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WITTEN LLP

LAND TITLES ACT (ALBERTA)

SET OF STANDARD CHARGE TERMS

FIXED AND VARIABLE RATE RESIDENTIAL CHARGE/MORTGAGE

Filed by: WITTEN LLP

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The following set of standard charge terms will be deemed to be included in every charge or mortgage in which the set is referred to by its filing number pursuant to section 114 of the *Land Titles Act* (Alberta).

TABLE OF CONTENTS

1.	DEFINITIONS	3
2.	GRANT OF MORTGAGE.....	4
3.	INTEREST RATE.....	4
4.	COMPOUND INTEREST	4
5.	NO OBLIGATION TO MAKE ADVANCES TO YOU	5
6.	ADDITIONAL PRINCIPAL AMOUNTS	5
7.	CERTAIN PROMISES YOU MAKE TO US.....	5
8.	HOW YOU WILL REPAY THE LOAN.....	7
	(A) CURRENCY AND PLACE.....	7
	(B) INTEREST ADJUSTMENT DATE	7
	(C) REGULAR PAYMENTS.....	7
	(D) BANK ACCOUNT FOR PAYMENTS	7
	(E) HOW YOUR REGULAR PAYMENTS ARE APPLIED.....	8
	(F) PAYMENT PROVISIONS ON DEFAULT	8
	(G) RETURN CHEQUES OR LATE PAYMENT SERVICING FEE.....	8
9.	INSURANCE.....	8
10.	PROPERTY TAXES.....	9
11.	FIXTURES AND CHATTELS.....	9
12.	REPAIRS	9
13.	DEMOLITION AND ALTERATIONS.....	10
14.	LEASES AND RENTS	10
15.	ACCELERATION OF REPAYMENT OF LOAN AMOUNT	11
16.	CROSS DEFAULT.....	11
17.	DUE ON SALE.....	11
18.	PREPAYMENT	11
19.	RENEWING OR AMENDING THE MORTGAGE	11
20.	BUILDING MORTGAGE	12
21.	RELEASING THE PROPERTY FROM THE MORTGAGE.....	12
22.	CERTAIN ACTIONS WE CAN TAKE	12
23.	LIABILITY FOR EXPENSES	13
24.	ENVIRONMENTAL MATTERS	13
25.	CONDOMINIUM.....	13
	(A) COMPLIANCE WITH THE ACT	13
	(B) PAYMENT OF COMMON EXPENSES AND OTHER COSTS	13
	(C) NOTICES AND DEMANDS	13
	(D) VOTING RIGHTS	14

(E)	ACCELERATION OF REPAYMENT OF LOAN AMOUNT	14
(F)	INSURANCE	14
26.	ENFORCING OUR RIGHTS	15
(A)	REMEDIES	15
(B)	NO INTERFERENCE	16
(C)	NOTICE	16
(D)	OUR EXPENSES	16
(E)	DELAY IN ENFORCEMENT	17
(F)	JUDGMENTS	17
(G)	NO PREJUDICE FROM FAILURE TO ENFORCE OUR RIGHTS	17
27.	EXPROPRIATION	17
28.	GUARANTEE	17
29.	DISCHARGE	18
30.	ADMINISTRATION FEES	18
31.	NEW HOME WARRANTY PLANS, PROGRAMS OR LEGISLATION	18
32.	CHANGE OF CORPORATE CONTROL	18
33.	DATE OF MORTGAGE	18
34.	WHO IS BOUND	18
35.	PARTIAL INVALIDITY	19
36.	HEADINGS	19
37.	STATUTE REFERENCES	19
38.	CONFLICT OF PROVISIONS	19
39.	NAME SEARCH	19
40.	AUTHORIZATION	19
41.	STATUTORY MORTGAGE CLAUSE	19
42.	GOVERNING LAW	19
43.	ENTIRE AGREEMENT	19
44.	AMENDMENTS TO STANDARD CHARGE TERMS	19

1. DEFINITIONS

In this set of standard charge terms:

"Act" means the *Condominium Property Act* (Alberta);

"additional principal amounts" means, collectively, any principal amounts advanced by us to you under the mortgage, in addition to the principal amount;

"borrower", "you", "your" and "mortgagor" mean each person who signs the mortgage as chargor and his, her or their successors and assigns and these terms may be used interchangeably in this set of standard charge terms;

"business day" means a day that is not a Saturday, Sunday or statutory holiday in the province or territory in which the property is located;

"condominium corporation" means the corporation created by the registration of a condominium plan under the Act in respect of the property;

"condominium property" is defined in section 25(e)(i);

"current mortgage rate" means, at any time during the term, the interest rate chargeable under the mortgage;

"default" means that you have done one or more of the following: (a) you have not paid an amount of principal, interest or other amount due to us under the mortgage; (b) you have breached a promise or covenant that you made in the loan commitment or the mortgage; or (c) you have made a representation or warranty in the loan commitment or the mortgage that is incorrect, incomplete or misleading in any material respect when made;

"interest adjustment date" means the interest adjustment date set out in the mortgage;

"land registry office" means the land registry office or the land titles office in the province or territory in which the property is registered, or any other similar government office if the property is not registered in the land registry office or the land titles office;

"loan amount" means, collectively, all present and future indebtedness and liability owing by you to us under the mortgage including, without limitation, the principal amount, all additional principal amounts, if any, interest and all other amounts owing by you to us from time to time under the mortgage;

"loan commitment" means the mortgage commitment and any other agreement, not including the mortgage, between you and us setting out the terms of the loan, as the same may be amended from time to time in writing;

"maturity date" means the date set out in the mortgage on which the outstanding principal amount is due and payable, as the same may be extended from time to time;

"mortgage" means, collectively, the mortgage form and this set of standard charge terms, as the same may be amended from time to time;

"mortgage form" means, collectively, the mortgage form contemplated by section 114 of the *Land Titles Act* (Alberta) which refers to this set of filed standard mortgage terms and is executed by the borrower and guarantor(s), if applicable, and all schedules and addenda attached to such form;

"mortgage year" means the 12-month period from the interest adjustment date or an anniversary of such date;

"net proceeds" means the proceeds of the sale or lease of the property less our costs incurred to take, recover or keep possession of the property, to sell, lease or transfer the property including, without limitation, all amounts paid by us on account of taxes, agent fees, management fees, maintenance, repairs, utilities, insurance and common expenses or other costs paid to the condominium corporation or any other amount that we may pay to maintain, manage or preserve the property and our legal expenses in connection with the foregoing;

"other claims" is defined in section 7(a)(xiii);

"outstanding principal amount" means the aggregate of that part of the principal amount and that part of the additional principal amounts, if any, outstanding from time to time under the mortgage;

"prepayment privilege" means the privilege to prepay all or part of the principal amount without penalty as such privilege is set out and defined in the mortgage form;

"principal amount" means the amount set out as the principal amount in the mortgage;

"property" means the real property legally described in the mortgage, all buildings and structures now on such property or later added, and anything now or later attached to or fixed to any building or structure on such property or attached to or fixed to such property, including, without limitation, additions, alterations, substitutions, improvements, equipment and other apparatus of any kind or nature on such property and, in the case of a condominium unit, includes, without limitation, the common elements and any other interest you have in the condominium property;

"section" means a section of this set of standard charge terms;

"successor" means an heir, executor, administrator, liquidator, personal representative or successor;

"taxes" is defined in section 10;

"term" means the term of the mortgage, which is the period starting on the interest adjustment date and ending on the maturity date;

"we", "our", "us", "lender" and "mortgagee" mean the mortgagee or chargee as set out in the mortgage.

