer, if applicable; and

- (ii) pay any processing and administration fees, mortgage default insurance premiums, legal costs, property valuation fees, and any other expenses we incur.
- (c) You will still be required to pay all applicable prepayment charges, discharge fees and any cashback amount owing when you sell your Property. If we agree to let you move the Mortgage, we will refund such charges and amounts when we obtain the new mortgage, with the exception of discharge fees. If the principal amount of the new mortgage is less than the Principal Amount outstanding when you sold your original Property, you are responsible for the applicable prepayment charges and any cashback amount owing on the difference.
- (d) If the Mortgage has mortgage default insurance, ask us to see if the mortgage default insurance can be moved.

6.08 **Cashback**

If you receive a cashback with your mortgage loan, the cashback amount will be repayable if your mortgage loan does not remain outstanding with us for the full term. If the mortgage is partially prepaid, paid off in full, transferred, assumed, or renewed prior to expiry of the term, the cashback amount will appear as payable in any assumption discharge or early renewal statement and will be calculated on an even, prorated basis using the following formula:

Cashback Repayment =  $\frac{\text{Remaining Term in Months (rounded up)}}{\text{Original Term in Months}} \times \frac{\text{Cashback Amount Received}}{\text{Cashback Amount Received}}$

**SECTION 7 NO OBLIGATION TO ADVANCE**

- 7.01 If we decide, for any reason, that we do not wish to lend you any money or more money, or provide other forms of credit to you, then we do not have to do so, even though the Mortgage is prepared, signed or registered, and whether or not any amounts have already been advanced. However, by signing the Mortgage you charge all of your entire interest in the Property to us. You will, immediately, pay our Costs and Servicing Fees, including without limitation investigating the title to the Property and preparing and registering the Mortgage.

**SECTION 8 YOUR TITLE TO THE PROPERTY**

- 8.01 If you are the owner of the Property, you promise and declare that, as of the date of this Mortgage:
- (a) you are the registered legal owner and beneficial owner of the Property and have good and marketable freehold title to the Property;
  - (b) you have the right to give us the Mortgage;
  - (c) there are no encumbrances or other claims or interests on the title to the Property other than those disclosed on the registered title to the Property; and
  - (d) there are no limitations or restrictions on your title to the Property except building by-laws, zoning regulations and registered restrictions, all of which have been and will continue to be complied with.
- 8.02 If you are a tenant of the Property, you promise and declare that, as of the date of this Mortgage:
- (a) the Property is leased to you under a lease, a copy of which you have provided to us;
  - (b) the lease is a binding and existing lease and all information you have provided to us concerning it is true;
  - (c) all rents payable and other amounts due under the lease have been paid;
  - (d) you have permission or the right to assign, sublease and mortgage or charge the lease; and
  - (e) except as expressed in the lease, there are no limitations, restrictions or encumbrances on your interest under the lease other than building by-laws, zoning regulations and registered restrictions, all of which have been and will continue to be complied with.
- 8.03 You agree not to further transfer, mortgage, charge, hypothecate, lease or encumber the Property without our prior written consent.
- 8.04 You promise not to do anything that will interfere with our charge upon your interest in the Property and you agree to sign any documents or do anything further that we think is necessary to charge to us your interest in the Property.
- 8.05 If we agree in writing that the Mortgage is not a first charge on the Property, you agree not to increase the principal amount owing under any prior charge or to re-borrow any amount repaid under any prior charge without first obtaining our written approval, unless the prior charge is held by us. We may withhold our approval for any reason. You promise not to default under any prior charge. You consent to us giving notice to the holder of any other charge on the Property of the existence of this Mortgage and of all the terms of this Mortgage.

**SECTION 9 YOUR RESPONSIBILITIES**

9.01 **Payment**

You agree to pay us the Loan Amount in accordance with this Mortgage and to comply with all your other obligations under this Mortgage.

9.02 **Insurance**

- (a) You will insure without delay and keep insured in our favour and until the Mortgage is discharged the Buildings against loss or damage by fire and other perils usually covered by a standard extended coverage insurance policy and against any other perils we request from time to time (including without limitation earthquake insurance).
- (b) Such insurance must be provided by a company approved by us for the full replacement cost of the Buildings (the maximum amount for which the Buildings can be insured) in Canadian dollars. Your policy must be in a form satisfactory to us and must include extended perils coverage and the Canadian standard mortgage clause satisfactory to us stating that loss under the policy is payable to us. You shall, at our request, transfer to us all insurance policies and receipts of payment you have on the Buildings and any proceeds from that insurance. Co-insurance is not permitted.
- (c) In our opinion, if you do not comply with this Subsection 9.02 before your insurance expires or is terminated, or if you do not:
  - (i) maintain insurance on the Buildings; or
  - (ii) deliver a copy of any insurance policy and/or receipt of payment to us within five (5) calendar days after we make a request; or



- (iii) provide us with evidence of any renewal or replacement of the insurance or insurance broker at least thirty (30) calendar days before your insurance expires or is terminated; or
- (iv) provide us with a policy that contains an assurance by the insurer to notify us in writing not less than thirty (30) calendar days prior to any material change, cancellation, failure to renew or termination of any policy;

we can, but are not obliged to, insure any of the Property or Buildings.

- (d) We may take out insurance under an individual policy or the Property may be insured under a blanket insurance policy issued to us. If we take out such insurance, we will insure the Property only for the amount owing under the Mortgage. You will pay our Costs and Servicing Fees as set out in Subsection 9.02(n).
- (e) If the insurance you obtain is not acceptable to us in our reasonable estimation, we can require you to replace it with insurance which is acceptable.
- (f) If the Property includes a condominium unit, you will ensure the full compliance by the Condominium Corporation with its duties and obligations under The Condominium Act and the declaration and by-laws of the Condominium Corporation. You will also ensure that the Condominium Corporation will at all times comply with the terms of all insurance policies, the insurance provisions of the Condominium Corporation's declaration and any insurance trust agreement. You will also ensure that the insurance taken out by the Condominium Corporation complies with the obligations of this Subsection 9.02. Furthermore, you will ensure that the Condominium Corporation assigns and delivers to us certificates of insurance or, if required by us, certified copies of each insurance policy, as soon as possible after placing the required insurance.
- (g) If the Property includes a condominium unit, in addition to the insurance which the Condominium Corporation must obtain, you must:
  - (i) insure your condominium unit;
  - (ii) insure all improvements which you or previous owners have made to your condominium unit;
  - (iii) insure your common or other interest in the Buildings (whether presently existing or built in the future, both during construction and afterwards) which are part of the condominium property or assets of the Condominium Corporation, if the Condominium Corporation fails to insure the Buildings or assets as required or if we require you to do so; and
- (iv) assign your insurance policies to us and (as far as permitted by law) your interest in the policies held by the Condominium Corporation.
- (h) Insurance proceeds may, to the extent permitted by law, in whole or in part and, at our sole discretion, be:
  - (i) applied to rebuild or repair the Property;
  - (ii) paid to you or paid to any other Person who owns or did own the Property, as established by the registered title to the Property; or
  - (iii) applied to reduce any part of the Loan Amount whether due or not yet due.
- (i) You will not take or fail to take any action that may jeopardize insurance coverage for the Property without our prior written consent, including without limitation leaving the Property unoccupied in contravention of any insurance policy(ies) applicable to the Property. If you are in default under the Mortgage and if we post a notice on the Property requesting that you contact us and you fail to do so within five (5) calendar days following posting of the notice you agree that you will be deemed to have left the Property unoccupied for the applicable period and we shall be at liberty to enter or take possession of the Property, at our option, and if we do enter or take possession, that we are not and shall not be deemed to be a mortgagee in possession.
- (j) All policies of insurance must show any loss payable:
  - (i) to us;
  - (ii) to a trustee approved in writing by us pursuant to an insurance trust agreement approved by us; or
  - (iii) to both (if the Property includes a condominium unit).
- (k) The terms of any insurance trust agreements, once approved in writing by us, may not be altered without our further written approval.
- (l) The Mortgage also charges all insurance proceeds as security for the Loan Amount. If the Property includes a condominium unit, the Mortgage also charges your interest in any insurance trust and any insurance proceeds relating to the Property held by the trustee.
- (m) If there is any loss or damage to the Property, you must furnish at your own expense all necessary proofs of claims and do all necessary acts to enable us to obtain payment of the insurance proceeds. You also empower us to complete and file any necessary proofs of claims or loss on your behalf. Production of the Mortgage will be sufficient authority for the insurer to pay any loss to us.
- (n) You will immediately pay our Costs and Servicing Fees related to and with respect to insurance, including without limitation investigating any insurance matters, administering insurance cancellations, paying insurance premiums, dealing with insurance claims or taking out any insurance under an individual or blanket insurance policy issued to us. You will pay our Costs and Servicing Fees immediately. If you do not, we may declare that you are in default of this Mortgage or add these amounts to the Loan Amount, or do both. If we add these amounts to the Loan Amount, Interest will be charged at the Interest Rate until they are repaid.

