UnionLink MORTGAGE

2025

SET OF STANDARD CHARGE/MORTGAGE TERMS

FILED BY: UNIONLINK MORTGAGE LIMITED

Standard Charge Terms

1. DEFINITIONS

In this set of Standard Charge Terms the following words shall have the following meanings.

- "Applicable Laws" means all applicable federal, provincial and municipal laws, statutes, regulations, rules, by-laws, policies and guidelines, orders, permits, licences, authorizations, approvals and all common laws or equitable principles whether in force and effect now or in the future that apply in any way to the Property, to You, to this Charge or to any other Loan Documents, including without limitation, all condominium and strata, family, builders' lien and insolvency Laws and Environmental Laws.
- "Balance Due Date" means the date identified or described as such on the Charge Form, as the same may be amended by written agreement.
- "Charge" means collectively, the Charge Form, this set of Standard Charge Terms, any Schedules attached to the Charge Form and all renewals, extensions or amendments made to these documents from time to time.
- "Charge Form" means the form, stipulated by Applicable Laws, to which these Standard Charge Terms are attached or incorporated by reference or election.
- "CMHC" means Canada Mortgage and Housing Corporation and its successors and assigns.
- "Commitment" means the written agreement to make and to accept the Loan entered into between UnionLink Mortgage Limited as lender and You prior to the execution of the Charge and includes any written communication between the parties renewing, extending or amending the terms of the Loan or any of the Loan Documents, together with all other renewals, extensions or amendments of these documents from time to time.
- "Environmental Laws" means all Applicable Laws relating to environmental or occupational health and safety matters, including those relating to the presence, release, reporting, licensing, permitting, investigation, disposal, storage, use, remediation, clean up or any other aspect, of a Hazardous Substance.
- "First Payment Date" means the date identified or described as such on the Charge Form, as the same may be amended by written agreement, or if not so identified or described, the day that is one month from the Interest Adjustment Date.
- "Guarantor" means each guarantor or co-covenantor with You described on the Charge Form or in any other Loan Document.
- "Hazardous Substance" means any substance or material that is prohibited, controlled, otherwise regulated by any governmental authority or is otherwise hazardous in fact, including without limitation, contaminants, pollutants, asbestos, lead, urea formaldehyde foam insulation, polychlorinated biphenyls or hydrocarbon products, any materials containing same or derivatives thereof, explosives, radioactive substances, petroleum and associated products, underground storage tanks, dangerous or toxic substances or materials, controlled products and hazardous wastes.
- "Indebtedness" means the outstanding Principal Amount, interest, costs and all other amounts payable by You to Us under the Charge and the other Loan Documents.
- "Interest Adjustment Date" means the date identified or described as such on the Charge Form, as the same may be amended by written agreement.
- "Interest Rate" means the interest rate indicated on the Charge Form, as such interest rate may be amended from time to time by written agreement.
- "Loan" means the particular loan or credit facility which the Charge is intended to secure.
- "Loan Agreement" means the loan agreement, if any, setting out terms and conditions on which We agree to advance funds to You.
- "Loan Documents" means collectively, the Commitment, the Charge, the Loan Agreement, and all other agreements, documents and instruments relating to the Loan, as applicable, and as amended, supplemented and restated from time to time.
- "Payment Date" means the payment dates set out in the Charge from and including the First Payment Date to and including the Balance Due Date.
- "Person" means a natural person, corporation, partnership, limited partnership, trust, unincorporated organization or any other legally recognized entity.
- "Principal Amount" means the principal amount of the Loan in lawful money of Canada set out on the

Charge Form.

- "Property" means the real property legally described on the Charge Form or in a Schedule to the Charge Form, if required, and includes all buildings, structures and improvements now or in the future brought or erected on it and all fixtures, rents and other appurtenances connected to it. In the case of a strata lot or condominium, "Property" shall also include Your interest in the common elements and any other of Your interests in the assets of the strata corporation or condominium corporation.
- "Registry Office" means the appropriate registry of deeds, land titles or other land registration office from time to time established under Applicable Laws for the registration, filing or similar recording of the Charge.
- "Regular Payment(s)" means a payment payable on the Payment Date in an amount calculated in accordance with the Charge.
- "Schedule" means any document or schedule (except these Standard Charge Terms) attached to and forming part of the Charge.
- "Term" means the period of time commencing with the Interest Adjustment Date and ending on the Balance Due Date, as the same may be amended by written agreement.
- "We", "Our" and "Us" mean the Person or Persons named on the Charge Form as mortgagee or chargee and includes any Person to which the chargee transfers the Charge.
- "You" and "Your" mean the Person or Persons named on the Charge Form as mortgagor or chargor and any successor in title to such Person or Persons with respect to the Property.