2. GRANT OF MORTGAGE

We have agreed to loan you money on the terms set out in the loan commitment and/or the mortgage. In consideration for the loan we make to you of the principal amount or that part of the principal amount that is advanced and the additional principal amounts, if any, that are advanced to you from time to time (which by signing and delivering the mortgage you acknowledge having received from us) you charge your entire interest in the property to us to secure repayment of the loan amount and to ensure that you perform all your obligations under the mortgage and the loan commitment.

When you have repaid the loan amount in full as provided in the mortgage, we are under no obligation to loan any additional principal amounts to you. If you are not then in default, we will have no further interest in the property.

We have the right to assign the mortgage and the payment of amounts secured by the mortgage. An assignment by us will not cause the mortgage to cease to operate nor entitle you to a discharge of the mortgage.

3. INTEREST RATE

The interest rate that you are required to pay and the frequency of the payments of principal and interest are set out in the mortgage. Interest is calculated in accordance with the mortgage form. Interest on the loan amount is payable at the current mortgage rate both before and after the maturity date, default and judgment, until the loan amount has been paid in full.

4. COMPOUND INTEREST

If you do not make a regular payment or any other payment when required by the mortgage, we will add any overdue amount (including interest) to the outstanding principal amount and charge interest, which we refer to as compound interest, at the current mortgage rate, both before and after maturity, default and judgment on all overdue amounts. You must pay compound interest immediately when we require, both before and after maturity, default and judgment.

5. NO OBLIGATION TO MAKE ADVANCES TO YOU

If we decide, for any reason, not to advance to you all or any part of the principal amount or any additional principal amounts, we are not obligated to do so. This applies even if the mortgage has been signed and registered and whether or not any part of the principal amount or any additional principal amounts have previously been advanced. However, by signing the mortgage you have charged all of your interest in the property to us and you will pay us, on demand, all of our costs including, without limitation, all our legal fees and disbursements, title insurance, expenses for investigating title to or zoning compliance of the property and for preparing and registering the mortgage.

6. ADDITIONAL PRINCIPAL AMOUNTS

We may from time to time at our sole option lend you additional principal amounts under the mortgage provided that the outstanding principal amount does not at any time exceed the principal amount set out in the mortgage at the beginning of the term. If we request, you will enter into an agreement with us that any additional principal amounts loaned to you by us are secured by the mortgage although no written agreement is required to secure additional principal amounts lent by us. All additional principal amounts, interest thereon and any other amounts owing with respect to such additional principal amounts will be secured by, and repaid in accordance with, the provisions of the mortgage. These provisions apply notwithstanding that the principal amount outstanding under the mortgage may be reduced and subsequently increased or repaid and subsequently loaned again. We are entitled to discharge the mortgage without notice to you once you have repaid all amounts owing under the mortgage including, without limitation, the principal amount and any additional principal amounts.

NOTICE IS HEREBY GIVEN to every person dealing with the title to the property that pursuant to section 104(2) of the Land Titles Act (Alberta) advances and re-advances not exceeding the aggregate amount secured by the mortgage shall be secured by the mortgage.

7. CERTAIN PROMISES YOU MAKE TO US

- (a) You agree with us that:
 - (i) you will pay the loan amount as required by the mortgage and you will comply with all of your other obligations under the mortgage and the loan commitment if applicable;
 - (ii) you will pay taxes assessed against the property either to us if we require or directly to the tax authority (as further set out in section 10);
 - (iii) you are the lawful owner of the property and there are no encumbrances affecting title to the property;
 - (iv) you have the right to grant us the mortgage;
 - (v) except as set out in the *Land Titles Act* (Alberta), there are no limitations affecting title to, or your interest in, the property except for any restrictions registered in the land registry office and except for building and zoning by-laws, with which you have complied;
 - (vi) all information that you have provided to us concerning your marital status and whether the property is a homestead within the meaning of the *Dower Act* (Alberta) is true, complete and correct at the time the mortgage is signed and delivered;
 - (vii) all representations made by you in the loan commitment and the mortgage are true, complete and correct at the time the mortgage is signed and delivered;
 - (viii) if this mortgage is subordinate to a prior mortgage, then with respect to said prior mortgage, you covenant that you are not now in default nor will you default in observance or performance of any of the covenants, agreements, provisos and stipulations expressed or implied therein and agree to request the mortgagee of the prior mortgage to forthwith send to us by personal delivery or by post, copies of all notices which the mortgagee of the prior mortgage may send to you pertaining to any

default under the prior mortgage or pertaining to any other matter of which we should be notified, and you shall forthwith deliver or cause to be delivered to us copies of any notices which you may receive from the mortgagee of the prior mortgage or otherwise with respect to the prior mortgage;

- (ix) to the best of your knowledge and belief, after reasonable enquiry and investigation:
 - (A) no condition exists on the property which is a contravention of any law, regulation, by-law, order or other legally binding requirement that relates to the protection of the environment, hazardous substances or public health and safety;
 - (B) no part of the property is or will in the future be used to manufacture, refine, handle, treat, store, dispose of or otherwise deal with any hazardous substances except in compliance with all laws, regulations, by-laws, orders and other legally binding requirements;
 - (C) there are no underground or aboveground storage tanks on the property except in compliance with all laws, regulations, by-laws, orders and other legally binding requirements relating to underground and aboveground storage tanks, the protection of the environment, hazardous substances or public health and safety;
 - (D) no part of the property contains or will in the future contain any hazardous substance except in compliance with all laws, regulations, by-laws, orders and all other legally binding requirements;
 - (E) no claim, notice, order, investigation or other proceeding, in each case pursuant to any law, regulation, by-law, order or other legally binding requirement that relates to the protection of the environment, hazardous substances or public health and safety, has been made, issued or threatened in relation to any condition on the property; and
 - (F) no part of the property is currently in non-compliance with, or used in any manner which is in non-compliance with, any law, regulation, by-law, order or other legally binding requirement relating to the protection of the environment, hazardous substances or public health and safety.

We may (but are not obligated to) require you, at your expense, to obtain an environmental assessment (which may include any intrusive environmental investigations of the property we deem necessary and desirable) of all or any part of the property, which environmental assessment must be satisfactory to us, but such assessment does not relieve you from your obligations under this section 7(a)(ix).

At any time that a change in the environmental condition on or with respect to the property makes any of the above statements untrue, you will provide us a written notice of such change immediately, including a copy, where applicable, of any correspondence with any regulatory body about the condition.