### 9.03 **Taxes**

- (a) You will make tax payments to us in accordance with this Subsection 9.03 on account of the property taxes payable on your Property so that we may pay the taxes when they become due.
- (b) We can deduct from the total final advance of the Principal Amount enough money to pay all taxes due on or before the Term Start Date and which have not been paid on the date the final advance is made.

- (c) The tax payments will be made on the same dates that your regular Monthly Loan Payments are to be paid to us. Your tax installments will consist of the estimated annual taxes divided by the number of regular Monthly Loan Payments you are required to make annually. We may change the amount of the tax payments you make and the frequency of the tax installments from time to time to reflect changes in the annual taxes on your Property or to reflect an amount that exceeds our estimate of your taxes.
- (d) The tax payments should enable us to pay all taxes on or before the annual due date for the taxes. If your taxes are payable in installments, the tax payments should enable us to pay each and every installment of taxes on your Property on or before the date on which the final installment is due.
- (e) If, however, the annual due date or the final installment date for the payment of your taxes is less than one year from the Term Start Date, you will pay us equal tax payments during that period and during the next twelve (12) months. These equal tax payments will be based on our estimate of the total taxes payable for both periods so that we will receive enough money from you to pay all taxes for both of those periods.
- (f) You will send us immediately upon their receipt, all assessment notices, tax bills or tax notices which you receive. Failure to do so may result in additional charges or fees from the taxing authority.
- (g) We may estimate your property taxes for the year based on information received from you. We may revise the estimate from time to time. You will pay to us on demand any amount by which the actual taxes on your Property exceed our estimate of your taxes or exceed the amount we have accumulated to pay your taxes and failure to do so may result in additional charges, fees, or penalties from the taxing authority. Or, at our option, we may increase the tax payment to cover this amount. You will be responsible for any additional charges, fees or penalties from the taxing authority.
- (h) We will pay your taxes from the tax payments we receive from you as long as you are not in default under this Mortgage. We are not obliged to make tax payments on the due dates or more often than once a year. If you have not paid us enough for taxes, we may still pay the taxes. This will create a debit balance in your tax account. Any debit balance is immediately payable by you. Until paid, any debit balance will be added to the Loan Amount and will be a charge against your Property. We are under no obligation to advise you that a debit balance has been created. We will charge you interest on the debit balance in your tax account at the Interest Rate until the debit balance is paid to us in full.
- (i) We will pay you interest on any credit balance in your tax account. The interest we pay will not be less than that paid by The Bank of Nova Scotia on their savings-chequing accounts with the same credit balance.
- (j) We may apply the money in your tax account towards payment of any amount you owe in connection with your Mortgage that you fail to pay us when it is due.
- (k) We may agree not to require you to make property tax payments through us. If this is the case, you agree to pay all taxes directly to the taxing authority when due and to provide us with a copy of a receipt or other acceptable evidence of payment within thirty (30) days after the due date. We may also verify payment of property taxes directly with the taxing authority. Despite our agreeing not to require you to make property tax payments through us, we can, on notice, at any time, require you to make tax payments to us in accordance with this Subsection 9.03 on account of the property taxes payable on your Property so that we may pay the taxes when they become due. You agree to execute all necessary documents required by us.
- (l) Whether the taxes are paid through us or by you, you will, immediately, pay our Costs and Servicing Fees related to and with respect to taxes, including without limitation collecting money for and paying your property taxes, amounts charged by the taxing authority for providing information about your property taxes, for sending us your property tax invoices or for accepting property tax payments from us on your behalf. You will pay our Costs and Servicing Fees immediately. If you do not, we may declare that you are in default of this Mortgage or add these amounts to your tax account, or do both. If we add these amounts to your tax account, interest will be charged at the Interest Rate until they are repaid. If you do not have a tax account, we may add these amounts to the Loan Amount and interest will be charged at the Interest Rate until they are repaid.

#### 9.04 **Other Charges**

- (a) You agree to pay all taxes, charges, mortgages, liens, common expenses, contributions, levies, assessments, claims and other encumbrances on the Property when they are due. If you do not pay any of these amounts when they are due, we can pay them. We can also, without prior notice to you, pay off any liens, common expenses, contributions, levies, assessments, claims or encumbrances against your Property which we consider to have priority over the Mortgage. If your obligation under the Mortgage is to comply with an obligation to another Person, and the other Person claims that you have not complied, we can do what we choose to cause compliance as if such claim is valid and even if you dispute it. We are entitled to rely on any statement we receive for the purpose of making any payment required to protect our interest in your Property and will not be required to undertake any further investigation. These statements will be considered conclusive evidence of the amount owing.
- (b) If we pay on your behalf any taxes, charges, mortgages, liens, contributions, levies, assessments, claims or other encumbrances or any common expenses, you will pay our Costs and Servicing Fees immediately.
- (c) You will also pay immediately all our Costs and Servicing Fees related to collecting any payments not received from you when due.

#### 9.05 **Keeping the Property in Good Condition**

- (a) You agree to keep the Property in good condition and to make any repairs that are needed. You also agree not to do or fail to do anything, or let anyone else do or fail to do anything, that lowers the value of the Property or negatively affects the marketability of your Property. We can inspect the Property at any reasonable time, and charge the Costs and Servicing Fees of any inspections to you.
- (b) If you do not keep the Property in good condition, or if you or anyone else does or fails to do anything that lowers the value of the Property or negatively affects the marketability of your Property, or fail to comply with this Subsection 9.05, we can make any repairs which we consider necessary and charge our Costs and Servicing Fees of any such repairs to you. You will pay our Costs and Servicing Fees immediately.
- (c) Despite whether you did or did not obtain the governmental approvals that apply to your Property, you will not make any Improvements to the Property without our prior written consent. In either case, we may withhold our approval in our sole discretion.
- (d) You or any party using your Property with your permission will not use the Property for any business purposes without our prior written consent.

- (e) You or any party using your Property with your permission may not use the Property for illegal purposes or illegal substances.
- (f) You or any party using your Property with your permission will not use the Property to cultivate or store marijuana.

**9.06 Leasehold Interests**

- (a) If you are a tenant of the Property, you promise to:
  - (i) pay the rents and other amounts due under the lease as they fall due;
  - (ii) comply with all of the other terms of the lease and not to do or fail to do anything that would cause the lease to be terminated or fall into default;
  - (iii) not surrender the lease;
  - (iv) not make any change in the lease without first obtaining our written consent;
  - (v) give us a true copy of any notice or request you receive concerning the lease; and
  - (vi) notify us immediately if your landlord advises you of early termination or takes any steps to effect early termination of the lease.
- (b) We can but are not obliged to appoint an agent to assign your lease and the last day of the term of your lease and the last day of any renewal term of your lease on your behalf and in your name. We may appoint an agent to transfer your interest in your Property as required to enforce any of our rights under this Mortgage, including without limitation our right to sell your Property under power of sale. The agent is to be your agent and not ours and the agent's default is considered to be solely your default.
- (c) We are not obliged to collect any rent or other income from the Property nor to comply with any term of any lease or agreement. If we choose to exercise any of our rights with respect to the rents, then our rights in the rents will take priority over all other parties claiming an interest in the rents.
- (d) We shall have the right to cure any default by you under the lease but are not required to do so. You will pay our Costs and Servicing Fees immediately.

