

LAND REGISTRATION REFORM ACT  
STANDARD CHARGE TERMS

Filed by KINDRED CREDIT UNION LIMITED Filing Date: **OCTOBER 8, 2020** Filing Number: **202014**

The following set of Standard Charge Terms shall be deemed to be included in every Charge in which the set of Standard Charge Terms is referred to by its filing number, as provided in section 9 of the Act.

**1. Definitions**

All words used in this set of Standard Charge Terms for which an interpretation is provided in Section 1 of the Land Registration Reform Act, (the "Act"), shall have the meaning assigned to them by Section 1 of the Act except for the words specifically interpreted in this Section.

- (a) **"CMHC"** means Canada Mortgage and Housing Corporation, and its successors.
- (b) **"CMHC Program"** means a national program for pooling and securitizing housing loans under which CMHC is Program Administrator.
- (c) **"Condominium Act"** means the *Condominium Act, 1998* of Ontario, as such Act may be amended, modified, supplemented or replaced from time to time.
- (d) **"Costs and Expenses"** means all fees, costs, charges, and expenses incurred by or on behalf of us for, in connection with, or relating to:
  - (i) preparing, processing, executing and registering the Loan Documents in respect of each Loan and making each advance of each Loan;
  - (ii) servicing, administering, collecting, enforcing, and realizing on or under each Loan or the related Loan Documents, including any workout or modification of any Loan or the related Loan Documents agreed to by the Mortgagee in its sole discretion;
  - (iii) inspecting, protecting, securing, completing, insuring, repairing, equipping, taking and keeping possession of, managing, selling, or leasing the Property, including curing any defaults under or renewing any leasehold interest under each lease;
  - (iv) appointing a receiver, receiver and manager, trustee, liquidator, or other person(s) with similar powers (pursuant to or in respect of the Mortgage, any Loan, the related Loan Documents, applicable laws, or otherwise) and their fees and expenses (including all legal fees and disbursements and all agents' costs and expenses);
  - (v) obtaining any environmental testing, site assessments, investigations, studies, appraisals, and/or any other inspections, tests, or reports with respect to the Property;
  - (vi) complying with any notices, orders, judgments, directives, permits, licenses, authorizations, or approvals with respect to the Property;
  - (vii) performing your obligations under the Mortgage or the borrower under or in respect of each Loan and the related Loan Documents, including without limitation all fees, costs, charges, and expenses incurred in removing any other mortgage, charge, lien, or other financial encumbrance from title to the Property (whether or not it has priority over the Mortgage);
  - (viii) all legal fees and disbursements in connection with each Loan on a full indemnity basis (or solicitor and its own client basis, as applicable);
  - (ix) any other fees, costs, charges, or expenses payable to us under the Mortgage or under or in respect of the Indebtedness, each Loan and the related Loan Documents, or applicable laws, and including allowances for the time, service, work, or effort of us in connection with any of the foregoing matters including, administrative expenses; and
  - (x) interest at the Interest Rate on all such fees, costs charges, expenses, and other amount from the date incurred until paid to us.
- (e) **"Event of Default"** is defined in Section 7.1(a).
- (f) **"Hazardous Substances"** means urea formaldehyde foam insulation, asbestos, and any other substances, products, materials, or goods that are hazardous or dangerous or potentially hazardous or dangerous to human, animal, or plant health or life or the environment.
- (g) **"Improvement"** means any construction, installation, alteration, repair or demolition on or to the property.
- (h) **"Indebtedness"** means at any particular time, without duplication, the aggregate of the Loans and related Loan Indebtedness, present or future arising under each Loan Agreement and related Loan Documents. "Indebtedness" includes, without limitation, each Loan, the Loan Indebtedness, all amounts that may be added to such Loan Indebtedness or to the Indebtedness under the provisions of the Mortgage or the related Loan Documents, or under applicable laws, all other obligations, covenants, debts, liabilities, costs and expenses at any time owing or remaining unpaid by you to us under or in respect of each Loan and the related Loan Documents and all Costs and Expenses applicable to a Loan.
- (i) **"Insured Loan"** means a Loan in respect of which a Loan Insurance Policy has been issued and is in effect.
- (j) **"Interest Rate"** means, as applicable, the rate of interest on a Loan as set out in the related Loan Agreement which rate of interest shall be calculated and paid in accordance with the Loan Agreement or the rate of interest specified on this Mortgage, and in any case, to be paid both before and after maturity, demand, default and judgment.
- (k) **"Loan"** means each loan or extension of credit by us to you from time to time pursuant to a Loan Agreement with each Loan being a separate and distinct Loan, including any replacement, refinancing, re-advancing or additional or further advancing of a Loan made pursuant to a Loan Agreement (and, for clarity, in the case of fluctuating or revolving loans or lines of credit, the aggregate outstanding Loan Indebtedness under the applicable Loan Agreement at any time is a separate and distinct Loan).
- (l) **"Loan Agreement"** means, in respect of each Loan, the promissory note loan agreement, line of credit agreement, guarantee or other similar agreement between us, you and any guarantor which governs a Loan, each as amended, modified, replaced, extended or supplemented from time to time, under which it is agreed that the Loan will be secured by this Mortgage.
- (m) **"Loan Documents"** means, collectively with respect to each Loan, all documents, agreements, instruments and security now or hereafter creating, evidencing, securing, guaranteeing or relating to such Loan and the related Loan Indebtedness, or any part thereof, including any Loan, line of credit or Mortgage application (and any documents delivered to us pursuant to or in connection with such application), the Loan Agreement, Mortgage, or any commitment letter or offer to finance, and, as applicable any Guarantee, each as amended, modified, replaced or extended from time to time.
- (n) **"Loan Indebtedness"** means, in respect of each Loan, all principal, interest, compound interest, any Prepayment Charge, all Costs and Expenses, and all other amounts which are due and payable by you to us or which may be added to such Loan Indebtedness from time to time under the related Loan Documents or applicable laws.
- (o) **"Loan Insurance Policy"** means, in respect of any Loan, a policy of insurance issued by a Loan Insurer pursuant to which we are insured by the Loan Insurer against default.
- (p) **"Loan Insurer"** means, in respect of any Loan, the insurer under the Loan Insurance Policy, which may be CMHC, or another loan insurer.

- (q) **"Mortgage"** means the mortgage or charge of the Property in favour of the Mortgagee, or its designated custodian or nominee, which secures the Indebtedness and which includes, as applicable, the Mortgage Form, these Standard Charge Terms, and all schedules thereto, each as amended, modified, replaced, and/or extended from time to time. Where electronic registration of the Mortgage is permitted by applicable laws, "Mortgage" also includes all such documents prepared in electronic format and registered electronically, including any documents and instruments authorizing such electronic registration. The delivery of the Mortgage for registration by direct electronic transmission shall have the same effect for all purposes as if the Mortgage was in written form, signed by the Mortgagor, and delivered by the Mortgagee.
- (r) **"Mortgage Form"** means, as applicable, the form of mortgage or charge prescribed by applicable laws, which incorporates these Standard Charge Terms as part of the Mortgage. If the Mortgage is to be registered electronically, "Mortgage Form" means such form prepared in electronic format.
- (s) **"Mortgagor" and "Mortgagee"**, respectively, means the person(s) named in the Mortgage Form as the "Mortgagor" or "Chargor" and the person named in the Mortgage Form as "Mortgagee" or "Chargee", as the case may be.
- (t) **"Prepayment Charge"**, in respect of any Loan, has the respective of meanings set out in the related Loan Agreement or as described in paragraph 20 hereof.
- (u) **"Program Administrator"** means CMHC, acting in the capacity as administrator and trustee of, and guarantor of timely payment of securities issued under, any CMHC Program.
- (v) **"Property"** means the lands described in the Mortgage and any schedules attached to the Mortgage and everything else described in paragraph 2 of these terms.
- (w) **"Receiver"** is defined in Section 13.1(h).
- (x) **"Standard Charge Terms"** means this set of Standard Charge Terms, and sometimes referred to as **"These Terms"**.
- (y) **"Taxes"** means all taxes, rates, levy, local improvement charges, and other amounts charged on the property by any governmental authority from time to time, including all interest and penalties.
- (z) **"we", "our" and "us"** means Kindred Credit Union Limited and its successors and assigns, as Mortgagee.
- (aa) **"you" and "your"** means each person who is named in the Mortgage as a Mortgagor or as a spouse of a Mortgagor or where applicable, any person being an obligant as provided in a Loan Agreement;