You will not, and will not allow any other person to, create or allow to exist any condition on or with respect to the property that does or could constitute a violation of any law, regulation, by-law, order or other legally binding requirement relating to the protection of the environment, hazardous substances or public health and safety now and as such requirements come into force in the future;

- (x) you will, at your expense, sign any other document or take any further action which we may request to ensure that your entire interest in the property has been fully charged to us and that the loan amount is adequately secured;

- (xi) if you are in default, we will have the right to take possession of the property without any encumbrances or interference;
- (xii) you will take any action necessary to protect your title to or interest in the property including, without limitation, protecting your rights under any applicable legislation, statute or regulation of any municipal, provincial or federal government or regulatory body and you will not in any way interfere with our interest in the property;
- (xiii) you will not, without our prior written consent, further encumber the property and you will keep the property free and clear of any subsequent mortgages and from all encumbrances, liens, charges and mortgages including, without limitation, any outstanding statutory liens or charges on the property, arrears of taxes, liens for arrears of condominium common element expenses or other condominium charges or expenses, executions and rights (which encumbrances, liens, charges and mortgages and all prior mortgages, if any, are collectively referred to as "other claims"); and
- (xiv) you agree that we may pay the whole or any part of any other claims at any time having priority over the mortgage. The amounts so paid will be payable by you to us on demand and will, until paid, be included in the loan amount, be secured by the mortgage and bear interest at the current mortgage rate or at the rate of the priority claim paid out, which ever rate is higher. We will be entitled to the equities and the rights and securities of the person or persons so paid, as we elect in our absolute discretions we will be entitled to both the equities and the rights under this mortgage and obtain an assignment of any other claims so paid and of any right to payment and we are authorized to retain any discharge of any other claims, without registration, until payment to us of the other claims in full.

8. HOW YOU WILL REPAY THE LOAN

(a) Currency and Place

You will pay the loan amount to us in lawful Canadian dollars, on each payment date at our address set out in the mortgage form or as otherwise provided in this set of standard charge terms. If any payment is made on a day that is not a business day, the payment will be deemed to be made on the business day next following the payment date. Unless we otherwise agree, any payments to be made by you are due and payable as provided in the mortgage.

(b) Interest Adjustment Date

Interest on all money we have advanced to you up to the interest adjustment date will be calculated daily at the current mortgage rate in effect on the date of each advance up to but not including the interest adjustment date. At our option, such interest will either (i) be payable by you to us on the interest adjustment date; (ii) be added to the loan amount on the interest adjustment date and will bear interest at the current mortgage rate; (iii) be deducted by us from any advance or advances which we make; or (iv) be debited by us from your account referred to in section 8(d) on the first regular payment date.

(c) Regular Payments

You will make regular payments to us in the amount and on the payment dates specified in the mortgage form, beginning on the first payment date until and including the maturity date. You will pay the outstanding balance of the loan amount on the maturity date. We reserve the right to demand all payments, whether regular payments, the outstanding balance, or otherwise, be made by bank draft or certified cheque.

(d) Bank Account for Payments

At our option you shall either provide each year, before the interest adjustment date or the anniversary thereof, a series of post-dated cheques to cover the monthly mortgage payments for the mortgage year or you will maintain an account of a type satisfactory to us with a branch of a Canadian chartered bank or trust company or such other bank, trust company, caisse populaire or credit union approved by us in writing and provide an authorization in a form acceptable to us to automatically debit each payment of principal, interest and taxes when due. You will ensure that the account always contains sufficient funds to meet each payment. Failure

to maintain sufficient funds in the account, cancellation of the authorization or closing the account will be considered to be a default. You agree to pay us our then current administration and processing fees for any actions which we have to take as a result of your default under this section 8(d).

(e) How Your Regular Payments are Applied

Each of your regular payments will be used: (i) first, to pay interest or reduce the interest on the principal amount and on the additional principal amounts, if any, accumulated to, but not including, the payment date; and (ii) second, to reduce the principal amount and the additional principal amounts, if any. However, if you are in default, we may apply your payment or any other money we receive towards any part of the loan amount we choose.

(f) Payment Provisions on Default

If you are in default, you must immediately pay to us all outstanding arrears. We may, if we wish, require you to make all following payments of principal and interest, taxes and life insurance premiums (if applicable) on a monthly basis. In such an event, we may require you to pay interest to the first day of the following month within 15 days of notice from us, which will be added to the loan amount if you do not do so. We may also exercise our rights under section 15.

(g) Return Cheques or Late Payment Servicing Fee

In the event that any of your cheques or payments are not honoured when presented for payment to the bank or trust company on which they are drawn, or if a payment is not received by us when due, you shall pay to us for each such returned cheque or late payment a servicing fee in the amount indicated in the mortgage form as a liquidated amount to cover our administrative costs with respect to same. In the event that the said cheque or payment which has not been honoured by your bankers is not forthwith replaced by you, we shall be entitled to a further servicing fee for each written request which may be necessitated by you not forthwith replacing such dishonoured cheque or payment.

9. INSURANCE

If the property is not a single residential condominium unit, you must insure and keep insured in our favour and until the mortgage is discharged, the property, including, without limitation, all buildings, structures, fixtures and improvements now or in the future located on the property for not less than their full replacement value in Canadian dollars. The risks against which you must insure include loss or damage by or from fire with extended perils coverage and by and from such additional perils, risks or events as we may at any time require. If a steam boiler, pressure vessel, oil or gas burner, coal blower or sprinkler system or any other comparable apparatus is operated on the property, you must also insure and keep insured in our favour and until the mortgage has been discharged, against loss or damage by explosion of, or caused by, any such apparatus and against loss or damage caused by the sprinkler system.

All insurance policies must be provided by a company approved by us and contain mortgage clauses approved by the Insurance Bureau of Canada or by us confirming that loss proceeds are payable firstly to us, and that we will have the first right to receive and to have a lien on the loss proceeds. Upon our request, you will provide us with certified copies of every insurance policy with respect to the property and, not less than 15 days before any policy expires, evidence of its renewal.

We may place and pay for any insurance policy if you fail to do so. Any premiums or sums of money which we pay for insurance will be immediately payable by you to us or added to the loan amount if not so paid and will bear interest at the current mortgage rate.

If any loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance proceeds. The production of a copy of the mortgage will be sufficient authority for the insurance company to pay any loss to us or to accept instructions from us dealing with the loss and the insurance company is hereby directed to pay the same to us. Insurance proceeds may, at our option, in whole or in part be: (i) used to repair or rebuild the property; (ii) paid to you; and/or (iii) used to reduce any part of the loan amount, whether due or not, including, without limitation, an amount to compensate us for loss of interest.

You expressly waive all of your rights and benefits under the *Insurance Act* (Alberta) and the *Fires Prevention (Metropolis) Act 1774*.

10. PROPERTY TAXES

In this set of standard charge terms, "taxes" includes all taxes, rates and assessments of any nature or kind including, without limitation, property taxes, municipal taxes, school taxes, local improvement rates or charges, development cost charges, interest and penalties payable with respect to the property.

We may withhold from any advance under the mortgage any amount we feel necessary to pay taxes then owing or to anticipate future payments of taxes.