**SECTION 10 BUILDING MORTGAGES**

- 10.01 If any portion of the Principal Amount is to finance an Improvement, you must so inform us in writing immediately and before any advances of the Principal Amount. You must comply with all of your obligations under The Builders' Liens Act including without limitation the obligation to maintain holdbacks. You must also provide us immediately with copies of all contracts and subcontracts relating to the Improvement and any amendments to them. You agree that any Improvement shall be made only with our prior written consent and according to contracts, plans and specifications first approved in writing by us in advance. If we consent, you must complete all such Buildings and/or Improvements as quickly as possible and provide us with proof of payment of all contracts from time to time as we require. If you do not complete the Improvement, we may do so and our Costs and Servicing Fees will form a part of the Loan Amount and will bear Interest at the Interest Rate. You will pay our Costs and Servicing Fees immediately. We will make advances to you based on the progress of the Improvement, until either completion and occupation or sale of the Property. We will determine, in our sole and absolute discretion, whether or not any advances will be made, when they will be made and in what amount. You authorize us to provide information about the Mortgage to any Person claiming a construction lien on the Property.
- 10.02 We do not assume any responsibility for the construction of any Buildings on your Property or the completion of any Improvements to your Property or for any contractual terms or arrangements made between you and the builder or any contractors/subcontractors. The fact that we have made an advance does not constitute any representation or warranty by us with respect to the condition of the Buildings on your Property or the completion of any Improvements to your Property or any compliance with any contractual terms or arrangements made between you and the builder or any contractor/subcontractor.
- 10.03 Costs and Servicing Fees relating to inspections, appraisals and other external experts which we require are your responsibility and may be deducted from advances.

**SECTION 11 TRANSFER OF LEASES AND RENTS**

- 11.01 As additional and separate security for the Loan Amount, you assign to us all existing and future rents and leases relating to the Property. In particular, you transfer and assign to us as security:
  - (a) all leases, lease agreements and their renewals;
  - (b) all rents and other money payable under the terms of all such leases and agreements, however, we may allow you to receive such rents so long as there is no default by you in making your payments to us or in complying with your other obligations to us under the Mortgage; and
  - (c) all of your rights under such leases and agreements.
- 11.02 In addition you confirm and agree that:
  - (a) you must obtain our prior written consent for any future leases of the Property or for the renewal of any lease (other than a renewal provided for in any lease already approved by us);
  - (b) nothing we do under this Section 11 shall put us in possession of the Property;
  - (c) however, if you default under the Mortgage we have the right to take possession of, inspect, collect rents or manage the Property;
  - (d) we are not obliged to collect any rent or other income from the Property nor to comply with any term of any lease or agreement; and
  - (e) if we choose to exercise any of our rights with respect to the rents, then our rights in the rents will take priority over all other parties claiming an interest in the rents.

**SECTION 12 APPOINTING A RECEIVER**

- 12.01 If you do not repay the Loan Amount when it becomes due and payable in accordance with Section 14 of this Mortgage or if any one or more of the events listed in Subsection 14.01(a) through (h) occurs, we can, in writing, appoint a receiver (which

includes a receiver and manager) to collect any income from the Property and to otherwise exercise its or our rights as set out in this Mortgage. We can also, in writing, appoint a new receiver in place of any receiver appointed by us. The receiver is considered to be your agent and not ours and his defaults are considered to be solely your defaults.

- 12.02 The receiver has the right but not the obligation to:
- (a) use any available remedy (taken in your name or our name) to collect the income from the Property;
  - (b) take possession of the Property or part of it;
  - (c) manage the Property, maintain it in good condition and complete any Improvements if applicable; and
  - (d) lease the Property on whatever terms considered appropriate.
- 12.03 From the income collected from your Property, or the proceeds of sale of your Property, the receiver may:
- (a) retain a commission of 5% of the total money received or any higher rate permitted by a judge or other authorized officer;
  - (b) retain enough money to pay disbursements spent on collecting the income;
  - (c) pay all taxes, insurance premiums, expenses of keeping the Property in good condition or completing any Improvements, interest on those payments and all charges that have priority over the Mortgage and Interest on those charges at the Interest Rate; and
  - (d) pay us all Interest that is due and payable under the Mortgage and then, at our option, pay us all or part of the Loan Amounts, whether due or not yet due.
- 12.04 Nothing done by the receiver puts us in possession of the Property or makes us accountable for any money except for money actually received by us.

### **SECTION 13 PROTECTING OUR SECURITY AND INSPECTIONS**

- 13.01 We (including, in this Section 13 the mortgage default insurer, if the Mortgage is insured) may inspect the Property and any Buildings on it when we consider it appropriate. We may do this for any purpose but particularly to conduct environmental testing, site assessments, appraisals, occupancy checks, investigations or studies which we consider appropriate. You will pay our Costs and Servicing Fees immediately. If we do the things permitted under this Section 13 or any other provision in these Standard Charge Mortgage Terms, we will not be considered to be in possession, management or control of the Property. This also applies to our agents.
- 13.02 In all cases, you will protect and indemnify us against all actions, claims, lawsuits, expenses, costs, or other demands relating to marijuana, hazardous or illegal substances on your Property, and any breach of your obligations under this Section 13.
- 13.03 You agree that you have made reasonable investigations and enquiries and that no part of your Property now contains, nor has it ever contained, and agree that it will never contain in the future, marijuana, hazardous or illegal substances, or be used for an illegal purpose.
- 13.04 If marijuana, hazardous or illegal substances are found on your Property, regardless of the source or cause, you must, with our prior written consent, immediately carry out all work required to remove the marijuana, hazardous or illegal substances from your Property and repair the damage to your Property. The plans and proposals for doing the work and repairs must have been prepared in consultation with us and have been approved, in writing, by us in advance. When the work is completed, you must provide us with confirmation in writing that the work is completed. This confirmation must be in a form acceptable to us. You are responsible for all of the Costs and Servicing Fees associated with this work, including without limitation providing evidence that the work has been completed. You will pay our Costs and Servicing Fees immediately.
- 13.05 If we do not consent to your repairing the damage, completing the work or if you fail to meet one or more of your obligations under this Section 13 you agree that we may do all or any part of the work we feel is appropriate. However, we are not obliged to do so. If we do, you will be responsible for all of the Costs and Servicing Fees associated with this work. You will pay our Costs and Servicing Fees immediately.

### **SECTION 14 IMMEDIATE PAYMENT**

- 14.01 You will immediately, at our option, pay to us all of the Loan Amount if:
- (a) any regular Monthly Loan Payment, or any other payment you are obliged to make to us under the Mortgage, is not paid when it is due;
  - (b) you fail to comply with any of your obligations under the Mortgage;
  - (c) you become insolvent or bankrupt;
  - (d) any lien is registered against the Property or we receive written notice of any lien that is created as a result of unpaid property taxes, unpaid condominium maintenance fees, Judgments or construction liens or other similar encumbrances;
  - (e) the Property is abandoned;
  - (f) any Buildings being erected or Improvements done on the Property remain unfinished without work being done on them for thirty (30) consecutive calendar days;
  - (g) for a VRM without a Cap Rate, the loan balance and all amounts secured by a mortgage, charge, lien, or other encumbrance against the Property ranking equal or in priority to the mortgage, ever exceeds 105% of the original advanced amount; or
  - (h) you, or any party using the Property with your permission, uses the Property for illegal purposes.
- 14.02 If there is a default under the Mortgage and the entire balance of the Loan Amount is accelerated and becomes immediately due and payable prior to Balance Due Date, you shall pay us, in addition to the full balance of the Loan Amount, a bonus equal to three (3) months of Interest on the Loan Amounts at the Interest Rate. The said bonus shall be payable notwithstanding any enforcement action already taken by us and we shall have no obligation to discharge the Mortgage until such payment is made.
- 14.03 Where a default under this Mortgage continues to or is made after the Balance Due Date, you shall still pay us, in addition to the full balance of the Loan Amount, a bonus equal to three (3) months of Interest on the Loan Amount at the Interest Rate



and we shall have no obligation to discharge the Mortgage until such payment is made, notwithstanding any enforcement action already taken by us. In the event your Property is sold by us, we shall be entitled to recover the bonus of three (3) months of Interest on the Loan Amount from the proceeds of any sale of your Property or other proceedings for enforcement of the Mortgage, even if the sale of your Property occurs after the Balance Due Date.

- 14.04 Nothing herein shall be deemed to affect or in any way limit our rights to recover by action or otherwise the Loan Amount, any Monthly Loan Payment, and/or Interest payable thereupon upon default or maturity.

## SECTION 15 DELAY IN ENFORCEMENT

- 15.01 We can delay enforcing any of our rights under the Mortgage without losing any of those rights, and we can release others from their obligations under the Mortgage without releasing any one of you.
- 15.02 No delay or extension of time granted by us to you or any other Person in exercising the enforcement of any of our rights under the Mortgage, nor any agreement referred to in Section 18 shall affect our rights to:
- (a) receive all payments you are obliged to make to us, when they are due and payable;
  - (b) demand that you repay the Loan Amount and all interest which is due and payable, on any default by you;
  - (c) have you comply with all of your obligations to us under the Mortgage; or
  - (d) have any other Person comply with the obligations that Person has to us under the Mortgage.
- 15.03 In some cases, we may not enforce our rights on a particular default. However, by doing so, we are not forgiving any existing default or any other defaults in the future.
- 15.04 In addition, if in these Standard Charge Mortgage Terms we reserve the right to make a payment or do something on your behalf, we may do so but are not obliged to do so.