## 2. Description of Property Covered and Charge

The Property together with all buildings and other structures on it, whether fixed or moveable including mobile homes, are charged by the Mortgage. Additions, alterations, substitutions and improvements to the property and buildings are also charged. Not to limit the foregoing, if the property is a leasehold interest, it is hereby charged by the Mortgage for and during the unexpired residue of the term of the lease except the last day of the term and the last day of any renewal thereof.

## 3. What the Mortgage Does

- 3.1 By signing this Mortgage, you have mortgaged and charged your entire interest in the Property to us as security for the payment to us, on demand, of the Indebtedness. The Mortgage is not satisfied or discharged by any intermediate payment of all or part of the Indebtedness but remains a continuing security for payment of the Indebtedness, notwithstanding any change in the amount, nature or form of the obligations secured or any renewal, extension, amendment or replacement of the Loan Agreement or related Loan Documents or other instrument(s) evidencing the Indebtedness.
- 3.2 Our charge upon your interest in the Property subject to the Mortgage will end when:
  - (a) you have repaid all of the Indebtedness on our demand, and
  - (b) you have done everything else you have promised to do in the Mortgage, or in any Loan Document, and
  - (c) we have signed and delivered to you a discharge of the Mortgage.
- 3.3 You may remain in possession of the Property as long as you are not in default of any of your obligations under the Mortgage or under any Loan Agreement or related Loan Documents evidencing the Indebtedness, including payment of the Indebtedness on our demand.

## 4. Interest

- 4.1 **Interest** – The Indebtedness shall bear interest at the Interest Rate set out in the applicable Loan Agreement both before and after default, demand, maturity, and judgment until paid.
- 4.2 **Compound Interest** – Interest shall accrue on overdue interest at the Interest Rate from time to time, both before and after default, demand, maturity, and judgment until paid and shall be due and payable by the Mortgagor to the Mortgagee forthwith. If such overdue interest and compound interest are not paid within the then current interest compounding period, the rest shall be made and compound interest at the Interest Rate will be payable on the aggregate amount then due, both before and after default, demand, maturity and judgment, and so on until paid. All compound interest shall be added to the Indebtedness and secured by the Mortgage.
- 4.3 **Equivalent Interest Rates** – Unless otherwise expressly provided herein or in the applicable Loan Agreement, the Interest Rate shall be compounded monthly not in advance. The equivalent interest rate compounded semi-annually not in advance is set out in Schedule A – Table of Equivalent Rates.

## 5. Your Title to the Property

- 5.1 You certify that you own the Property that is subject to the Mortgage and that you have good right, full power and lawful and absolute authority to mortgage and charge the Property and to give the Mortgage to us upon the covenants contained in the Mortgage. You also certify that there are no restrictions, limitations or encumbrances on your title to the property or on your ability to charge the property to us, except for those that are properly registered in the land registry office or land titles office where your title is registered.
- 5.2 You promise not to do anything that will interfere with our charge and mortgage upon your interest in the Property and you agree to sign any other documents that we think are necessary to charge to us your interest in the Property.

## 6. If the Property is Subdivided

If the Property is subdivided before your debt is fully repaid, the Mortgage will cover individually each part into which the Property is subdivided. This means that each part will secure repayment of the Indebtedness, even if we release or partially discharge another part of the Property from the Mortgage.

## 7. Responsibilities

- 7.1 Your responsibilities include the following:

- (a) **Payment**

In the event that you are in default of your obligations to us, including a breach of the terms and conditions of any Loan Agreement or related Loan Documents or the terms and conditions hereof, you acknowledge and agree that, subject to the provisions of Section 22 of these Standard Charge Terms, any Loan secured by this Mortgage is payable by you, on demand, at our option. Such default is referred to in these Standard Charge Terms as an **"Event of Default"**, without limiting further event characterized in these Standard Charge Terms as an Event of Default.

(b) **Insurance**

While the Mortgage is in effect, at your sole cost and expense, you will take out and keep in full force and effect, insurance in an amount not less than one 100% of the full replacement cost thereof, with coverage against, at least the perils of fire, and standard extended coverage on each and every building on the Property and which may hereafter be erected thereon, both during erection and thereafter. Each policy of insurance shall provide that loss, if any, shall be payable to the Mortgagee as its interest may appear and shall contain the standard mortgage clause approved by us. You will assign, transfer and deliver to us, certificates of insurance or, if required by us, certified copies of each such insurance policy, as soon as practicable after the placing of the required insurance. All such policies shall contain an undertaking by the insurers to notify us in writing not less than fifteen (15) days prior to any material change, cancellation, failure to renew, or termination thereof. If you fail to take out or to keep in force any such insurance, or should any such insurance not be approved by us, and should you not rectify the situation within five days after written notice by us to you, then we have the right, without assuming any obligation in connection therewith, to effect such insurance at your sole cost and expense. If we are obligated to pay any premiums or sums of money for insurance for the Property or any part thereof, the amount of such payment shall be added to the Indebtedness secured by the Mortgage and shall bear interest at the applicable Interest Rate and shall be payable at the time appointed for the next ensuing paying of interest on the Indebtedness. On the happening of any loss or damage, you will furnish at your own expense all necessary proofs and do all necessary acts to enable us to obtain payment of the insurance moneys and the production of the Mortgage shall be sufficient authority for your insurance company to pay any loss to us. Any insurance moneys received may, at our option, subject to the provisions of Section 22 of these Standard Charge Terms, be applied in rebuilding, reinstating or repairing the Property or be paid to you or any other person appearing by the registered title to be or to have been the owner of the Property or be applied or paid partly in one way and partly in another, or it may be applied, in our sole discretion, subject to the provisions of Section 22 of these Standard Charge Terms, in whole or in part to the Indebtedness or any part thereof whether due or not then due.

(c) **Taxes/encumbrances/charges**

You agree to pay all taxes charged against the property when they are due. If we request it, you will give us a receipt showing that your Taxes have been paid within 10 days. You also agree to pay all charges, mortgages, liens and other encumbrances against the Property when they are due. If you do not pay any Taxes, charges, mortgages, liens or other encumbrances when they are due, we may pay them and upon such payment the amount of the same is an additional amount secured under the Mortgage. Upon demand you shall immediately pay to us the amount that we have paid on account of the foregoing.

(d) **Administrative expense**

In consideration of us giving you this Mortgage, you agree to pay to us our usual or reasonable charges for administration expenses arising by reason of the late or non-payment of the Indebtedness secured by this Mortgage or by any other agreement evidencing or securing the Indebtedness including related Loan Documents. The aforesaid charges and expenses are an additional amount secured under the Mortgage. You shall pay to us such charges and expenses immediately upon demand.