You are responsible for the payment of all taxes on the property which you will pay when due. Upon our request, you will provide us with all the receipted tax bills or a tax certificate confirming that taxes are paid once per calendar year during the term. If you fail to provide us with such bills or certificates, we may conduct such searches with the appropriate tax authority as we deem necessary to obtain the current tax status with respect to the property, and you must immediately reimburse us for all payments and expenses we incur in so doing.

In the alternative, we may, at our option and on written notice to you, estimate the amount of taxes payable for the property each year and you agree to pay to us sufficient monies by equal instalments (based on the payment frequency of the mortgage) to be applied on account of such taxes. You will pay the instalments on each payment due date during the term. We agree to apply these payments against your taxes as long as you are not in default, although we are not obligated to apply payments on account of your taxes more often than annually. If you have paid us instalments towards taxes and if before we have been able to pay these taxes to the appropriate tax authority you have failed to make a payment of principal, interest or any other monies to be paid by you under the mortgage, then we may, at our option, apply such sum or sums towards payment of any such principal, interest or other monies to be paid by you which you have failed to pay. If the taxes actually charged for any one year, together with any interest and penalties, exceed the estimated amount, you agree to pay us promptly upon written notice from us the amount required to make up the difference. If you desire to take advantage of any discounts or avoid any penalties in connection with the payment of taxes, you may pay to us such additional amounts as are required for that purpose. If we are paying your taxes, you agree to send to us the tax bills and other notices affecting the imposition of taxes immediately after you have received them. If we advance to you additional principal amounts under the mortgage, we may deduct from any additional principal amount advanced the amount required to pay any outstanding taxes.

If you do not make your tax payments when they are due, then we may, but will not be obligated to, make those payments for you and the amounts paid by us will: (i) be a charge on the property in favour of us in priority to all claims subsequent to the mortgage; (ii) be payable by you immediately with interest at the current mortgage rate until paid; and (iii) may, at our option, be added to the loan amount and will bear interest at the current mortgage rate.

11. FIXTURES AND CHATTELS

All erections, attachments, buildings, machinery, plant and improvements whatsoever, including furnaces, boilers, water heaters, all plumbing, air-conditioning, ventilating and heating equipment, carpets, electric light fixtures, storm windows and storm doors, window screens and screen doors, plumbing, heating, cooking, cleaning or other equipment or appliances as well as all apparatus and equipment appurtenant to any of the aforesaid, which are now or which shall hereafter be put upon the lands, are or shall thereafter be deemed to be fixtures and a part of the realty and the security for the monies hereby secured, even though not attached otherwise than by their own weight.

12. REPAIRS

You agree to keep the property in a good condition and state of repair and carry out all necessary repairs. You agree not to do, or let anyone else do, anything which lowers the value of the property. You will comply with every present and future statute, by-law, ordinance, regulation and order affecting the condition, repair, use or occupation of the property.

If, in our opinion, you do not keep the property in a good condition and state of repair or do, or allow anything to be done, which lowers its value or do not comply with any of your obligations under this section, then we can make whatever repairs are, in our opinion, necessary. The costs of any inspections and repairs are payable by you immediately and, if not paid, will be added to the loan amount and will bear interest at the current mortgage rate.

You authorize us or anyone on our behalf to enter the property at all reasonable times to inspect and repair, but we will not become a mortgagee in possession by exercising these rights.

13. DEMOLITION AND ALTERATIONS

You agree not to demolish the whole or any part of any building or structure on the property without first obtaining our written approval and not to make any material alterations, additions or improvements to the property without first obtaining our written approval to your proposed plans and specifications. In either case, we may withhold our approval in our sole discretion.

Assuming our approval is granted the above work must be completed, as quickly as possible, in accordance with all governmental requirements and building standards that apply to the property. Upon our request, and at your expense, you will provide us with proof of payment and compliance with governmental requirements and building standards. You must retain all holdbacks required or allowed to be retained by law and such governmental requirements and building standards, as the case may be. We may obtain an order vacating any construction lien and, if we think it necessary, provide financial guarantees or other security to obtain such order. All our expenses including, without limitation, any charges for providing financial guarantees or other security, are immediately payable by you to us and, if you do not pay them, we will add them to the loan amount and they will bear interest at the current mortgage rate.

14. LEASES AND RENTS

If the property is intended to be used as an owner-occupied single-family residential premises, you represent and agree that no part of the property is rented or occupied by a tenant and you also agree not to rent, lease or enter into a lease of the whole or any part of the property or renew any lease (other than a renewal provided for in any lease) without first obtaining our written approval which we may withhold in our sole discretion.

If the property is intended to be used as a rental property and this was disclosed to us or if in the future you decide to lease the whole or any part of the property to another person or persons, and have received written consent from us which we may withhold in our sole discretion, you agree that you hereby:

- (a) assign to us all leases, agreements and their renewals, and all rights thereunder as they affect the property;
- (b) assign to us all rent and any other monies payable under the leases and agreements; and
- (c) give us security on chattels, fixtures and equipment as we may reasonably require.

You agree to pay all of our expenses including, without limitation, all our legal fees and disbursements and other costs relating to such additional security and you acknowledge that no further documentation is required to give effect to the above referenced assignments.

If you do not comply with any of your obligations under this section 14, at our option the loan amount will immediately become due and payable. In this case, we may pay to any tenant such amount as is required to obtain the co-operation of the tenant in showing and selling the property and obtaining possession from the tenant. You agree that the payment of such an amount will be a cost of realization of our security and will be added to the loan amount and will bear interest at the current mortgage rate. You irrevocably appoint us as your attorney and agent to enforce the terms of any lease or agreement entered into by you and to cancel or terminate any lease or agreement.

Nothing we do under this section will put us in possession of the property and we are not obliged to collect any rent or income from the property or to comply with any term of any lease or agreement.

Rental of any part of the property without our written approval will be considered to have been done to discourage us from taking possession of the property.

We reserve the right to register a caveat respecting our rights as outlined in this provision and you acknowledge that if we elect not to register a caveat it in no way diminishes our rights under this provision.

15. ACCELERATION OF REPAYMENT OF LOAN AMOUNT

The loan amount will immediately become payable, at our option, if:

- (a) you do not make any payment required by the mortgage;
- (b) you do not comply with any of your other obligations under the mortgage;
- (c) we discover that any representation or warranty you made to us in applying for the loan, in the loan commitment or in the mortgage (including, without limitation, those contained in section 7) is untrue;
- (d) any lien is registered against the property or we receive notice of a construction lien, a security interest, a lien that is created as a result of unpaid property taxes or unpaid construction maintenance fees or any other lien against the property;
- (e) you do not observe or perform any obligation or condition contained in any mortgage, charge, lien or encumbrance to which our mortgage is subject or subordinate;
- (f) any buildings being erected on or additions, alterations or improvements done to the property remain unfinished without work being done on them for a period of ten consecutive days; or
- (g) the property is abandoned.
- (h) If you subsequently use the property as security for another loan without our approval.

We have the right to waive any particular default by you but if we do so we are not waiving any other existing default or one or more defaults which may occur in the future.