## SECTION 16 ENFORCING OUR RIGHTS

- 16.01 We can take immediate possession of your Property if you do not repay the Loan Amount after it becomes due and payable in accordance with Section 14 of this Mortgage or if any one or more of the events listed in Subsection 14.01(a) through (h) occurs. In addition to the foregoing and to our rights set out in Section 12 we may enforce, at our option, any one or more of the following remedies in any order:
- (a) Sue you - We may take such action as is necessary to obtain payment of the Loan Amount.
  - (b) Foreclose - We may commence proceedings to foreclose your right, title and equity of redemption to all or part of the Property. If we obtain a final order of foreclosure, your Property will by law become our Property. We may apply for an order for the sale of the Property. The net proceeds of the sale will be applied to reduce the Loan Amount. Any balance remaining after all claims have been satisfied will be paid to you in accordance with applicable law. If the amount we receive from the sale of the Property is less than the Loan Amount, you must pay us the difference.
  - (c) Power of Sale - Upon giving you thirty (30) days' notice or as required by law, we may apply for an order for the sale of the Property or lease it or pursue any other remedy available to us under Manitoba law.
- 16.02 If you default in any obligation under the Mortgage (including without limitation any default referred to in this Section 16), we can enforce our rights and we can enter on the Property at any time, without the permission of any Person, and make all arrangements that we consider advisable to:
- (a) inspect, lease, collect rents or manage the Property;
  - (b) repair or put in order any Buildings on the Property; or
  - (c) complete the construction of any Buildings on the Property.
- 16.03 We can also take whatever action is necessary to take possession, recover and keep possession of the Property.
- 16.04 After we are in a position to sell or lease the Property, we can sell it, by public auction or private sale, or lease it at any time, in any way, and on any terms which we think are reasonable whether in cash or part cash and credit. We may with or without entering on the Property lease the Property without notice to you. If we think it is reasonable, we may cancel, terminate, amend or dispute any lease or enter into new leases without being responsible for any resulting loss.
- 16.05 We may apply the net proceeds of the sale or lease to reduce any part of the Loan Amount, after paying all expenses, and Costs and Servicing Fees. We will only be accountable for the money remaining after payment of all our expenses, and Costs and Servicing Fees when we actually receive it. If the money remaining, after paying all expenses, and Costs and Servicing Fees, does not satisfy the Loan Amount in full, you must pay us the difference.
- 16.06 You will not interfere with our possession of your Property, if we enter into possession of your Property while enforcing our rights, nor with the possession of anyone to whom your Property is sold or leased.
- 16.07 You agree not to make any claims concerning the Property against anyone who buys it or leases it from us, or anyone who buys or leases the Property after that time. If you do have any claims concerning the Property, you agree to make them only against us and only for money damages.
- 16.08 If we obtain a court order or judgment (a "**Judgment**") against you for your failure to comply with any of your obligations to us under the Mortgage, the Judgment will not result in a merger of the terms of the Judgment with our other remedies or rights to enforce your other obligations under the Mortgage. We will continue to be entitled to receive Interest on the Loan Amount in the manner established in this Mortgage. The rate of interest payable on any Judgment shall be calculated and payable in the same way as Interest is calculated under this Mortgage and at the Interest Rate until the Judgment has been paid in full.
- 16.09 If you have not removed your personal belongings from the Property before we take possession, you authorize us to remove and dispose of your belongings in any manner that we, in our absolute discretion, deem appropriate, without notice to you. We have no obligation to move, dispose or store your personal belongings and we shall have no liability for, and you hereby release us from such liability for any damages, losses, claims or expenses whatsoever arising out of our handling of your

personal property, whether negligent or otherwise, including but not limited to moving or not moving, disposing or storing those belongings. You will be responsible for all Costs and Servicing Fees incurred by us in dealing with those belongings. You will pay our Costs and Servicing Fees immediately.

- 16.10 If we enforce our rights under the Mortgage, we will not be considered to have taken possession, management or control of the Property.
- 16.11 When the Mortgage goes into default as a result of an event that is outside your control, you are in default of the Mortgage.
- 16.12 If there is more than one of you, a default is yours even if the default applies only to one of you or was caused by only one of you.
- 16.13 You will immediately pay all our Costs and Servicing Fees of enforcing or protecting our security or any of our rights under the Mortgage. Our Costs and Servicing Fees include, without limitation, our Costs and Servicing Fees, the cost of taking or keeping possession of the Property, an allowance for our time and services utilized in so doing, our legal fees on a solicitor and own client basis, disbursements and taxes and all other Costs and Servicing Fees related to enforcing or protecting our security or any of our rights under the Mortgage. These Costs and Servicing Fees will form part of the Loan Amount and will bear Interest at the Interest Rate. You will pay our Costs and Servicing Fees immediately.
- 16.14 For the purpose of this Section 16 we, our, and us, includes the mortgage insurer if the Mortgage is insured.

**SECTION 17 DEALING WITH THE PROPERTY**

- 17.01 In the event of:
  - (a) a sale, conveyance, mortgage, hypothec, charge or other encumbrance, lease or transfer of the Property; and/or
  - (b) a claim, lien, execution, court order, restraint order, injunction or certificate of pending litigation, whether we are or are not a party, is registered, filed or obtained against the Property,then, at our option, we may declare that you are in default and the Loan Amount shall forthwith become due and payable. If we do not require you to repay the Loan Amount, our rights under this Mortgage or against anyone who has guaranteed this Mortgage are not affected.

**SECTION 18 AMENDMENTS**

- 18.01 We may, from time to time, enter into one or more written agreements with you to amend the Mortgage by extending the time for payment, renewing it or its term for further periods of time, changing the Interest Rate or otherwise altering the provisions of the Mortgage. You will be required to meet all of our credit and other requirements at that time. You may also be required to pay additional fees and premiums related to mortgage default insurance. You will immediately pay our Costs and Servicing Fees for a search of the title records at the appropriate Land Titles or Registry Office, where applicable. It will not be necessary to register any agreements on title in order to retain priority of the Mortgage for the full amount of the Principal Amount. Any reference in this set of Standard Charge Mortgage Terms to the Mortgage will mean this Mortgage, as amended by any such agreements. Any renewals and/or amendments are at our sole discretion.
- 18.02 You agree to pay the Loan Amount on the Balance Due Date or, if we have offered to renew your Mortgage, to enter into a renewal agreement with us on or before the Balance Due Date. If you do not, provided that we have not advised you that we will not renew your Mortgage, you agree that the Mortgage will be automatically renewed into a fixed rate six (6) month closed term at our posted rate with a Scotiabank Flexible Package and Flexible Prepayment type (as described in the applicable renewal agreement) unless we otherwise indicate in the renewal agreement and including, without limitation, all the other terms and conditions stated in the applicable renewal agreement. For purposes of Section 10 of the *Interest Act* (Canada), the date of your Mortgage will be the date the applicable renewal takes effect.
- 18.03 If there are any executions, encumbrances or other claims or interests registered, filed or obtained against your Property in addition to this Mortgage, we may require them to be discharged, withdrawn or formally postponed. You will be required to pay all Costs and Servicing Fees to prepare, execute and register such discharges, withdrawals or postponements before we offer to renew or amend the Mortgage. This is required in order to preserve the priority of this Mortgage.

**SECTION 19 GIVING NOTICE**

- 19.01 Any written notice under this Mortgage may be given to you and is considered to have been received where notice has been given to you by one or more of the following means:
  - (a) personal service at your last known address;
  - (b) regular mail at your last known address;
  - (c) electronic communication including, without limitation, by electronic mail, text message or message sent via our online banking platform;
  - (d) publication in a newspaper published in the county, town, city or district where your Property is located;
  - (e) leaving it with an adult on your Property; or
  - (f) posting it on your Property.
- 19.02 Where notice is given by any of the above methods we consider you to have received the notice on the same date it is given or published; or, if we send it by mail, we consider you to have received the notice within five (5) calendar days of the date of mailing. We are not required to provide notice to you at an alternate address unless you have, in writing, designated the alternate address to receive the notice.
- 19.03 Written notice shall be considered to have been received by us when it is received at our address indicated on the Mortgage and any other address as we may notify you in writing.
- 19.04 If there is more than one of you:
  - (a) written notice to any one of you shall be considered to be notice to all of you;
  - (b) any one of you can provide instructions to us (including without limitation in connection with any renewal of the Mortgage) or designate an alternate address for service that will be binding on all of you.