(e) **Condominium**

If the Property is a unit or units in a condominium, you agree to comply with the Condominium Act and the declaration, by-laws and rules of such condominium. You also agree to pay when due your share of the common expenses of the condominium as are applicable to the Property. If you do not pay your common expenses when they are due, we can pay them on your behalf together with all other expenses that may have been charged to you by your condominium corporation in connection with enforcing payment of your common expenses, and those expenses will be charged to you as an additional amount secured by the Mortgage. You also hereby assign your voting rights with respect to the Property to us in accordance with the applicable provisions found in the Condominium Act. Until such time as we exercise our right to use your vote in accordance with those provisions, you may continue to exercise your vote. Upon demand, you shall immediately pay to us any of the aforesaid amounts that we have paid on your behalf and any expenses that we have incurred with respect thereto.

(f) **Lands and Buildings Not Contaminated**

- i. You represent to us that, after reasonable investigations and enquiries and to the best of your knowledge, no part of the Property or any land next to the Property is, or has been, or will be, used to manufacture, refine, handle, treat, store, dispose of or in any other way deal with any Hazardous Substances, except as allowed by laws, regulations and orders.
- ii. You represent to us that (1) none of the buildings on the Property are insulated with urea formaldehyde foam or contain other Hazardous Substances in a quantity or concentration greater than that permitted by law or greater than the concentration specified in the laws of Ontario, which apply to the specific permitted use being made of the Property; (2) no Hazardous Substances have been released into the natural environment from or through the Property; (3) to the best of your knowledge, information and belief, after conducting all reasonable inquiries, no Hazardous Substances have been released into the natural environment from properties adjoining the Property or from properties located within the immediate vicinity of the Property, except as expressly permitted, licensed or authorized by a government authority; (4) the Property has never been used as a land-fill or waste disposal site; (5) no Hazardous Substances are or have ever been stored on or under the Property; (6) to the best of your knowledge, information and belief, after having conducted all reasonable inquiries, no Hazardous Substances are or have ever been stored on or under properties adjoining the Property or on or under properties within the immediate vicinity of the Property; (7) the condition of the soil on the Property is such that it will not prevent or restrict future development of the Property for commercial purposes, if applicable, or negatively alter the value of the Property or negatively affect the marketability of the Property.
- iii. If there is an underground or aboveground storage tank on the Property, you will ensure it, and the operation of such a tank, are in full 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.

(g) **No Waste**

1. You will not
  - i. permit waste to be committed or suffered on the Property; or
  - ii. suffer or permit any change in the general nature of the use and occupancy of the Property.
2. You will not remove or destroy any of the buildings, plant, machinery and equipment comprised in the Property other than as herein otherwise provided.

(h) **Inspection, Obligation to Repair and to Remediate Environmental Contamination**

You will keep the Property, and all erections and improvements thereon, in good condition and repair according to the nature and description thereof respectively, and we, a Loan Insurer or an agent or representative of us or a Loan Insurer, may, whenever and for whatever purpose deemed necessary, before and after default, directly or by an agent, enter upon and inspect the Property. Notwithstanding and without, in any way, limiting the generality of the foregoing, we, a Loan Insurer or an agent or representative of us or a Loan Insurer, may enter upon and inspect the Property to conduct any environment testing, site assessment, investigation or study and make such repairs as we, a Loan Insurer or an agent or representative of us or a Loan Insurer deems necessary, and the reasonable cost of such inspection and repairs with interest at the applicable Interest Rate shall be added to the Indebtedness, bear interest at the applicable Interest Rate, be payable forthwith on written demand, and form a charge on the Property.

If for any reason whatsoever the representations and covenants contained in Sections 7.1(f), (g) and (h) are not true or are breached or shall become untrue or breached at any time while this Mortgage is in effect, then you will forthwith conduct appropriate removal/remedial action and such removal/remedial action is to be pre-approved by us, a Loan Insurer or an agent or representative of us or a Loan Insurer, acting reasonably. You will conduct such appropriate environmental assessments as we, a Loan Insurer or an agent or representative of us or a Loan Insurer may require in its discretion in order to give its approval. If the Mortgagor fails to conduct such assessments and/or to take appropriate remedial action, the Mortgagor permits us, a Loan Insurer or an agent or representative of us or a Loan Insurer, to enter upon the Lands to conduct the assessments and/or effect the remedial action, and the reasonable cost of such assessments and/or remediation shall be payable immediately by you upon our written demand, be added to the Indebtedness, bear interest at the applicable Interest Rate and form a charge on the Property.

If we, a Loan Insurer or an agent or representative of us or a Loan Insurer, enforce the rights of the Mortgagee under this Section 7.1(h), they will not be considered to have taken possession, management or control of the Property.

**(i) Membership In Kindred Credit Union Limited**

While this Mortgage is in effect, you will maintain at all times your status as a member in good standing of ~~Kindred Credit Union Limited~~ in accordance with its by-laws and resolutions.

**(j) Obligation to Maintain an Account out of which Payments can be drawn**

If regular payments of principal and interest (and taxes, if applicable) are required by the provisions of this Mortgage, you will maintain at a branch of Kindred Credit Union Limited an account of a type satisfactory to us, and complete an authorization, in a form approved by us, whereby such account is automatically debited by an amount equal to each payment of principal and interest (and taxes, if applicable), when each payment is due. You will ensure that such account always has sufficient funds on deposit to satisfy each such payment when due. If you breach this covenant, or cancel such authorization or close the account, then any such action or omission shall constitute a default under this Mortgage. You agree to pay to us our current administration and processing fees for any breach of this Section 7.1(j).

**(k) Prohibition Against Subsequent Encumbrances**

You will ensure that the Property remains free and clear of all encumbrances, liens, mortgages, charges, personal property security interests and financing agreements subordinate to our interest while this Mortgage is in effect, and any renewal or renewals thereof, except those approved in writing by us.

**(l) Casualty, Legal or Environmental Claim**

You will give immediate notice in writing to us of any damage caused by fire or any other casualty to, or legal claim against, the Property.

You will give us immediate notice in writing if you receive material governmental or third party notices of violation, claims, suits, orders, or permit or approval revocations relating to environmental risks, and of any discharges or spills on or emanating from the Property within the meaning of the *Environmental Protection Act* of Ontario, or any similar or successor legislation.

**(m) Ontario New Home Warranties Plan Act**

If the Property is subject to the requirements of the *Ontario New Home Warranties Plan Act* of Ontario, or any similar successor legislation, you will comply with such requirements and reimburse us for any costs we may incur in effecting compliance or enforcing your rights on our behalf if you fail to do so.

**(n) Illegal Activities**

That no part of the Property is or will be used for any illegal purpose, including as a brothel, a gaming house, or for the cultivation, processing or manufacture of marijuana, any Hazardous Substance, or other illegal or controlled substances.

**(o) Expropriation**

If the entire Property is expropriated, the loan amount will immediately become due and payable plus applicable Prepayment Charges. 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 applicable Indebtedness. If, in our opinion, subject to Section 22 of these Standard Charge Terms, the remainder of the Property does not provide adequate security for the Indebtedness, then the Indebtedness, or any part of it as determined by us, subject to the provisions of Section 22 of these Standard Charge Terms, will immediately become due and payable together with applicable Prepayment Charges.

**(p) Spousal Information**

That all information received by us about your marital status and the Property when applying for the applicable Loan, and the statements made in or in respect of the Mortgage, are true and accurate under the laws regarding spousal property rights in the province of Ontario.

**(q) Owner-occupied Properties**

If a Loan secured by this Mortgage is approved by us for occupancy of the Property by you and your family as your residence, no part of the Property is to be rented or occupied by a tenant. You also agree not to rent or lease any part of the Property, or enter into a tenancy agreement of any part of the Property, or renew any lease (unless the renewal is provided for in a lease we have already approved), without first getting our written approval. We are under no obligation to approve any request to rent, lease, or enter into a tenancy agreement for any part of the Property, or to approve the renewal of a lease of the Property.