16. CROSS DEFAULT

In the event that you have any other mortgage security with us and you default under this mortgage, said default shall constitute default under all of the mortgage security you may have with us and at our option, any or all of such mortgage security shall forthwith become due and payable, and we shall be at liberty to exercise our rights under said mortgage security.

And in the event that you default under any other mortgage security with us, said default shall constitute default under all this mortgage, and at our option, this mortgage shall forthwith become due and payable, and we shall be at liberty to exercise our rights under this mortgage.

And in the further event that you default under any prior mortgages or other claims affecting the property, said default shall constitute default under this mortgage, and at our option, this mortgage shall forthwith become due and payable, and we shall be at liberty to exercise our rights under this mortgage.

17. DUE ON SALE

If you transfer title to the property or agree to do so, the loan amount will, at our option, immediately become due and payable in full.

18. PREPAYMENT

If prepayment options are available and provided you are not then in default under the terms of the mortgage, you shall have the privilege of prepaying the whole or any part thereof upon the conditions set out in the mortgage form.

19. RENEWING OR AMENDING THE MORTGAGE

At our option, the mortgage may from time to time be renewed, extended or amended by an agreement (in a form acceptable to us) with you, with or without any increase in the interest rate or the principal amount. It will not be necessary for us to register the agreement on title to the property in order to retain priority for the mortgage, as renewed or amended, which may include advances of additional principal amounts, over any other instrument registered after the mortgage whether or not there are any other instruments registered on title to the property after the mortgage at the time any agreement is entered into. However, we are entitled to make any registrations against title to the property as we deem necessary and, if requested, you will assist

us with any registration we may make. The entering into of any agreement by us with any borrower and with any other person liable to pay the loan amount will not release or affect the liability of anyone who does not enter into such agreement.

If we do not receive written notice from you before the maturity date that either (i) you intend to repay the loan amount in full on the maturity date, or (ii) you would like to extend the term of the mortgage, then, at our option, unless we notify you to the contrary and without entering into a further agreement with you, effective on the maturity date the term of the mortgage will be extended for one year from the maturity date and the interest rate will be the higher of the original interest rate on your mortgage or our then current interest rate for a one year fixed rate mortgage for an individual with similar credit worthiness as you had at the time you were approved for the original mortgage. The payment will be increased if necessary to keep you on the same amortization of the original mortgage and you authorize us, as your agent, to amend any pre authorized payments accordingly. The renewed term will be locked-in for the one year renewal and any prepayment options available in the original term are deleted for the purpose of the renewal. The mortgage will renew in this fashion unless we advise otherwise for a period of 20 years, after which all principal and interest is owing. In the event you advise us that you intend to pay out the loan and you fail to do so on or before the maturity date, then this mortgage is deemed to be renewed as provided for in this provision. In the event we extend the term, you agree to pay us our then current administration and processing fees to renew the mortgage as set out in the mortgage form. You also agree to pay all legal expenses with respect to the renewal documentation and its registration.

20. BUILDING MORTGAGE

If any of the principal amount or the additional principal amounts, if any, to be advanced under the mortgage is used to finance an improvement on the property (meaning any alteration, addition or repair to or any construction, erection or installation on, the property including, without limitation, the demolition or removal of all or any part of any building, structure or works on the property), you must first obtain our written approval of this before any advances are made under the mortgage. You agree to make the improvement only in accordance with plans and specifications that we have approved in writing and to complete the improvement as quickly as possible.

Subject to section 5, we may make advances to you under the mortgage based on progress in completing the improvement or upon its completion or, in the case of a building, its occupation or sale. We will decide whether advances may be made and when they will be made.

Whatever the purpose of the mortgage, we may retain funds from any advance or advances until we are completely satisfied that you have retained the holdback amount that you are required or allowed to retain under applicable construction lien legislation, as the case may be, and the lien period has expired. You authorize us to give information about the mortgage to anyone who claims a construction lien on the property.

21. RELEASING THE PROPERTY FROM THE MORTGAGE

At our option, we may release our interest under the mortgage in all or part of the property, whether or not we receive any value, and we will be accountable to you only for money that we actually receive. If we release our interest under the mortgage in only a part of the property, the remainder of the property will continue to secure the loan amount and your obligations, and those of any guarantor, under the mortgage will continue unchanged. You will pay our then current administration or processing fee for preparing and signing the discharge and all legal and other expenses, whether the discharge is prepared by your lawyer, by ours or by us. It is your responsibility to register the discharge on your title and to pay the registration fee. If the property is subdivided, each part of the property will secure payment of the loan amount.

22. CERTAIN ACTIONS WE CAN TAKE

If we think it is necessary, we may pay any other claims that have priority over the mortgage. Also, we can pay all expenses that we incur in collecting any payment under the mortgage that you did not make when due and in enforcing your other obligations. You must immediately reimburse us for all such payments and expenses.

If you do not comply with any of your obligations under the mortgage, we may perform those obligations. You must immediately reimburse us for all payments that we have to make and costs that we incur in taking these steps.

Any payments we make under the mortgage and any expenses incurred by us (including, without limitation, our legal expenses on a full indemnity solicitor own client basis) in collecting any payment under the mortgage that you did not make when due and in enforcing your other obligations in accordance with the mortgage, which are not immediately reimbursed to us will be added to the loan amount and will bear interest at the current mortgage rate from the date we pay them. Any interest which accrues as a result of changes requested by you to the frequency of payments or to the regular payment date will be paid by you or added to the loan amount and will bear interest at the current mortgage rate.

If we have not received a solicitor's final opinion within 90 days of the final advance of funds under the mortgage, we are entitled to retain another solicitor of our choice to provide such opinion at your expense.

23. LIABILITY FOR EXPENSES

All solicitor's, inspector's, valuator's and surveyor's fees and expenses for drawing and registering this mortgage and for examining the mortgaged premises and the title thereto, and for making or maintaining this mortgage on the lands in the priority that was agreed upon, together with all sums which we may and do from time to time advance, expend or incur hereunder as principal, insurance premiums, taxes or rates, or in or towards payment of prior liens, charges, encumbrances or claims charged or to be charged against the said land or on this mortgage and in maintaining, repairing, restoring or completing the mortgaged premises, and in inspecting, leasing, managing or improving the mortgaged premises, including the price or value of any goods of any sort or description supplied to be used on the mortgaged premises, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting, and legal costs, as between solicitor and his own client on a full indemnity basis, and an allowance for the time, work and expense of us, or of any agent, solicitor or employee retained by us for any purpose herein provided for and whether such sums are advanced or incurred with your knowledge, consent, concurrence or acquiescence or otherwise, are to be secured hereby and shall be a charge on the said land, together with interest thereon at the said rate, and all such moneys shall be repayable to us on demand on a full indemnity basis, and if not demanded then with the next ensuring instalment, except as herein otherwise provided.