**SECTION 20 EFFECT ON OTHER AGREEMENTS, OBLIGATIONS AND SECURITY**

20.01 The Mortgage does not change or release you from any of your obligations under any other agreement with us. Also, the Mortgage does not affect any other security we hold for the repayment of the Loan Amount or any other rights we may have to enforce repayment of the Loan Amount.

**SECTION 21 CONDOMINIUM PROVISIONS**

- 21.01 In this section, The *Condominium Act* is called the “Act”. Expressions used below which are the same as those in the Act have the same meaning as those in the Act, except that the expression “condominium property” has the same meaning as the word “property” in the Act.
- 21.02 You will comply with the Act and with the declaration, by-laws and rules of the Condominium Corporation (including any amendments, restatements, replacements and substitutions of them) relating to the Property and provide us with proof of your compliance from time to time as we may request.
- 21.03 You will pay the common expenses for your Property to the Condominium Corporation on the due date. In addition to our other rights and remedies contained in the Mortgage, you will pay us immediately all our Costs and Servicing Fees in relation to any by-law, resolution, rule or other matter (other than one for which only a vote of the majority present at the meeting is required) or the enforcement of our right to have the Condominium Corporation or any owner comply with the Act, declaration, by-laws and rules and our exercising any voting rights we may have. These costs will bear Interest at the Interest Rate and will form a part of the Loan Amount.
- 21.04 You irrevocably authorize us to exercise your rights in all matters concerning the Act and the condominium property including without limitation all voting and rights of consent which you may have as owner of the condominium property. You also authorize us to exercise your rights to demand the Condominium Corporation purchase the unit and common interest, where provided under the Act; elect to have the value of the unit and common interest or that of the condominium property determined by arbitration and receive your share of the Condominium Corporation’s assets and the proceeds from the sale of the unit and common interest or of the condominium property or any part of the common elements.
- 21.05 If we do not exercise your rights, you may do so according to any instructions we may give you. Before making such a demand or election you must obtain our prior written approval. You must do this even if we do not have the right to make the demand or election as between ourselves and the Condominium Corporation, and even if we had previously arranged for you to exercise that right.
- 21.06 We are not liable for any action we may take in doing what you have authorized us to do or for any failure to act and any action we may take will not put us in possession of the Property.
- 21.07 You authorize us to inspect the Condominium Corporation’s records and remedy any failure of yours to comply with the Act or the declaration, by-laws and rules of the Condominium Corporation. You will forward to us, if we require, any notices, assessments, by-laws, rules and financial statements of the Condominium Corporation you receive (or are entitled to receive) from the Condominium Corporation.
- 21.08 The Loan Amount will become payable immediately, at our option, if:
- (a) the Condominium Corporation fails to comply with the Act or the declaration, by-laws or rules of the Condominium Corporation;
  - (b) the Condominium Corporation fails to insure all the condominium units and common elements according to law and according to any additional requirements of ours or do all that is necessary to collect insurance proceeds;
  - (c) the Condominium Corporation makes any substantial modification to the common elements or the Condominium Corporation’s assets without our prior written approval;
  - (d) there has been substantial damage and the owners have voted for termination of the Condominium Corporation;
  - (e) a sale of the condominium property or any part of the common elements is authorized; or
  - (f) the Property ceases to be governed by the Act.
- 21.09 If the Property ceases to be governed by the Act all the terms of the Mortgage continue to apply to the Property. You authorize us to agree with anyone to a partition of the condominium property. We can pay or receive money to ensure that the partition is appropriate and you will reimburse us, immediately, for any money we have paid. We can also execute all documents and do all acts needed to carry out the partition. Your share of the Condominium Corporation’s assets and the proceeds from the sale of the unit and common interest or of the condominium property or any part of the common elements shall be paid to us, unless we notify you to the contrary in writing, and you will do all things necessary to accomplish this. Any money received by us, after payment of all our expenses, may be applied to reduce any part of the Loan Amount. Any balance remaining after all claims have been satisfied will be paid by you.
- 21.10 You will not sell or transfer any parking, storage or bicycle unit that forms part of your Property while still retaining ownership of the living accommodation. If you sell or transfer the living accommodation to someone, you will also sell or transfer the parking, storage or bicycle unit to them.
- 21.11 In addition to any other rights under the Mortgage you authorize us at any time to be able to enter upon the condominium complex and, if the Mortgage is in default, enter into the condominium unit. You will pay our Costs and Servicing Fees for so doing immediately.

**SECTION 22 RELEASING THE PROPERTY FROM THE MORTGAGE**

22.01 We may establish, at our sole discretion, the terms for releasing our interest in all or part of the Property; that is, we may discharge or partially discharge the Mortgage from the Property, whether we receive value for our release or not. If we partially discharge the Mortgage from the Property at any time, the rest of the Property will continue to secure the Loan Amount. We are only accountable for money actually received by us. If we release part of the Property at any time from the Mortgage, we will either prepare, execute and register a partial discharge of our Mortgage and you or your representative will be provided with confirmation of partial discharge, or, at our sole option, we will prepare and provide you with an executed but unregistered official partial discharge document. You will give us a reasonable time in which to prepare, review,

execute and register the partial discharge document and you will pay our usual Costs and Servicing Fees for preparing, reviewing and executing the partial discharge document and, where we elect to register the partial discharge of our Mortgage, our usual Costs and Servicing Fees for registering the partial discharge document. You will also pay all our legal fees on a solicitor and own client basis, disbursements and taxes and other Costs and Servicing Fees that we incur in connection with the partial discharge of our Mortgage. You will pay our Costs and Servicing Fees immediately. In the event that we provide you with an executed but unregistered partial discharge document, you will be responsible for registering the document and for all costs relating to such registration.

- 22.02 If the Property is subdivided before our interest in the Property comes to an end, the Mortgage will apply to each part into which the Property is subdivided. This means that each part will secure repayment of the total amount of the Loan Amount you owe us, even if we release another part of the Property from the Mortgage.
- 22.03 If any part of the Property or any land adjoining the Property is taken by the exercise of any power of expropriation or similar power, the entire compensation which you may be entitled to receive shall, at our option, be applied to reduce the Loan Amount including without limitation any penalty, fee or interest to which we have a right under this Mortgage or in the relevant legislation.
- 22.04 We can, at our sole discretion, release you, any guarantor or any other Person from performing any obligation contained in the Mortgage or any other security document without releasing any part of the Property secured by the Mortgage or any other security document. Any such release shall not release any other party from their obligations under the Mortgage. If you, any guarantor or any other Person request such a release, for us to consider the request, any other party to the Mortgage or any other security document must submit an application to requalify for the Mortgage under our credit criteria in effect at the time of the request. In all cases, including when an application is submitted, we will decide whether to agree to any request for a release at our sole discretion.

**SECTION 23 DISCHARGE OR ASSIGNMENT OF MORTGAGE**

- 23.01 When our interest in your Property comes to an end and you request that we discharge our Mortgage, we will either prepare, execute and register a full discharge of our Mortgage and provide you with confirmation of discharge, or, at our sole option, we will prepare and provide you with an executed but unregistered discharge document. You will give us a reasonable time in which to prepare, review, execute and register the discharge document and you will pay our usual Costs and Servicing Fees for preparing, reviewing and executing the discharge document and, where we elect to register the discharge of our Mortgage, our usual Costs and Servicing Fees for registering the discharge document. You will also pay all legal fees on a solicitor and own client basis, disbursements and taxes and other Costs and Servicing Fees that we incur in connection with the discharge of our Mortgage. You will pay our Costs and Servicing Fees immediately. In the event that we provide you with an executed but unregistered discharge document, you will be responsible for registering the document and for all costs and fees relating to such registration.
- 23.02 When our interest in your Property comes to an end and you request that we assign your Mortgage, and we are required by law to assign your Mortgage, we will prepare and execute an assignment of the Mortgage. You will give us a reasonable time in which to prepare, review and execute the assignment of the Mortgage and you will pay our usual Costs and Servicing Fees for preparing, reviewing, and executing the assignment of the Mortgage. You will also pay all legal fees on a solicitor and own client basis, disbursements and taxes and other Costs and Servicing Fees that we incur in connection with the assignment of the Mortgage. You will pay our Costs and Servicing Fees immediately. You will be responsible for registering the assignment of the Mortgage and for all costs and fees relating to such registration. We may, but are not required to, provide you or any other party with any notice of the assignment of the Mortgage. We have no obligation to assign or transfer the Agreements.
- 23.03 Any assignment or transfer of the Mortgage will be on a non-recourse basis.