**(r) Rental Properties**

If the Property is a rental property:

- i. you will obtain our consent to any rental or any renewal;
- ii. all leases, lease agreements and renewals, all rents payable under the leases and agreements and all rights contained in the leases, lease agreements and renewals that affect the Property are hereby transferred and assigned to us under Section 17 of these Standard Charge Terms;
- iii. you mortgage, charge and grant to us a security interest in, all of the your right, title and interest in and to the fixtures, equipment and other movable property or chattels relating to the rental Property;
- iv. upon our request:
  - (a) you will obtain and provide for estoppel certificates, or an equivalent document, from tenants (i.e. written statements from the tenants certifying, among other things, the terms of the lease and any promises you have made to them about the lease);
  - (b) you will execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by us to give effect to this Section 7.1(r);
  - (c) you will pay all of the Costs and Expenses related to the assignments and additional security, including legal fees and registration costs;

- v. if you do not meet one or more of the obligations set out in this Section 7.1(r), or if one or more of the certifications or representations you have made to us related to leasing or renting out the Property is not true, then, subject to the provisions of Section 22 of these Standard Charge Terms, we may require you to pay all of the Indebtedness immediately and in full. If necessary for us to exercise our remedies with respect to the Property, we may pay any tenants such amounts as are necessary to obtain their cooperation in showing and selling the Property and/or to obtain possession of all or a part of the Property from such tenants. You agree that these payments will be a cost of enforcing our security, and shall be payable immediately by you upon our written demand, be added to the Indebtedness, bear interest at the applicable Interest Rate and form a charge on the Property. You also appoint us as your attorney and agent to enforce the terms of any lease or agreement you have entered into, and to cancel or terminate any such lease or agreement; and
- vi. we are not obligated to collect any rent or income from the Property nor to comply with any part of a lease or agreement related to the Property. Furthermore, nothing we do under this Section 7.1(r) will be considered as us taking possession of the Property.

(s) **Advances**

We reserves the right, in our sole discretion, to choose whether or not to advance the principal amount of a Loan or any part of it to you, even if the Mortgage is prepared, signed or registered, and whether or not any portion of the Loan has already been advanced. If the Mortgage is granted in respect of more than one Loan Agreement for more than one Loan, then each Loan made under such Loan Agreement will be a separate and distinct Loan, including the replacement, refinancing or re-advancing of each such Loan, subject to Section 22 of these Standard Charge Terms.

**8. Building Mortgages**

- 8.1 If you make any improvement to the Property, whether financed by us or not we may require you to submit any contracts, plans and specifications to us for our approval before the commencement of the work. We may withhold any advances until we are satisfied that you have complied with all your legal obligations as to the payment of the price for any Improvement to the Property.
- 8.2 Whether or not you use money advanced to you for an Improvement to the Property, we may retain funds or require that funds be retained by someone else (for example, a lawyer), from any advance we make to you until we are completely satisfied that the holdback provisions of the *Construction Act* (as it is amended or replaced from time to time) have been fully complied with.
- 8.3 We may obtain a court order removing any construction lien or obtain or provide a financial guarantee bond or other security and you will pay us for any costs that we incur in doing this and until paid, such costs are Costs and Expenses, due on written demand, bear interest at the applicable Interest Rate and are secured by the Mortgage. Those costs will include our charges for providing a bond or security if we provide it.

**9. Leasehold Interest**

- 9.1 Where the Property is a leasehold interest and you fail or refuse to renew the lease, we may effect such renewal in our name or otherwise and every renewal of the lease shall be charged to us as security for repayment of the Indebtedness and the performance of all other obligations of you to us under this Mortgage.
- 9.2 You agree that you will not amend, surrender or modify the lease without a written consent and you shall pay the rent payable under the lease and perform and observe all covenants, provisos and conditions contained in the lease that are to be performed or observed by you.
- 9.3 You warrant that you have good leasehold title to the Property under a valid and subsisting lease in good standing which has not been surrendered, forfeited, amended or become void or voidable and the rents and covenants reserved in the lease have been duly paid and performed by you.
- 9.4 You warrant that you have the right to charge, hold and sub-let leasehold Property to us in the manner provided for in this Mortgage and have obtained all required consents from the landlord to the granting of this Mortgage. Neither you nor any other person has made, done, committed or suffered any act that would encumber or result in the encumbrance of the property.
- 9.5 In all cases in which the Property is a leasehold interest, you charge the Property by way of sublease. You possess the Property for the last day of the term or any renewal term granted by the lease in trust for the Mortgagee and will assign and dispose thereof as the Mortgagee may direct, but subject to your rights of redemption contained herein.

**10. Release of Information**

**10.1 Consent**

In connection with the processing, approving, funding, servicing, and administering, or any sale, securitization, or financing of all or any part of the Indebtedness, including any Loan or related Loan Documents, or any interest therein, or for any Loan Insurance Policy or CMHC Program, or for regulatory purposes, we and any other person having or subsequently acquiring any interest in all or any part of the Indebtedness, including any Loan or related Loan Documents, may release, disclose, exchange, share, transfer and assign from time to time, in each case as it may determine in its sole discretion, all information and materials (including personal information) provided to or obtained by or on behalf of the Mortgagee, relating to the Indebtedness, including relating to any Loan or related Loan Documents, you, as Mortgagor, a guarantor or the Property (both before and after advance, re-advance, and/or default) without restriction and without notice to you and without your consent or the consent of any guarantor, or any person to:

- (a) any person having or proposing to acquire any interest in all or any part of the Indebtedness, including any Loan or related Loan Documents, from time to time (including their respective advisors, agents, lawyers, accountants, consultants, appraisers, credit verification sources, custodians, credit rating agencies, servicers or other securitization participants),
- (b) the Loan Insurer, if applicable,
- (c) the Program Administrator, if applicable,
- (d) any governmental authority having jurisdiction over us or any of our activities, and
- (e) any other person in connection with any collection or enforcement proceedings taken under or in respect of all or any part of the Indebtedness, including any Loan or the related Loan Documents from time to time.

**10.2 Consent to Collection and Privacy Policies**

You irrevocably consent to the collection, obtaining, release, disclosure, exchange sharing, transfer, and assignment of all such information and materials described in Section 10.1. We may also use and disclose your personal information according to our privacy policies, which may be obtained by contacting our Privacy Officer:

Kindred Credit Union  
1265 Strasburg Rd  
Kitchener, ON N2R 1S6  
Attention: Privacy Officer  
Phone: 519.746.1010  
Toll Free: 888.672.6728  
Email: [privacy.officer@kindredcu.com](mailto:privacy.officer@kindredcu.com)

## 11. Delay in Enforcement

Subject to the provisions of Section 22 of these Standard Charge Terms, we can delay enforcing any of our rights under the Mortgage or any other agreement to which you and we are parties to recover the Indebtedness without losing those rights and we can release others from their obligations under the Mortgage or any other agreement to which you and we are parties without releasing you or affecting our right to recover the Indebtedness from you.

## 12. Costs and Expenses

Costs and Expenses that we pay or incur or charge to you in accordance with these terms, or any Loan Agreement or related Loan Documents are an additional amount or obligation secured under the Mortgage. You will pay the amount of the Costs and Expenses to us immediately upon demand, they will bear interest at the applicable Interest Rate and they are secured by the Mortgage.