24. ENVIRONMENTAL MATTERS

You agree that we or our agents may at any time and for any reason enter and inspect the property and conduct any environmental testing, site assessment, investigation or study which we consider necessary. The reasonable cost of this testing, assessment, investigation or study, with interest at the current mortgage rate, will be immediately payable by you and will be a charge on the property. Neither we nor our agents will become mortgagees in possession of the property or have management or control of the property by exercising these rights.

25. CONDOMINIUM

If the property is a condominium unit, you agree to comply with the provisions of this section in addition to the other provisions of this set of standard charge terms.

(a) Compliance with the Act

You will comply with the Act and with the declaration, by-laws and rules and regulations of the condominium corporation in effect from time to time.

(b) Payment of Common Expenses and Other Costs

You will pay all amounts required by the Act, the declaration and the by-laws of the condominium corporation on or before the date such amounts are due, including, but not limited to, all common expenses, contributions, levies or assessments. If we request, you will give us proof that you have done so. If you do not make any payments which you are obligated to pay, we may do so on your behalf and add such amounts to the loan amount and such amounts will bear interest at the current mortgage rate.

(c) Notices and Demands

You will mail to us by prepaid registered mail or deliver to us a copy of every notice, assessment, claim or demand for payment, rule or regulation, request or demand of us to consent to any matter, and every other communication relating to your unit or the common elements of the condominium property so that we receive such communications at least five

days before any claim or demand is payable or, in the case of other communications, within five days of the date you receive them.

(d) Voting Rights

You irrevocably authorize us, in your name and on your behalf, to exercise your rights under the Act and under the declaration and by-laws of the condominium corporation to vote at any meeting of the condominium corporation and to consent to any matter relevant to the management, sale or other dealings with the property or assets of the condominium corporation or the termination of the application of the Act to the condominium corporation. However, you may exercise such rights to vote or consent unless we notify you in writing that we wish to use our rights to vote or consent, in which case we may also notify the condominium corporation. Our wish to vote or consent can be for a limited period of time or for a particular meeting or matter. When we do vote or consent in your place, we do not then become a mortgagee in possession and are not responsible for protecting your interests or for the way we vote or consent or fail to do so.

(e) Acceleration of Repayment of Loan Amount

At our option, the loan amount will become payable immediately if:

- (i) the condominium of which the property forms a part, including, without limitation, the common elements and the assets of the condominium corporation (collectively, the "condominium property") is no longer governed by the Act;
- (ii) a vote of the unit owners authorizes the sale of the condominium property or any part thereof;
- (iii) the condominium corporation fails to comply with the Act, the declaration, by-laws or rules and regulations;
- (iv) the condominium corporation fails, in our opinion, to manage the condominium property in a careful way or to maintain the condominium property in good repair;
- (v) the condominium corporation fails to insure the condominium property according to law and any additional requirements we may have or fails to do all that is necessary to collect insurance proceeds;
- (vi) the condominium corporation makes or permits to be made any substantial modification to the condominium property or any part thereof without our approval; or
- (vii) there has been substantial damage to the condominium property and the owners have voted for termination of the condominium corporation.

Our rights to cause the loan amount to become payable immediately will not be affected by the fact that we may have voted in favour of or consented to any of the foregoing.

(f) Insurance

If the property is a single residential condominium unit, you must insure and keep insured in our favour and until the mortgage is discharged, the property (including, without limitation, all buildings, structures, fixtures and improvements now or in the future located on the property not required to be insured by the condominium corporation according to the Act or the declaration of the condominium corporation) for not less than its full replacement value in Canadian dollars.

The condominium corporation must obtain such appropriate insurance as it is required to obtain under the Act and under the declaration and by-laws of the condominium corporation, failing which you will be in default. In addition, you must insure against loss or damage by fire with extended perils coverage, and against such additional risks as we may at any time require, all improvements or those improvements required by the Act or by-laws of the condominium corporation which at any time have been made to the property.

All insurance policies must be provided by a company approved by us and contain mortgage clauses approved by the Insurance Bureau of Canada or by us confirming that loss proceeds are payable firstly to us, and we will have the first right to receive and to have a lien on the loss proceeds. Upon our request, you will provide us with certified copies of every insurance policy

with respect to the property and, not less than 15 days before any policy expires, evidence of its renewal.

We may place and pay for any insurance policy if you fail to do so. Any premiums or sums of money which we pay for insurance will be immediately payable by you to us or added to the loan amount if not so paid and will bear interest at the current mortgage rate.

If any loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance proceeds. The production of a copy of the mortgage will be sufficient authority for the insurance company to pay any loss to us or to accept instructions from us dealing with the loss, and the insurance company is hereby directed to pay the same to us. Insurance proceeds may, at our option, in whole or in part be: (i) used to repair or rebuild the property; (ii) paid to you; and/or (iii) used to reduce any part of the loan amount, whether due or not, including, without limitation, an amount to compensate us for loss of interest.

You will, and to the extent it is within your control will cause the condominium corporation to, assign and transfer the policy or policies of insurance and receipts thereof to us and if you or the condominium corporation fails to keep the buildings and improvements insured or provide us at least 15 days before the termination of any insurance, evidence of renewal, we are entitled but not obligated to insure the buildings or improvements.

The obligation to insure may be performed by the condominium corporation and the proceeds of insurance may be payable in accordance with the declaration and by-laws of the condominium corporation. You promise that, in the event of loss or damage, you will fully comply with the terms of all insurance policies and with the insurance provisions of the declaration and by-laws and that, as a member of the condominium corporation, you will insist that the condominium corporation fully complies with these terms.

26. ENFORCING OUR RIGHTS

(a) Remedies

If you are in default, the loan amount will immediately become due and payable at our option and we may enforce any one or more of the remedies listed below in any order, separately or together, to the extent that such remedies are available in the province or territory in which the property is located.

Without limitation, our remedies include:

- (i) Go to Court - We may take court proceedings to collect the loan amount.
- (ii) Foreclosure or Sale - We may take court proceedings to foreclose your right, title and equity of redemption to the property. If we obtain a final order of foreclosure from the court, the property will become ours. We may also ask the court to order the sale of the property under its supervision. The net proceeds from the sale of the property will be applied to reduce the loan amount. If the net proceeds are more than the loan amount, any amount remaining after all claims have been satisfied will be paid to you.
- (iii) Lease the Property - If your default continues for 15 days, we may, on 15 days' notice to you, enter on and lease the property; if your default continues for 30 days we may, without notice to you, enter on and lease the property. We may apply the net proceeds of any lease to reduce any part of the loan amount.
- (iv) Power of Sale - If your default continues for 15 days we may, on the expiry of required notice, if any, enter on and sell the whole or any part of the property. Any sale can be for cash or on credit, or partly for cash and partly on credit, by private sale or public auction and on such terms as can be obtained. We may cancel, amend or not complete any contract of sale without being responsible for any resulting loss. The net proceeds from any sale of the property will be applied to reduce the loan amount. If the net proceeds are more than the loan amount, any amount remaining after all claims have been satisfied will be paid to you.
- (v) Enter on the Property - We can enter on the property at any time without your permission and make any necessary arrangements to inspect,

collect rents or manage the property or repair or complete construction of any building or other improvement on the property. Any costs we incur will be at your expense on a full indemnity basis and will be added to the loan amount and will bear interest at the current mortgage rate.