**SECTION 24 WHO IS BOUND BY THE MORTGAGE**

- 24.01 You agree to observe and be bound by all of the terms and obligations contained in the Mortgage. The Mortgage will also be binding on your heirs, personal representatives and any Person to whom the Property is transferred, and shall benefit us and our successors and assigns. All Persons who sign or who are otherwise bound by the Mortgage are jointly and severally bound to comply with all obligations under the Mortgage.

**SECTION 25 GUARANTEE**

- 25.01 In this paragraph, guarantor means any person who signs the Mortgage as covenantor. Mortgagor means each person who signs or is otherwise bound by the Mortgage as Mortgagor.
- 25.02 In return for us making a loan to the Mortgagor, each covenantor, by signing the Mortgage, unconditionally guarantees to us the Mortgagor’s payment of the Loan Amount (including, without limitation, interest, whether or not the Interest Rate is changed at any time, and other Costs and Servicing Fees), when due and compliance with the Mortgagor’s other obligations under the Mortgage. Each covenantor agrees that, if the Mortgagor or any one or more of them defaults in making any payment or in performing any other obligation under the Mortgage, the covenantor will pay us all of the Loan Amount upon demand and will comply with all of the obligations under the Mortgage which have not been complied with by the Mortgagor. Each covenantor will be jointly and severally responsible with the Mortgagor and with one another (if more than one) for all obligations under the Mortgage including, without limitation, payment of the Loan Amount. Each covenantor’s liability under this guarantee will arise immediately after demand for payment under this guarantee has been made in writing by us and each covenantor’s liability under this guarantee will bear interest at the rate payable by the Mortgagor under the Mortgage from the date of such demand.
- 25.03 Each covenantor agrees that we can without releasing or lessening any covenantor’s liability and without obtaining the consent of or giving notice to any covenantor:
  - (a) make new advances under the Mortgage;
  - (b) grant any extensions of time for payment and extensions of the term of the Mortgage including, without limitation, any amendments, replacements, additions or renewals of the Mortgage;
  - (c) increase or decrease the Interest Rate, either during the initial term or in any subsequent renewal period;

- (d) release the whole or any part of the Property from the Mortgage or any other security;
- (e) delay or refuse to enforce our rights under the Mortgage;
- (f) otherwise deal with the Mortgagor, any other person (including, without limitation, any guarantor), any security (including, without limitation, the Mortgage) or the Property, including releasing, realizing on or replacing any security we may hold; and
- (g) waive any provision of the Mortgage or change any of the terms of the Mortgage at any time;

either before or after requiring payment from any other person. We may require payment from any covenantor without first trying to collect from the Mortgagor or any other person (including, without limitation, any covenantor) or on any security (including, without limitation, the Mortgage). The obligations of the covenantor under this guarantee shall be as principal debtor and not as surety and are not affected by the release of any Mortgagor or any other person (including, without limitation, any covenantor) of its obligations under the Mortgage or any compromise or termination of the Mortgage, whether in bankruptcy proceedings or otherwise. Each covenantor's liability hereunder will not be discharged or otherwise affected by the death or loss of capacity of the Mortgagor or by any change in the name of the Mortgagor, or by any reorganization or amalgamation, if the Mortgagor is a corporation and each covenantor's obligations shall be binding upon the covenantor's heirs, executors, liquidators or administrators, successors and personal representatives.

## **SECTION 26 HEADINGS**

- 26.01 The headings in the body of these Standard Charge Mortgage Terms form no part of the Mortgage. They are inserted for convenience only. You agree that all of the provisions stated in this set of Standard Charge Mortgage Terms form a part of the Mortgage.

## **SECTION 27 HOME WARRANTY PLAN/PROGRAM**

- 27.01 If a home warranty plan/program or any other regulatory program applicable to new homes under a regulatory authority applies to your Property, you agree to meet all of its requirements. You also agree to reimburse us for any Costs and Servicing Fees that we incur in meeting your obligations or enforcing your rights on your behalf, if we choose to do so. You will pay our related Costs and Servicing Fees immediately.
- 27.02 Where you have purchased the Property from a builder, or where a general contractor is building the Property, we must be satisfied that the builder/contractor and the housing unit are registered under a home warranty plan/program or any other regulatory program applicable to new homes prior to disbursement of funds. You will provide evidence satisfactory to us, in the form prescribed under the home warranty plan/program or any other regulatory program applicable to new homes, and any other evidence we may require until we are satisfied, in our sole and absolute discretion, that the Property is completed and is ready to be occupied. If you are acting as the contractor and are not a builder, you will provide proof, issued by the appropriate authority, and any other evidence we may require until we are satisfied in our sole and absolute discretion that the Property is ready to be occupied. You will immediately pay any related Costs and Servicing Fees to satisfy our requirements.

## **SECTION 28 OUR PRIORITY**

- 28.01 Our Mortgage has priority for the Loan Amount over every interest in the Property created in favour of any other Person after our Mortgage was entered into. Our providing a mortgage statement does not constitute consent to any encumbrance or interest.

## **SECTION 29 FINAL REPORT**

- 29.01 Where you have retained a solicitor and the solicitor is required to submit a Report on Title in a form that is satisfactory to us, in our sole and absolute discretion, including without limitation originals if requested and with the applicable enclosures, together with the form provided by the title insurance provider if applicable, together with evidence of the registered Mortgage, and the solicitor fails to do so within thirty (30) calendar days after the final advance is made, we are entitled to retain another solicitor, or title insurer if applicable, to satisfy our requirements at your expense. You will pay our Costs and Servicing Fees immediately.

## **SECTION 30 CHANGE OF CORPORATE CONTROL OR STATUS**

- 30.01 If you are a corporation, you agree that:
- (a) you will provide us, in a form satisfactory to us, with such information relating to the ownership of your shares as we may from time to time require; and
  - (b) you will not transfer, issue or redeem any of your shares or amalgamate, merge or consolidate with any other corporation, without our prior written consent.

## **SECTION 31 REPRESENTATIONS AND WARRANTIES**

- 31.01 If you are a corporation, you represent and agree on a continuous basis while any Loan Amount remains outstanding that:
- (a) you are duly organized, validly existing and in good standing under the laws of your governing jurisdiction;
  - (b) you have full power, authority and legal right to own your interest in the Property and are duly qualified to do your business and are in good standing in each jurisdiction where qualification is necessary for your business and you have not commenced any dissolution or reorganization proceedings;
  - (c) you have full power, authority and legal right to enter into the this Mortgage and to do all acts and execute and deliver all other documents as are required to be done, observed or performed by you under this Mortgage;
  - (d) you have taken all necessary action and proceedings to authorize the execution, delivery and performance of the Mortgage and to observe and perform the provisions of each;
  - (e) neither the execution and delivery of the Mortgage, nor compliance with the terms and conditions of the Mortgage,
    - (i) has resulted or will result in a violation of the constating documents governing you, including without limitation any unanimous shareholders' agreement, or any resolution passed by your board of directors or shareholders;
    - (ii) has resulted or will result in a breach of or constitute a default under applicable laws or any agreement or instrument to which you are a party or by which you or the Property or any part of the Property is bound; or
    - (iii) requires any approval or consent of any Person except such as has already been obtained.

- 31.02 You further agree that all statements, information or documents which you have given or made to us, or which you give or make to us in the future, in applying for the Loan Amount, or in the Mortgage, are true and accurate. If we discover that any statement, information or document which you have given or made to us, or which you give or make to us in the future, in applying for the Loan Amount, or in the Mortgage, is untrue and/or inaccurate, you will be in default of your obligations under the Mortgage, and the entire balance of the Loan Amount will, at our option, immediately become due and payable, regardless of whether you knew that the statement, information or document was untrue and/or inaccurate at the time it was given or made to us and regardless of whether we relied or did not rely on the truth or accuracy of any such statement, information or document.
- 31.03 If there is more than one of you, and any untrue and/or inaccurate statement, information or document is given or made to us by only one of you, all of you will be considered to be in default of your obligations under the Mortgage, and we will have the right to demand immediate payment of the entire balance of the Loan Amount from any or all of you, at our option.