## 13. Enforcing our Rights

13.1 If you fail to comply with any of your obligations in the Mortgage or any other agreement to which you and we are parties, or an Event of Default occurs, then, in any such case, subject to the provisions of Section 22 of these Standard Charge Terms, we may enforce our rights by using any one or combination of the methods or procedures set out in this Section 13.1. This will not limit any other rights that we may have by law, statutory or otherwise or in equity, or by reason of the Mortgage, or by any other Loan Documents to which you and we are parties.

- (a) we can bring a proceeding in a court of competent jurisdiction to collect the Indebtedness;
- (b) we can bring a proceeding in a court of competent jurisdiction to obtain a final order of foreclosure from the court and, if successful, your Property will belong to us;
- (c) we can bring a proceeding in a court of competent jurisdiction to obtain an order for the sale of the Property under its supervision;
- (d) on demand, you will deliver to us quiet possession of the Property;
- (e) if your default continues for fifteen days, we may, on fifteen days additional notice to you, enter on and lease the Property;
- (f) if your default continues for fifteen days, and on at least thirty-five days written notice, we may enter on and sell the Property or any part of the Property; any such sale can be for cash or on credit, or for cash and partly on credit, by private sale or public auction and on such terms as can be obtained; subject to Section 22 of these Standard Charge Terms, we may apply the net proceeds of any lease or sale under this Section 13.1 to reduce any part of the Indebtedness. If the net proceeds are not sufficient to pay the Indebtedness in full, you will still owe us the difference;
- (g) we or a Loan Insurer, or an agent or representative of us or such Loan Insurer, can enter on the Property at any time and without your permission make any necessary arrangements to inspect, collect rents, manage, repair or complete construction. Any costs we incur will be added to the Indebtedness. If this right of entry is exercised, we or the Loan Insurer or our respective agent or representative, as applicable, shall not be considered a mortgagee in possession, but will be acting as your agent;
- (h) we can appoint, in writing, a receiver or receiver and manager (a “**Receiver**”) of all or part of the property and remove or replace such Receiver, from time to time, and such Receiver will have all of our powers and authority or as may be otherwise available to the Receiver at law;
- (i) we can proceed in any court of competent jurisdiction for the appointment of a Receiver of all or any part of the Property;
- (j) we can cure any defaults under the Mortgage, at your expense, and take such other steps or proceedings against you as permitted by the laws of Ontario and of Canada;
- (k) where the Property is a leasehold interest, you irrevocably appoint us as your attorney to assign, lease and convey the Property and the last day of the term granted by the lease or any renewal thereof.

13.2 If, in enforcing our rights, we or a Loan Insurer or a representative or agent of us or such Loan Insurer, go into possession of the Property, you will not interfere with such possession, or with the right of any Receiver or that of any person to whom the Property is leased or sold, nor will you make any claim against any person to whom your property may be leased or sold.

## 14. Sale of Property

If you sell or transfer the Property then, at our option, you will immediately pay to us all of the Indebtedness. If we do not require you to pay to us the Indebtedness, your obligations to us under the Mortgage and our rights against you or anyone else who is liable for the payment of the Indebtedness are not affected. A sale of the Property includes where you (the Mortgagor) is a corporation or partnership, and there is any direct or indirect change in the effective voting control of any person (including any general partner of a partnership) comprising that you (the Mortgagor) from that existing as of the initial Loan advance under the Mortgage (including any change of ownership of 50% or more of the voting securities) in any such person).

## 15. Effect on Other Agreements, Obligations and Security

Except as expressly provided herein, the Mortgage does not change or release you from any of your other obligations to us or agreements with us. Also, the Mortgage does not affect any other security we hold for the repayment of the Indebtedness or any other rights we may have to enforce payment of the Indebtedness.

## 16. Discharge of Mortgage

Provided you make a written request to us for discharge of the Mortgage, we will discharge the Mortgage by electronic registration when you have repaid the Indebtedness and fulfilled all of your obligations to us under the Mortgage, as provided in Section 3.2 hereof, and you have paid to us in advance, our current administration fee and disbursements for preparing and registering the discharge. You will give us a reasonable time after payment to register such discharge.

## 17. Assignment of Rents

You hereby assign to us all rents payable to you from time to time under any lease of the whole or any part of the property, whether existing or arising at any time in future, together with the benefit of all covenants, agreements and provisos contained in any such lease. We will not be construed to be a mortgagee in possession of the Property by reason of our exercising this assignment of rents including the collection of rents.

## 18. Guarantee

If you are a guarantor of this Mortgage, you understand and agree that you are guaranteeing to pay to us the Indebtedness on demand and you acknowledge and agree that you are guaranteeing both the present and future Indebtedness up to the stated amount of the principal shown on the Mortgage and all interest thereon owing from the date of demand and additionally all Expenses and Costs payable to us pursuant to the terms of this Mortgage as well as interest thereon owing from the date of demand and additionally that you will comply with all other obligations under this Mortgage. You also understand and agree that we can demand that you fulfill all or any of these obligations before we demand that these obligations be fulfilled by any other person who has signed this Mortgage, including any other person(s) who guarantee this Mortgage. Your obligations and liabilities as guarantors will not be affected or released by any waiver of our rights hereunder or by reason of any extensions of time provided to the Mortgagor or to any other person liable or obliged to pay the Loan or related Loan Indebtedness or release of any security held by us with respect to the Indebtedness. If there is more than one guarantor each guarantor will be jointly and severally liable to pay to us the Indebtedness and to fulfill any other obligations under the Mortgage, each Loan Agreement for which this Mortgage is security, and all related Loan Documents.

**19. Statutory Covenants Excluded**

The covenants to be included in a charge under subsection 7(1) of the *Land Registration Reform Act, 1984*, and shown currently as clauses 1 and 2 of subsection 7(1), are excluded by this section and replaced by this set of Standard Charge Terms which are covenants by you with us.

**20. Prepayment Charge**

If an Event of Default occurs under the Mortgage, a Loan Agreement secured by this Mortgage or any Loan Documents, regardless whether we make a demand for payment of the entire amount of the Indebtedness owed to us or a portion thereof and regardless whether we have taken any steps or proceeding to realize on this Mortgage or other security with respect to such Indebtedness, but subject in all cases to the provisions of Section 22 of these Standard Charge Terms, we shall be entitled to three months' interest on the principal amount owing with respect to such Indebtedness, whether payment shall have been received by us through the redemption of this Mortgage or other security or payment having been made by our realization on this Mortgage or other security.

**21. Consolidation of All Mortgages on Default**

Subject to the provisions of Section 22 of these Standard Charge Terms, the doctrine of consolidation will apply to the Mortgage and any other mortgages granted by you to us. This means that if you have granted any other mortgages to us then, after default, we may consolidate the Mortgage with all other mortgages so that you cannot repay the amount secured by any one of the mortgages without repaying all of the monies secured by all of the mortgages.

**22. Secured Loan and Securitized Loan Provisions**

**22.1 National Housing Act**

All Insured Loans for which the Loan Insurer is CMHC are made pursuant to the *National Housing Act* (Canada).

**22.2 Priority of Insured Loan**

If and for so long as a Loan secured by this Mortgage is an Insured Loan, then, the Insured Loan shall be separate and distinct from any other Loans that may be secured by this Mortgage, and, upon a default or an Event of Default occurring, the Insured Loan will have priority over any other Loans secured by this Mortgage as to payment, collection, enforcement and realization.