- (vi) Appoint a Receiver - We can appoint, in writing, a receiver (which includes a receiver and manager) to collect any income from the property. The receiver will be your agent, not ours, and you will be responsible for any of the receiver's acts or omissions. We are not accountable for any monies received by the receiver except to the extent that we actually receive any such monies. The receiver may use every remedy which we have under the mortgage to collect the income from the property, take possession of the whole or part of the property, manage the property and keep it in good condition. From the income collected, the receiver may pay all rents, taxes, rates, insurance premiums and other expenses required to keep the property in good condition, his or her own commission as receiver, all amounts required to keep any encumbrances ranking in priority to the mortgage in good standing, interest owing under the mortgage and all or any part of the loan amount whether or not it is due.
- (vii) Possession - We can take possession of the property at any time, without permission, and take all necessary action to recover and keep possession of the property. We will not be considered to be a mortgagee in possession unless we actually take possession of the property. We may lease or sell the property without actually entering into possession of the property. While in possession, we will only be accountable for money actually received by us.
- (viii) Distress - Subject to applicable laws, we may distress for arrears of interest against the property or any part of it and recover by way of rent reserved as in the case of a demise, the arrears of interest and all costs and expenses incurred in such distress and may also distress for arrears of principal and regular payments of taxes, if required, in the same manner as if the same were arrears of interest.
- (ix) Assignment of Rents - You assign to us all rents from the property. This assignment will take effect upon default.

(b) No Interference

If, in enforcing any of our remedies, we take possession of the property, neither you nor any person claiming an interest in the property through you will interfere with our possession, the possession of any receiver we may appoint or with the possession of any person to whom the property is leased or sold and you will not make any claim against any person to whom the property may be leased or sold.

(c) Notice

When any notice is given by us in connection with the mortgage, the notice may be given in any manner permitted or provided by the laws applicable thereto or, subject to those laws, may, at our option, be given by us by leaving it with an adult person on the property if occupied, by placing it on some portion of the property if unoccupied, by mailing it by prepaid registered mail addressed to you at your last known address, or by publishing it once in a newspaper having a general circulation in the city, town, municipality or area in which the property is located; and such notice will be sufficient even if it is not addressed to any person by name or designation and even if any person to be affected by the notice may be unborn, unknown, unascertained or under any disability; and, subject to the laws from time to time applicable to the notice, such notice will be as effectual as if it had been personally served upon all persons required to be served by it.

(d) Our Expenses

You agree to pay immediately upon our request all of the expenses which we incur in enforcing any of our remedies. These expenses include all our legal fees (on a full indemnity Solicitor and own client basis) and disbursements, all other costs we have to pay to protect our interests and to enforce any of our remedies under the mortgage and a reasonable allowance for the time and services of our employees.

(e) Delay in Enforcement

Our rights will not be affected if we delay in enforcing any of our rights under the mortgage or give you or anybody else an extension of time. We may still insist that you make all payments on time and comply with your obligations, require payment of the loan amount if you are in default and require any other person including, without limitation, a guarantor, who has obligations to us under the mortgage to meet those obligations. If you do not make any payment of the principal amount as required by the mortgage, we are not obliged to accept subsequent payment unless you also give us interest to the date of subsequent payment.

Any limitation period that would otherwise apply to proceedings to enforce the mortgage shall be extended so that proceedings may be taken within ten years of the date that the latest payment is received by us (or our assignee), with respect to any sum payable under the mortgage, from any party.

(f) Judgments

If we obtain any court order or judgment against you in any action to enforce our remedies, the judgment will not operate as a merger of any covenant of the mortgage and will not prevent us from pursuing our other remedies or rights to enforce your other obligations under the mortgage and the loan commitment. Even if we obtain a court order or judgment, until the loan amount is paid in full, interest is payable on the loan amount at the current mortgage rate or in accordance with applicable law, whichever is higher.

(g) No Prejudice from Failure to Enforce Our Rights

A failure by us to enforce at any time or from time to time any of our rights under the mortgage will not prejudice our rights or any other rights that we have under the mortgage or at law. No performance or payment by us in respect of any breach or default will relieve you from any default, and no waiver at any time or from time to time of any such rights by us will prejudice such rights in the event of any future default or breach.

27. EXPROPRIATION

If the entire property is expropriated, the loan amount will immediately become due and payable.

If only a part of the property is expropriated, the amount you are awarded for the partial expropriation will be paid to us and we will credit it to the loan amount. If, in our opinion, the remainder of the property does not constitute adequate security for the loan amount, then in our sole discretion, all or part of the loan amount will immediately become due and payable. We have the right to order a survey and/or property valuation of the property in order to ascertain the value of the expropriated land and the remaining land. Any and all reasonable costs, charges and expenses for such survey and/or property valuation are payable by you immediately and, if not paid, will be added to the loan amount and will bear interest at the current mortgage rate, and will be a charge on the property under the security of the mortgage.

You waive all rights under the *Expropriation Act* (Alberta) as amended from time to time, or under any other legislation which could restrict our rights of recovery against you to recovery of the market value of the mortgage at the date of any expropriation.

28. GUARANTEE

In consideration for our making a loan to the borrower, each person who signs the mortgage or the loan commitment as guarantor unconditionally and irrevocably guarantees to us, as principal debtor and not as surety, the due and punctual payment of the loan amount and the due and punctual performance of all of the obligations of the borrower under the mortgage and the loan commitment at all times until the loan amount is paid in full and all other obligations of the borrower have been fully performed. Each guarantor, if there is more than one, will be jointly and severally liable with the borrower and with each other for complying with all of the obligations of the borrower under the mortgage and the loan commitment. We may at any time and from time to time without the consent of or notice to any guarantor give any extension of time for payment (including renewals), deal with any security (including, without limitation, the mortgage) or the property including, without limitation, releasing, realizing on or replacing any security we may hold, give releases or discharges, increase the interest rate, amend the terms of the mortgage or the loan commitment and generally deal with all matters affecting the mortgage and the loan commitment and the obligations of the borrower either before or after requiring payment from any person without in any way affecting the guarantee or the obligations

of any guarantor. We may require payment from any guarantor before we attempt to obtain a payment from the borrower, and the obligations of any guarantor will not be altered by the bankruptcy of the borrower or any guarantor. The enforcement of the obligations of a guarantor under this section may take place before, after or at the same time as the enforcement of the obligations of the borrower or any other guarantor under the mortgage or the enforcement of any security for any such obligation. Each guarantor agrees that he, she or it has read the mortgage and the loan commitment and is fully aware of its terms and in particular the terms of this section

29. DISCHARGE

After you have paid us the loan amount and fulfilled all of your other obligations under the mortgage and the loan commitment, we will sign a discharge or, if requested by you, an assignment of the mortgage and send it to you within a reasonable time. As permitted by law, you will pay our then current administration or processing fee for preparing and signing the discharge or assignment and all legal and other expenses, whether the discharge or assignment is prepared by your lawyer, by ours or by us. It is your responsibility to register the discharge or assignment on title to the property and to pay the registration fee.