**SECTION 32 COSTS AND SERVICING FEES**

- 32.01 Costs and Servicing Fees include costs, servicing fees for our time and expenses for all aspects of the administration of the Mortgage including, without limitation, a fee or allowance for:
  - (a) administering the account for the collection and payment of taxes and tax matters;
  - (b) investigating any insurance matters, administering insurance cancellations, paying insurance premiums, dealing with insurance claims or taking out any insurance under an individual or blanket insurance policy issued to us;
  - (c) investigating the status of realty tax matters and administering tax payments;
  - (d) generally, any matter connected with the administration of the Mortgage and your Property including, without limitation, inquiring into compliance, dealing with or enforcing any obligation contained in the Mortgage and including, without limitation, preparation, processing and administration of legal actions and enforcements, requests by you or third parties, taxes, condominium fees, and condominium matters, insurance, repair and construction, environmental matters, leases and other encumbrances and managing or selling your Property;
  - (e) investigating the status of any condominium fees, common expenses, and other condominium matters;
  - (f) administering condominium fees, common expenses and other condominium matters;
  - (g) collecting money for and making payments with respect to condominium fees, common expenses and other condominium matters;
  - (h) investigating the title to the Property;
  - (i) collecting any payments not received from you when due;
  - (j) paying, on your behalf, any charges, mortgages, liens, claims, or other encumbrances or any common expenses, levies, assessments or contributions;
  - (k) making any repairs which we consider necessary or completing any construction;
  - (l) curing any default under a lease referred to in the Mortgage;
  - (m) conducting any inspections or appraisals and engaging any other external experts, appraisers, consultants, service providers or representatives, including without limitation legal representatives;
  - (n) conducting any environmental testing, site assessments, appraisals, occupancy checks, investigations or studies;
  - (o) consulting on and approving any plans and proposals related to your Property;
  - (p) removing, moving, disposing, storing or dealing with any chattels, fixtures or personal belongings on the Property;
  - (q) enforcing or protecting our security or any of our rights under the Mortgage;
  - (r) taking or keeping possession of the Property;
  - (s) preparing, reviewing, executing, or registering the Mortgage, a discharge of the Mortgage, a partial discharge of the Mortgage, or any other discharge, withdrawal or postponement of the Mortgage;
  - (t) preparing, reviewing, and executing the assignment of the registered Mortgage and any matters in connection with the assignment of the registered Mortgage;
  - (u) meeting your obligations or enforcing your rights under a home warranty plan/program or any other regulatory program applicable to new homes on your behalf; and
  - (v) retaining a solicitor, or title insurer, if applicable, with respect to any title matter relating to the Property.
- 32.02 Our servicing fees shall be the amounts established disclosed and generally applied by us from time to time and may be ascertained upon inquiry to us. We have the right to change the fees we charge from time to time without notifying you.
- 32.03 In addition, costs include, without limitation, legal fees on a solicitor and own client basis, disbursements and taxes and all other costs related to enforcing or protecting our security or any of our rights under the Mortgage.
- 32.04 You will pay our Costs and Servicing Fees under the Mortgage immediately. If you do not, we may declare that you are in default or add these amounts to the Loan Amount, or do both. If we add these amounts to the Loan Amount, Interest will be charged at the Interest Rate until they are repaid.

**SECTION 33 ADDITIONAL COSTS AND SERVICING FEES**

- 33.01 In addition to the Costs and Servicing Fees outlined in the Mortgage, you also agree to pay to us immediately our Costs and Servicing Fees in connection with the administration and processing of any requests by you or third parties related to your Mortgage or Property.
- 33.02 For greater certainty, the charging of an administration and processing fee does not prevent us from engaging external experts, appraisers, consultants, service providers or representatives, including without limitation legal representatives, to



assist with a matter related to your Property and/or your Mortgage and you will be responsible for any and all expenses, Costs and Servicing Fees, including without limitation legal fees on a solicitor and own client basis, disbursements and taxes, associated therewith.

**SECTION 34 ASSIGNABILITY**

- 34.01

We may, at our option, sell, assign or deposit all or any part of the Loan Amount or this Mortgage to one or more third parties (including without limitation, the mortgage default insurer if the Mortgage is insured or title insurer if title insurance has been obtained in connection with this **Mortgage**), without notice to you or your consent. If we do so, you agree that this **Mortgage** shall continue to secure the Loan Amount. This Mortgage and the Loan Amount once sold, assigned or deposited may be repurchased or reacquired by us, whether or not in default, without notice to you or your consent.
- 34.02

In addition, we may also disclose information about you, the Mortgage, and the Loan Amount to a mortgage insurer or other insurer, or other third party from whom we may obtain benefits that protect our security. You consent to insurers and other third parties that provide benefits or services to us for the Mortgage obtaining information about you from credit bureaus and other lenders to evaluate you and the Mortgage.

**SECTION 35 SEVERABILITY**

- 35.01

If any provision of this Mortgage is held to be illegal, invalid, or unenforceable, that provision will be fully severable and this Mortgage will be construed and enforced as if such illegal, invalid or unenforceable provision had never been part of this Mortgage and the remaining provisions of this Mortgage shall remain in full effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from the Mortgage. In lieu of the illegal, invalid or unenforceable provision there shall be added automatically as part of this Mortgage a provision as similar in terms to the illegal, invalid or unenforceable provision as may be possible to be legal, valid and enforceable.

**SECTION 36 EQUIVALENT RATES**

- 36.01

The Interest Rate payable on the Loan Amount under the Mortgage is calculated monthly not in advance. The table below sets out what the equivalent Interest Rate would be if it were calculated half-yearly, not in advance.