**22.3 Securitized Programs Administered by CMHC**

Notwithstanding any other provisions of these Standard Charge Terms and the provisions of all applicable Loan Documents, if an Insured Loan is included by us in a CMHC Program then, only for so long as the Insured Loan is included in the CMHC Program:

- (a) as against the Loan Insurer and the Program Administrator, we will refrain from exercising the security of the Mortgage for the benefit of any Loans except for the Insured Loan (without us having in any way waiving, disclaiming, discharging, or releasing the security of the Mortgage as against any persons, including you or the Guarantor (if any) and any person or taking an interest in the property); and
- (b) as against the Loan Insurer and the Program Administrator, we will refrain from exercising any available rights of consolidation, cross-collateralization or cross default, that may exist in favour of us with regard to any Loans other than the Insured Loan.

**22.4 Cross Default**

Subject to the provisions of Sections 22.2 and 22.3 of these Standard Charge Terms, a default or Event of Default, having occurred pursuant to any one Loan secured by the Mortgage, at our option, we may declare such default or Event of Default to be a default or Event of Default under or all Loans secured by this Mortgage and in such circumstance, at our further option, we will make immediate demand for payment of such other Loan or Loans.

**22.5 Right to Freely Deal**

You, together with any obligant of a Loan including a guarantor, acknowledge and agree that, without the consent of or the giving of notice to you, or to any such obligant or guarantor, we may (i) insure a Loan that is secured by this Mortgage with CMHC or any other Loan Insurer at any time and from time to time, (ii) sell, assign, syndicate or securitize any Loan secured by this Mortgage, together with the Loan and all related Loan Documents, to any other party or parties, including the Loan Insurer and Program Administrator, and any such parties shall thereafter have all our rights herein; and (iii) in connection with any sale, assignment, syndication or securitization, appoint or designate a custodian, nominee or agent which custodian, nominee or agent may be or become the registered mortgagee.

**22.6 No Right to Setoff**

Notwithstanding the provisions of any Loan Documents or applicable laws, you, or any obligant of a Loan Agreement including a guarantor, expressly waive any right of setoff you or they may have at law or otherwise with regard to amounts that may be owed under any Loans secured by this Mortgage.

**22.7 Conflict**

This Mortgage is intended to supplement and not derogate from each of the other Loan Documents relating to each Loan. If there is any conflict or inconsistency between the provisions of the Mortgage or the provisions of the Loan Agreement relating to any Loan, then, except for the provisions of Section 22 of these Standard Charge Terms, which, in all cases prevail, then the provisions of the Loan Agreement shall prevail to the extent of such conflict or inconsistency. The existence of additional terms, conditions, and provisions (including any rights, remedies, representations, and warranties) in the Mortgage shall not be construed as or deemed to be in conflict with and such Loan Agreement or any other Loan Documents.

**23. Application of Payments**

Subject to Section 22 of these Standard Charge Terms and the terms of applicable Loan Agreements, the Mortgage may secure Indebtedness relating to multiple Loans, and, at any time, we have the right to allocate and apply all payments (including prepayments) received from or on behalf of you, or any obligant of a Loan Agreement including a guarantor, or any funds recovered pursuant to our realization on this Mortgage to any Loan as we may determine in our sole discretion, both before and after default (regardless of any other designation or application of such payments by you, or any obligant of a Loan Agreement including a guarantor).

**24. Realization**

Subject to Section 22 of these Standard Charge Terms and to the rights of any third party, any insurance proceeds, expropriation proceeds, realization proceeds, or other amounts obtained by us in respect of the Indebtedness, any of the Loans, or the property following an Event of Default (whether through the exercise of its rights and remedies under the Mortgage, or any other Loan Documents, operation of law, or otherwise) will be applied by us, after deducting all amount incurred or advanced by or on behalf of us to pay Costs and Expenses or Taxes in accordance with the applicable Loan Agreement.

**25. Mortgagee's Right to Freely Sell Any Loan Secured by the Mortgage**

We, at our option exercisable in our sole discretion, may sell, transfer, assign, encumber, create a trust in respect of securitize or otherwise deal with all or any part of the Indebtedness including any Loan and the related Loan Indebtedness and Loan Documents or any interest therein to or for the benefit of any one or more third party(ies) in any transaction including sale securitization without restriction and notice to or the consent of you, or any obligant of a Loan Agreement including a guarantor, or any other person. If we do so, you agree that the Mortgage shall continue to secure all Indebtedness including each Loan and all Loan Indebtedness, or any interest therein, that have been sold, transferred, assigned, encumbered, made subject to a trust, securitized, or otherwise dealt with, and all Indebtedness, including each Loan and all Loan Indebtedness, which arise after any such sale, transfer, assignment, encumbrance, trust, securitization, or other dealing. Once sold, transferred, assigned, encumbered, made subject to a trust, securitized, or otherwise dealt with, such Indebtedness, including each Loan and all Loan Indebtedness, or any interest therein, may be repurchased, reacquired, or redeemed by us at any time, whether or not an Event of Default has occurred.

**26. Further Events of Default**

Without limiting any other provisions of this Mortgage, each of the following events and circumstances is an Events of Default under and in respect of the Mortgage, upon the occurrence of which, subject to the provisions of Section 22 of these Standard Charge Terms, we shall have the right to exercise all of the rights and remedies of the Mortgagee under this Mortgage (including those set out in Section 13.1), each Loan Agreement, each of the related Loan Agreements and as may be available to us at law or in equity:

- (a) you fail to make payment of any sum due at the time provided for payment in the Mortgage;
- (b) you sell, convey, transfer or lease, or entering into any agreement for the same, of the title to any interest in the Property to a purchaser, grantee, transferee, or lessee not approved in writing by us;
- (c) the failure of such a purchaser, grantee, transferee or lessee referred to in Section 26(b) to:
  - (i) apply for and receive our written approval as aforesaid;
  - (ii) personally assume all the obligations of the Mortgagor under the Mortgage; and
  - (iii) execute an assumption agreement in the form required by us;
- (d) you fail to comply with any obligation under the Mortgage or an obligation under any other Loan Agreement or related Loan Documents;
- (e) the death of the Mortgagor;
- (f) the insolvency of the Mortgagor or any guarantor;
- (g) the winding up or dissolution of the Mortgagor or any guarantor (if applicable);
- (h) any statement, certification, covenant, representation or agreement made by you in applying for the Loan or in the Mortgage is not true or is or becomes false;
- (i) you cease to be a member in good standing of Kindred Credit Union Limited;
- (j) if the Property includes a condominium unit, a vote authorizes termination of the condominium or the sale of all or substantially all of the condominium corporation's assets or its common elements or the condominium corporation fails to insure the common elements;
- (k) you fail to keep the buildings, erections and Improvements on the Property in good condition and repair, or you permit any act of waste on the Property (as to which we shall be sole judge), or you default as to any of the covenants, provisos, agreements or conditions contained in the Mortgage; or
- (l) the expiration of three months following your withdrawal or expulsion from membership in Kindred Credit Union Limited.

**27. Extensions, Renewals and Variations in Terms Not to Prejudice**

Unless we agree in writing to the contrary, the obligations hereunder of the original Mortgagor and the guarantors shall survive the granting by us to the original Mortgagor or anyone claiming under him or her, including subsequent owners of the Property or of any part thereof, of any extension of time or renewal or variation in terms in respect of the Mortgage or any Loan secured by this Mortgage (whether by informal arrangement or by way of a formal extension, renewal, or amending agreement signed by you, or a subsequent owner, as the case may be). Each Loan secured by this Mortgage may be renewed, extended or amended by an agreement in writing, prior to, at, or after maturity for any term, with or without an increased Interest Rate, between us and the original Mortgagor, or subsequent owner, as the case may be, with or without notice to, or the concurrence of, the guarantors, if any, or any subsequent encumbrancers, and/or the original Mortgagor in the case of an agreement with a subsequent owner. A renewal or extension of a Loan secured by this Mortgage shall be deemed to not create a new mortgage, but rather is an extension of this Mortgage, notwithstanding that a renewal or extension agreement may amend the effective date of this Mortgage. It shall not be necessary to register any such Loan Documents in order to retain priority for the Mortgage so altered over any instrument registered subsequent to the Mortgage. Provided that nothing contained in this paragraph shall infer any right of renewal upon the Mortgagor.