30. ADMINISTRATION FEES

You agree to pay us, when due, our then current administration and processing fees in connection with the preparation of any assumption statement, amending or other agreement, statements for information purposes, replacement of cheques where payment has been refused due to insufficient funds or for any other reason in respect of the administration of the mortgage. If unpaid, such fees will be added to the loan amount and will bear interest at the current mortgage rate.

31. NEW HOME WARRANTY PLANS, PROGRAMS OR LEGISLATION

If the terms of any new home warranty plan, program and/or legislation apply to the property, you agree to comply with the requirements of such plan, program and/or legislation and to reimburse us for any costs which we incur in complying with such requirements on your behalf if you fail to do so and to reimburse us for any costs which we incur in enforcing your rights under such plan, program and/or legislation if you fail to do so. Such costs are payable by you immediately and, if not paid, will be added to the loan amount and will bear interest at the current mortgage rate.

32. CHANGE OF CORPORATE CONTROL

If the borrower is a corporation, the borrower agrees that if (a) the borrower fails to supply to us, in a form satisfactory to us, such information relating to the ownership of its shares as we may from time to time require, or (b) without our prior written consent, (i) the borrower issues or redeems any of its shares or any of its shares are transferred, or (ii) there is a transfer of the legal or beneficial interest of any of the shares of the borrower, or (iii) the borrower amalgamates, merges or consolidates with any other person or corporation, and the result of any such event is a change in the effective control of the majority of the voting shares of the borrower, then the loan amount will immediately become due and payable at our option, and our power of sale and all other remedies for enforcement will be exercisable.

33. DATE OF MORTGAGE

You agree that, only for the purpose of defining the date of the mortgage with respect to any statutory right of prepayment, the date of the mortgage will be deemed to be the interest adjustment date, regardless of the date of signature of the mortgage.

34. WHO IS BOUND

You agree to be bound by all of your obligations contained in the mortgage. The mortgage is also binding on and enures to the benefit of your successors and anyone else to whom the property is transferred. The mortgage is also binding on and enures to the benefit of our successors and assigns and on anyone to whom we may assign the mortgage.

If more than one person signs the mortgage as borrower, then all persons who so sign are jointly and severally liable to comply with all obligations under the mortgage.

35. PARTIAL INVALIDITY

If any provision of the mortgage is found to be illegal or unenforceable, the validity or enforceability of all other provisions will not be affected.

36. HEADINGS

Headings in the mortgage do not form part of the mortgage and are used only for easy reference.

37. STATUTE REFERENCES

Unless expressly stated otherwise, any reference in this set of standard charge terms to a statute is a reference to such statute and the regulations thereunder, if any, as such statute and regulations may be amended or replaced from time to time.

38. CONFLICT OF PROVISIONS

That in the event of any conflict between any provision(s) contained in this mortgage and in any one or more of the securities which are collateral to this mortgage or in the application for this mortgage or commitment letter giving rise to this mortgage, we shall have the right to elect the provision(s) that is to apply and upon such election, the provision(s) as elected by us, shall apply.

39. NAME SEARCH

You hereby consent to us, being a credit granting corporation, conducting a name search in accordance with the Land Titles Act (Alberta).

40. AUTHORIZATION

You hereby authorize us to request information or perform searches from any third party who may have information regarding the status of any charges, encumbrances or other obligations respecting the property or you, including but not limited to loan information statements, loan payout statements, and matters of government or municipal compliance.

41. STATUTORY MORTGAGE CLAUSE

"And for better securing to the mortgagee the repayment in the manner set out above of the principal sum and interest (and other amount hereby secured), I hereby mortgage to the mortgagee all my estate and interest in the land described above"

42. GOVERNING LAW

This set of standard charge terms and the mortgage will be governed by the laws of the Province of Alberta and if the Mortgagee commences legal proceedings with respect to enforcing this mortgage, such proceedings shall be taken in the Judicial District of Edmonton, in the Province of Alberta, or, at the sole discretion of the Mortgagee, in such other location as the Mortgagee sees fit.

43. ENTIRE AGREEMENT

The loan commitment and the mortgage constitute the entire agreement between the borrower and the mortgagee concerning the matters addressed therein. The mortgage is in addition to, and not in substitution for, any other security that we may have in the property of the borrower or the property of any other person.

44. AMENDMENTS TO STANDARD CHARGE TERMS

This set of standard charge terms may be amended and specific provisions added, deleted or changed by adding a schedule to the form of mortgage registered in the land registry office.

END OF SET



102153612

102153612 REGISTERED 2010 05 07
MORS - STANDARD FORM MORTGAGE
DOC 1 OF 1 DR#: D032375 ADR/NLINDSTR
NO LAND AFFECTED

Fee Schedule

Account History	\$50
Account Research (per hour)	\$50 plus costs
Amortization Changes (<i>no charge if requested within annual mortgage repayment privilege</i>)	\$50
Amortization Schedule (<i>no charge if frequency change/payment amount change request</i>)	\$25
Annual Statement (issued each January)	Free
Additional annual or monthly statements	\$25
Over 2 years	\$100
Bank or Account Confirmation	\$50
Credit Bureau (only if outside initial approval or renewal)	\$25
Discharge (per title discharged)	
SK and MB	\$275
BC (from lawyer)	\$75
Alberta (from lawyer or internal refinance)	No Charge
Ontario (statement preparation fee, execution and registration)	\$425 plus \$175 per title discharged
For Commercial Mortgages – refer to commitment letter	
Draw fee for Construction (unless otherwise stated)	\$250 per draw plus GST/HST
Document Execution – per document to be signed (Mylar, Easement, Right of Way, etc)	\$250 per document
Payout Request (1 st request in calendar year free, additional)	\$25
Inspection Fee (Fisgard to view a property)	As noted in approval
Insurance Admin Fee & Insurance Arrears Notice	\$50
Insurance Placement Fee	\$525
Manual Payment	\$50
Land Title Activity Flag	\$25
NSF and or Late payment	\$100
Payment Frequency / Change (for more than once a year)	\$50
PPSA or PPR Renewal for GSA Security (regardless of term of renewal)	\$75 per renewal
Property Tax Search	\$75
Registered Mail	\$25
Title Search	\$50
Service Per Hour	\$125
Reinstatement Fee	\$500 plus legal fees
Initiating Legal Action	\$500 plus legal fees
Documentation Fee	\$275

***All fees are subject to change without notice

Prepayment Penalty Calculation for closed term loans.

If you would like to pay out your mortgage before the end of your closed mortgage term, a prepayment penalty for an early discharge will apply.

As stated in your mortgage documents, the prepayment penalty for an early discharge is of 3 months interest on your mortgage. The 3 month penalty is calculated by taking the balance of your mortgage as at the last payment date, multiplied by the interest rate and multiplying by (3 months divided by 12).

Example:

Balance on mortgage: \$200,000. Interest rate: 5.5%.
 $\$200,000.00 \text{ (balance)} \times 5.50\% \text{ (interest rate)} \times 3/12 = \$2,750.00$