Interest Rate per annum calculated monthly (%)	Equivalent Interest Rate per annum calculated half-yearly not in advance (%)	Interest Rate per annum calculated monthly (%)	Equivalent Interest Rate per annum calculated half-yearly not in advance (%)	Interest Rate per annum calculated monthly (%)	Equivalent Interest Rate per annum calculated half-yearly not in advance (%)	Interest Rate per annum calculated monthly (%)	Equivalent Interest Rate per annum calculated half-yearly not in advance (%)	Interest Rate per annum calculated monthly (%)	Equivalent Interest Rate per annum calculated half-yearly not in advance (%)
2.00000	2.00835	5.05000	5.10343	8.70000	8.85922	12.37500	12.69846	16.05000	16.59634
2.05000	2.05878	5.10000	5.15450	8.75000	8.91106	12.40000	12.72478	16.10000	16.64978
2.10000	2.10921	5.12500	5.18003	8.80000	8.96292	12.45000	12.77742	16.12500	16.67650
2.12500	2.13443	5.15000	5.20557	8.85000	9.01479	12.50000	12.83008	16.15000	16.70323
2.15000	2.15965	5.20000	5.25666	8.87500	9.04072	12.55000	12.88274	16.20000	16.75669
2.20000	2.21011	5.25000	5.30776	8.90000	9.06666	12.60000	12.93542	16.25000	16.81016
2.25000	2.26057	5.30000	5.35887	8.95000	9.11855	12.62500	12.96176	16.30000	16.86365
2.30000	2.31105	5.35000	5.40999	9.00000	9.17045	12.65000	12.98810	16.35000	16.91714
2.35000	2.36154	5.37500	5.43555	9.05000	9.22236	12.70000	13.04080	16.37500	16.94389
2.37500	2.38678	5.40000	5.46112	9.10000	9.27428	12.75000	13.09351	16.40000	16.97065
2.40000	2.41203	5.45000	5.51226	9.12500	9.30024	12.80000	13.14623	16.45000	17.02417
2.45000	2.46254	5.50000	5.56341	9.15000	9.32621	12.85000	13.19896	16.50000	17.07769
2.50000	2.51306	5.55000	5.61457	9.20000	9.37815	12.87500	13.22533	16.55000	17.13123
2.55000	2.56359	5.60000	5.66574	9.25000	9.43010	12.90000	13.25170	16.60000	17.18478
2.60000	2.61412	5.62500	5.69133	9.30000	9.48206	12.95000	13.30445	16.62500	17.21156
2.62500	2.63940	5.65000	5.71692	9.35000	9.53403	13.00000	13.35721	16.65000	17.23834
2.65000	2.66467	5.70000	5.76812	9.37500	9.56002	13.05000	13.40998	16.70000	17.29192
2.70000	2.71523	5.75000	5.81932	9.40000	9.58602	13.10000	13.46277	16.75000	17.34550
2.75000	2.76580	5.80000	5.87054	9.45000	9.63801	13.12500	13.48916	16.80000	17.39909
2.80000	2.81638	5.85000	5.92176	9.50000	9.69002	13.15000	13.51556	16.85000	17.45270
2.85000	2.86698	5.87500	5.94738	9.55000	9.74203	13.20000	13.56837	16.87500	17.47950
2.87500	2.89228	5.90000	5.97300	9.60000	9.79406	13.25000	13.62118	16.90000	17.50631
2.90000	2.91758	5.95000	6.02424	9.62500	9.82008	13.30000	13.67401	16.95000	17.55994
2.95000	2.96819	6.00000	6.07550	9.65000	9.84610	13.35000	13.72685	17.00000	17.61358
3.00000	3.01881	6.05000	6.12677	9.70000	9.89815	13.37500	13.75327	17.05000	17.66723
3.05000	3.06945	6.10000	6.17805	9.75000	9.95021	13.40000	13.77970	17.10000	17.72089
3.10000	3.12009	6.12500	6.20369	9.80000	10.00228	13.45000	13.83256	17.12500	17.74772
3.12500	3.14542	6.15000	6.22934	9.85000	10.05436	13.50000	13.88543	17.15000	17.77456
3.15000	3.17074	6.20000	6.28064	9.87500	10.08040	13.55000	13.93831	17.20000	17.82824
3.20000	3.22141	6.25000	6.33195	9.90000	10.10645	13.60000	13.99121	17.25000	17.88193
3.25000	3.27208	6.30000	6.38327	9.95000	10.15855	13.62500	14.01766	17.30000	17.93564
3.30000	3.32277	6.35000	6.43460	10.00000	10.21066	13.65000	14.04411	17.35000	17.98935
3.35000	3.37347	6.37500	6.46027	10.05000	10.26279	13.70000	14.09702	17.37500	18.01621
3.37500	3.39882	6.40000	6.48594	10.10000	10.31492	13.75000	14.14995	17.40000	18.04308
3.40000	3.42417	6.45000	6.53730	10.12500	10.34099	13.80000	14.20289	17.45000	18.09682
3.45000	3.47489	6.50000	6.58866	10.15000	10.36707	13.85000	14.25583	17.50000	18.15056
3.49000	3.51547	6.55000	6.64003	10.20000	10.41922	13.87500	14.28231	17.55000	18.20432
3.50000	3.52562	6.60000	6.69142	10.25000	10.47139	13.90000	14.30879	17.60000	18.25809
3.55000	3.57636	6.62500	6.71711	10.30000	10.52357	13.95000	14.36176	17.62500	18.28498
3.59000	3.61695	6.65000	6.74281	10.35000	10.57576	14.00000	14.41474	17.65000	18.31187
3.60000	3.62711	6.70000	6.79422	10.37500	10.60185	14.05000	14.46773	17.70000	18.36567
3.62500	3.65249	6.75000	6.84564	10.40000	10.62795	14.10000	14.52073	17.75000	18.41947
3.65000	3.67787	6.80000	6.89706	10.45000	10.68016	14.12500	14.54724	17.80000	18.47328
3.69000	3.71848	6.85000	6.94850	10.50000	10.73238	14.15000	14.57375	17.85000	18.52711
3.70000	3.72864	6.87500	6.97423	10.55000	10.78462	14.20000	14.62677	17.87500	18.55403
3.75000	3.77942	6.90000	6.99995	10.60000	10.83686	14.25000	14.67981	17.90000	18.58095
3.79000	3.82005	6.95000	7.05141	10.62500	10.86298	14.30000	14.73285	17.95000	18.63479
3.80000	3.83021	7.00000	7.10288	10.65000	10.88911	14.35000	14.78591	18.00000	18.68865
3.85000	3.88101	7.05000	7.15436	10.70000	10.94138	14.37500	14.81244	18.05000	18.74252
3.87500	3.90642	7.10000	7.20585	10.75000	10.99365	14.40000	14.83897	18.10000	18.79640
3.89000	3.92166	7.12500	7.23160	10.80000	11.04594	14.45000	14.89205	18.12500	18.82335
3.90000	3.93183	7.15000	7.25736	10.85000	11.09823	14.50000	14.94514	18.15000	18.85030
3.95000	3.98265	7.20000	7.30887	10.87500	11.12438	14.55000	14.99824	18.20000	18.90420
3.99000	4.02331	7.25000	7.36039	10.90000	11.15054	14.60000	15.05135	18.25000	18.95811
4.00000	4.03348	7.30000	7.41193	10.95000	11.20286	14.62500	15.07791	18.30000	19.01204
4.05000	4.08433	7.35000	7.46347	11.00000	11.25519	14.65000	15.10448	18.35000	19.06597
4.09000	4.12500	7.37500	7.48925	11.05000	11.30753	14.70000	15.15761	18.37500	19.09295
4.10000	4.13518	7.40000	7.51503	11.10000	11.35988	14.75000	15.21075	18.40000	19.11992
4.12500	4.16061	7.45000	7.56659	11.12500	11.38605	14.80000	15.26391	18.45000	19.17388
4.15000	4.18605	7.50000	7.61817	11.15000	11.41224	14.85000	15.31707	18.50000	19.22785
4.19000	4.22674	7.55000	7.66976	11.20000	11.46461	14.87500	15.34366	18.55000	19.28183
4.20000	4.23692	7.60000	7.72135	11.25000	11.51699	14.90000	15.37025	18.60000	19.33582
4.25000	4.28781	7.62500	7.74716	11.30000	11.56938	14.95000	15.42344	18.62500	19.36282
4.29000	4.32852	7.65000	7.77296	11.35000	11.62179	15.00000	15.47664	18.65000	19.38982
4.30000	4.33871	7.70000	7.82458	11.37500	11.64800	15.05000	15.52985	18.70000	19.44384
4.35000	4.38961	7.75000	7.87621	11.40000	11.67420	15.10000	15.58307	18.75000	19.49786
4.37500	4.41507	7.80000	7.92785	11.45000	11.72663	15.12500	15.60968	18.80000	19.55190
4.39000	4.43034	7.85000	7.97951	11.50000	11.77907	15.15000	15.63630	18.85000	19.60594
4.40000	4.44053	7.87500	8.00534	11.55000	11.83151	15.20000	15.68954	18.87500	19.63297
4.45000	4.49146	7.90000	8.03117	11.60000	11.88397	15.25000	15.74279	18.90000	19.66000
4.49000	4.53221	7.95000	8.08284	11.62500	11.91021	15.30000	15.79606	18.95000	19.71407
4.50000	4.54240	8.00000	8.13452	11.65000	11.93644	15.35000	15.84933	19.00000	19.76815
4.55000	4.59335	8.05000	8.18622	11.70000	11.98892	15.37500	15.87597	19.05000	19.82224
4.59000	4.63411	8.10000	8.23792	11.75000	12.04141	15.40000	15.90262	19.10000	19.87634
4.60000	4.64431	8.12500	8.26378	11.80000	12.09391	15.45000	15.95592	19.12500	19.90340
4.62500	4.66979	8.15000	8.28964	11.85000	12.14643	15.50000	16.00922	19.15000	19.93046
4.65000	4.69528	8.20000	8.34137	11.87500	12.17269	15.55000	16.06254	19.20000	19.98458
4.69000	4.73606	8.25000	8.39310	11.90000	12.19895	15.60000	16.11587	19.25000	20.03872
4.70000	4.74626	8.30000	8.44485	11.95000	12.25149	15.62500	16.14254	19.30000	20.09286
4.75000	4.79725	8.35000	8.49661	12.00000	12.30403	15.65000	16.16922	19.35000	20.14702
4.79000	4.83806	8.37500	8.52249	12.05000	12.35659	15.70000	16.22257	19.37500	20.17411
4.80000	4.84826	8.40000	8.54838	12.10000	12.40915	15.75000	16.27593	19.40000	20.20119
4.85000	4.89927	8.45000	8.60016	12.12500	12.43544	15.80000	16.32930	19.45000	20.25537
4.87500	4.92478	8.50000	8.65195	12.15000	12.46173	15.85000	16.38269	19.50000	20.30956
4.90000	4.95029	8.55000	8.70375	12.20000	12.51432	15.87500	16.40939		
4.95000	5.00133	8.60000	8.75556	12.25000	12.56692	15.90000	16.43609		
4.99000	5.04216	8.62500	8.78147	12.30000	12.61953	15.95000	16.48949		
5.00000	5.05237	8.65000	8.80739	12.35000	12.67215	16.00000	16.54291		

Pursuant to *The Mortgage Act* you can obtain from us, free of charge, a statement of the debts secured by this Mortgage once every twelve (12) months, or as needed for payoff or sale.