**28. Notice to the Mortgagor**

Correspondence and notices including notices of mortgage sale shall be sent to the Mortgagor by registered and regular mail at the address of the Property or the last known address of the Mortgagor and shall be conclusive evidence of receipt by the Mortgagor.

**29. Dealing with Accounts**

We can discontinue automatic debits of the regular payments owing under a Loan at any time and/or require you to open an account with Kindred Credit Union Limited.

**30. Further Assurances**

The Mortgagor and all and every other person whosoever having, or lawfully claiming, or who shall have or lawfully claim any estate, right, title, interest or trust of, in, to or out of the Property shall, from time to time, and at all times thereafter, at the proper costs and charges of the Mortgagor make, do, suffer and execute, or cause or procure to be made, done, suffered and executed, all and every such further and other reasonable act or acts, deed or deeds, devises, conveyances and assurances in the law for the further, better and more perfectly and absolutely conveying and assuring the Property unto the Mortgagee, as by the Mortgagee or its solicitor, shall or may be lawfully and reasonably devised, advised or required.

### **31. Remedies Cumulative**

The rights and remedies of us under the Mortgage or any loan other documents are cumulative and are in addition to and not in substitution for any rights or remedies otherwise provided under the laws of Ontario. None of our rights or remedies shall be exclusive of or dependent on any other right or remedy and, subject to the provisions of Section 22 of these Standard Charge Terms, any one or more of such rights and remedies may be exercised independently or in combination from time to time in such order and at such times as we may see fit, and we will not be obligated to exhaust any right or remedy before exercising any of our other rights and remedies pursuant to the Mortgage, any Loan Agreement or other Loan Documents or at law or in equity. Any single or partial exercise by us of any right or remedy for a default or breach of any term, covenant, condition or agreement contained in any Loan Document, including the Mortgage, or at law or in equity, shall not waive, alter, affect or prejudice any other right or remedy to which we may be lawfully entitled for such default or breach.

### **32. Extension of Time and Waiver**

Neither any extension of time given to you by us nor any amendment to any Loan Document or other dealing by us with a subsequent owner of the Property or any other person will in any way affect or prejudice the rights of us against the Mortgagor or any other person liable for payment of the Indebtedness. Subject to the provisions of Section 22 of these Standard Charge Terms, we may waive any Event of Default in our sole discretion. No waiver will extend to a subsequent Event of Default, whether or not the same as or similar to the Event of Default waived, and no act or omission by us will extend to, or affect, any subsequent Event of Default or our rights arising from such Event of Default. Any such waiver must be in writing and signed by us. No failure on the part of us or the Mortgagor to exercise, and no delay by us or the Mortgagor in exercising, any right pursuant to the Mortgage, any Loan Document or at law or in equity will operate as a waiver of such right. No single or partial exercise of any such right will preclude any other or further exercise of such right or the exercise of any other right.

### **33. Right to Distrain**

If an Event of Default occurs giving rise to arrears in amounts owed hereunder by you, it shall be lawful for us to distrain for such amounts in arrears under the Mortgage or any applicable Loan Agreement upon the Property or any part thereof, and by distress warrant, to recover by way of rent reserved, as in the case of a demise of the Property, so much of such interest as shall, from time to time, be or remain in arrears and unpaid, together with all costs, charges and expense attending such levy or distress, as in like cases of distress for rent. Provided that we may distrain for arrears of principal in the same manner as if the same were arrears of interest.

### **34. Additional Terms and Conditions**

#### **34.1 Costs Added to Principal**

We may pay all premiums of insurance and all Taxes, rates, levies, charges, assessments, utility and heating charges, which shall from time to time fall due and be unpaid in respect of the Property, and that such payments together with all other Costs and Expenses shall be, with interest at the applicable Interest Rate, a charge upon the Property in favour of us pursuant to the terms of this Mortgage and we may pay or satisfy any lien upon the Property, which payments with interest at the applicable Interest Rate, shall likewise be a charge upon the Property in favour of us. All legal costs and expenses incurred by us to deal with compliance with any term of the Mortgage or other Loan Documents, in enforcing the Mortgage and other Loan Documents, and as a result of third party proceedings of any kind involving the Property, are to be paid by you in full (including legal fees for court proceedings on a full indemnity or a solicitor and his/her own client basis). All such amounts paid by us shall be added to the Indebtedness secured by the Mortgage and shall be payable on demand, with interest, at the applicable Interest Rate and shall be a charge on the Property.

#### **34.2 Partial Releases**

Subject to Section 22 of these Standard Charge Terms, we may, at our discretion, at all times, release any part or parts of the Property or any other security or any surety for the Indebtedness with or without any sufficient consideration therefor, without responsibility therefor, and without thereby releasing any other part of the Property or any person from the Mortgage or from any of the covenants contained in the Mortgage, and without being accountable to you for the value thereof, or for any monies except those actually received by us. Every part or lot into which the Property is or may hereafter be divided, does and shall stand charged for the whole Indebtedness secured under the Mortgage, and no person shall have the right to require the Mortgage monies to be apportioned.

#### **34.3 Other Security**

The Mortgage is, in addition to and not in substitution for, any other security held by us for all or any part of the Indebtedness secured by the Mortgage. It is understood and agreed that we may pursue our remedies thereunder or hereunder concurrently or successively, at our option, if there is an Event of Default, subject to the provisions of Section 22 of these Standard Charge Terms. Any judgment or recovery thereunder or hereunder shall not affect our right to realize upon this or any other security granted in favour of us, subject to the provisions of Section 22 of these Standard Charge Terms.

#### **34.4 Non-Merger of Covenants**

The taking of a judgment or judgments on any of the covenants herein, shall not operate as a merger of the covenants, or affect our right to interest, at the applicable Interest Rate and at the times provided for in the Mortgage; and further that any judgment shall provide that interest shall thereon be computed, at the applicable Interest Rate and in the same manner as provided in the Mortgage, until the judgment has been fully paid and satisfied.

#### **34.5 Date of Mortgage**

If the Mortgage contains an Interest Adjustment Date, the date of the Mortgage shall be deemed to be the Interest Adjustment Date stated in the Mortgage Form, notwithstanding that the Mortgage may have been executed on an earlier date. If the Mortgage Form does not stipulate an Interest Adjustment Date, the date on which the Mortgage is registered shall be deemed to be the date of the Mortgage.

#### **34.6 Recovery of Fees**

You agree to pay to us, when due, our then current administration and processing fees in connection with the servicing and administration of the Mortgage, each Loan Agreement and any Loan Documents, including, preparation of any mortgage statement for assumption purposes, amendments or other agreements, statements for information purposes, any fees referred to in these Standard Charge Terms, dealing with any stop payment requests or arrangements to hold or process payments other than on its due date, dealing with any late or missed payments and for replacement of any cheques or other instruments not honoured when presented for payment, dealing with payments in any form other than preauthorized payment, fees associated with the information technology systems, software licensing, document management and retention services required to process or maintain the Mortgage or otherwise related to customer service, investigating the status of any insurance or otherwise dealing with insurance including the payment of premiums, providing details concerning the Mortgage otherwise than as required under the terms of the Mortgage, investigating the status of Tax payments and administering Tax payments, or for any other reason and generally any fees in connection with the proper administration of the Mortgage. Any such fees and charges, if unpaid, shall be added to the Indebtedness, and shall bear interest at the applicable Interest Rate. The amount of any such fees or charges in effect at any particular time is available upon request.

**35. Interpretation**

**35.1 Headings**

The headings in these Standard Charge Terms are for reference only and will not be used in the interpretation of the Mortgage.

**35.2 Schedules Attached**

Any schedules attached to the Mortgage Form are part of the Mortgage.

**35.3 Invalid Provisions**

If any term, covenant, obligation, or agreement in the Mortgage, or the application thereof to any person or circumstance, is found to be invalid or unenforceable for any reason, the remaining provisions of the Mortgage will not be affected and will continue to be separately valid and enforceable to the fullest extent permitted by applicable laws.

**35.4 Singular or Masculine Words**

The use of singular or masculine terms in the Mortgage will include the plural, feminine, or corporate body where appropriate.

**35.5 More Than One Mortgagor**

If you are more than one person, each person making up the Mortgagor will be jointly and severally liable and responsible for all of your promises and obligations under the Mortgage. Any request or authorization given to us by you will be deemed to be the request or authorization of all the persons making up the Mortgagor.

**35.6 Persons Bound**

The Mortgage will be binding on you and all of your heirs, executors, administrators, representatives, successors, personal legal representatives and permitted assigns, and will continue for the benefit of us and our successors and assigns.

**35.7 Mortgage Not Assignable by Mortgagor**

Neither you, or any obligant of a Loan Agreement including a guarantor, may assign any of your rights or obligations under the Mortgage, the Indebtedness, any Loan or related Loan Indebtedness or Loan Documents and any such rights and obligations may not be performed or enforced by any other person. No part of the proceeds of any of the Indebtedness or any Loan may be assigned or pledged by you, or any obligant of a Loan Agreement including a guarantor, to any other person.

**35.8 Change in Status**

Immediately after any change or happening affecting any of the following:

- (a) your spousal status;
- (b) the qualification of the property as a matrimonial home, family asset, homestead, or similar designation within the meaning of the applicable family, domestic relations, matrimonial property, dower, or similar laws in Ontario; and
- (c) the legal title or beneficial ownership or the Property.

You shall advise us accordingly and furnish us with full particulars thereof, the intention being that we shall be kept fully informed of the names and addresses of the owner or owners for the time being of the Property and of any spouse who is not an owner but who has a right or possession in the Property by virtue of the applicable family, domestic relations, matrimonial property, dower, or similar laws of Ontario. You covenant and agree to furnish us with such information and evidence in connection with any of (a), (b) and (c) above as we may from time to time request.

**35.9 Governing Law**

The Mortgage is subject to, and will be construed in accordance with, the laws of the Province of Ontario and the laws of Canada in effect.

**35.10 Amendments in Writing**

None of the terms or provisions of the Mortgage may be amended, supplemented, or otherwise modified except by written instrument executed by the parties hereto.

**35.11 Servicer**

Without notice to you or your consent, or to any such obligant or any guarantors, we may appoint a servicer of all or any part of the Indebtedness from time to time, which servicer may exercise all rights and remedies (including all enforcement rights) make all determinations and decisions and take all action permitted or required to be exercised, made, or taken by us under or in respect of the Mortgage, the Indebtedness, including each Loan and the related Loan Indebtedness and Loan Documents, in each case as agent for and on our behalf.

**35.12 Custodian**

We may appoint a custodian or nominee designated by us from time to time to hold registered or documentary title to the Mortgage and/or any of the Indebtedness including each Loan and the related Loan Indebtedness and Loan Documents, as agent, custodian, and/or nominee for and on behalf of any persons having an ownership interest in all or any party of the Indebtedness, including any Loan, from time to time.

**Schedule A – Table of Equivalent Rates**

<b>CURRENT VARIABLE INTEREST RATE CALCULATED MONTHLY NOT IN ADVANCE (%)</b>	<b>EQUIVALENT INTEREST RATE CALCULATED HALF-YEARLY NOT IN ADVANCE (%)</b>	<b>CURRENT VARIABLE INTEREST RATE CALCULATED MONTHLY NOT IN ADVANCE (%)</b>	<b>EQUIVALENT INTEREST RATE CALCULATED HALF-YEARLY NOT IN ADVANCE (%)</b>	<b>CURRENT VARIABLE INTEREST RATE CALCULATED MONTHLY NOT IN ADVANCE (%)</b>	<b>EQUIVALENT INTEREST RATE CALCULATED HALF-YEARLY NOT IN ADVANCE (%)</b>
0.000	0.00000	6.000	6.07550	12.000	12.30403
1.125	0.12503	6.125	6.20369	12.125	12.43544
0.250	0.25013	6.250	6.33195	12.250	12.56692
0.375	0.37529	6.375	6.46027	12.375	12.69846
0.500	0.50052	6.500	6.58866	12.500	12.83008
0.625	0.62581	6.625	6.71711	12.625	12.96176
0.750	0.75117	6.750	6.84564	12.750	13.09351
0.875	0.87659	6.875	6.97423	12.875	13.22533
1.000	1.00208	7.000	7.10288	13.000	13.35721
1.125	1.12764	7.125	7.23160	13.125	13.48916
1.250	1.25326	7.250	7.36039	13.250	13.62118
1.375	1.37894	7.375	7.48925	13.375	13.75327
1.500	1.50469	7.500	7.61817	13.500	13.88543
1.625	1.63051	7.625	7.74716	13.625	14.01766
1.750	1.75639	7.750	7.87621	13.750	14.14995
1.875	1.88233	7.875	8.00534	13.875	14.28231
2.000	2.00835	8.000	8.13452	14.000	14.41474
2.125	2.13443	8.125	8.26378	14.125	14.54724
2.250	2.26057	8.250	8.39310	14.250	14.67981
2.375	2.38678	8.375	8.52249	14.375	14.81244
2.500	2.51305	8.500	8.65195	14.500	14.94514
2.625	2.63939	8.625	8.78147	14.625	15.07791
2.750	2.76580	8.750	8.91106	14.750	15.21075
2.875	2.89227	8.875	9.04072	14.875	15.34366
3.000	3.01881	9.000	9.17045	15.000	15.47664
3.125	3.14542	9.125	9.30024	15.125	15.60968
3.250	3.27208	9.250	9.43010	15.250	15.74279
3.375	3.39882	9.375	9.56002	15.375	15.87597
3.500	3.52562	9.500	9.69002	15.500	16.00922
3.625	3.65249	9.625	9.82008	15.625	16.14254
3.750	3.77942	9.750	9.95021	15.750	16.27593
3.875	3.90642	9.875	10.08040	15.875	16.40939
4.000	4.03348	10.000	10.21066	16.000	16.54291
4.125	4.16061	10.125	10.34099	16.125	16.67650
4.250	4.28781	10.250	10.47139	16.250	16.81016
4.375	4.41507	10.375	10.60185	16.375	16.94389
4.500	4.54240	10.500	10.73238	16.500	17.07769
4.625	4.66979	10.625	10.86298	16.625	17.21156
4.750	4.79725	10.750	10.99365	16.750	17.34550
4.875	4.92478	10.875	11.12438	16.875	17.47950
5.000	5.05237	11.000	11.25519	17.000	17.61358
5.125	5.18003	11.125	11.38605	17.125	17.74772
5.250	5.30776	11.250	11.51699	17.250	17.88193
5.375	5.43555	11.375	11.64800	17.375	18.01621
5.500	5.56341	11.500	11.77909	17.500	18.15056
5.625	5.69133	11.625	11.91021	17.625	18.28498
5.750	5.81932	11.750	12.04141	17.750	18.41947
5.875	5.94738	11.875	12.17269	17.875	18.55403