2. CHARGE

In consideration for making the Loan, You hereby grant, mortgage and charge all of Your right, title, estate and interest in and to the Property to Us as continuing security for the payment of the Indebtedness and performance of all Your obligations contained in this Charge, the Commitment and the other Loan Documents and if You are a tenant or lessee of the Property under a lease, You hereby grant, mortgage, charge, assign and sublease all of Your right, title and interest (including any present or future option or right of first refusal or right to renew or extend any term of Your lease) in and to the Property and to the lease, for the unexpired residue of the term of the lease, including any renewals or extensions of the term (excepting always, in all cases, the last day of such original or renewed or extended term). You hereby grant, charge and mortgage any additional or greater interest in the Property that You may later acquire.

3. INTEREST RATE AND PAYMENT INSTALMENTS

Interest Chargeable. Interest is chargeable on and forms part of the Indebtedness and is payable by You at the Interest Rate, calculated semi-annually and not in advance, in accordance with the terms of the Charge and the other Loan Documents.

Regular Payments. The Regular Payments shall consist of blended principal and interest in the amount specified on the Charge Form or, if not so specified, in an amount designed to effect payment in full of the Loan by the end of its amortization period.

Calculation of Interest.

a) Interest shall be payable on the Indebtedness both before and after default, maturity, acceleration and judgment until the Indebtedness has been repaid in full.
b) In case default shall be made in payment of any sum to become due for interest at any time appointed for its payment, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgment, shall bear interest at the Interest Rate. If the interest and compound interest are not paid within six (6) months from the time of default, a rest shall be made and compound interest at the Interest Rate shall be payable on the aggregate amount then due well after as before maturity and so on from time to time, and all such interest and compound interest shall form part of the Indebtedness and be secured by the Charge.

4. REPAYMENT OF THE LOAN

a) Repayment of Indebtedness. You will pay to us all Indebtedness secured by the Charge in the manner provided in the Charge and the other Loan Documents, without any deduction, abatement, counterclaim or set-off (legal or equitable) of any kind whatsoever and shall do, observe, perform and fulfill all the provisions, covenants, agreements and stipulations contained in

the Charge and the other Loan Documents.

b) Regular Payments. From and after the Interest Adjustment Date, You shall pay Us the Principal Amount together with all interest on the Principal Amount at the Interest Rate calculated semi-annually and not in advance and computed from the Interest Adjustment Date, in Regular Payments calculated in accordance with Section 3 above commencing on the First Payment Date and on each subsequent Payment Date to and including the Balance Due Date, at which time the balance of the Principal Amount, if any, and the interest on it shall become due and be paid.

c) Interest Payable Prior to Interest Adjustment Date. You shall pay simple interest on advances, if any, computed from the respective dates of such advances up to the Interest Adjustment Date at the Interest Rate but calculated daily rather than semi-annually. Such payments of interest shall be made on the first day of each and every month commencing with the month next following the month in which the first advance is made and continuing to and including the Interest Adjustment Date.

d) Prepayments. The Charge cannot be prepaid in whole or in part except as otherwise expressly permitted under the Charge. See Section 5 below.

e) Timing of Receipt of Payments. All payments received by Us from You or any other Person after 3 p.m. (Eastern Standard Time) or on a Saturday, Sunday or statutory holiday will be deemed to be received on the next business day.

5. PRE-PAYMENT

Provided You are not in default under the terms of the Loan Documents, You will have the option to exercise any of the below pre-payment privileges. You shall have the following limited privileges to pre-pay the Principal Amount of the Charge, subject to the terms and conditions set forth in the Charge:

a) Double Up Prepayment Privilege.
You may, on any Payment Date, without notice, request to apply the Double Up option to Your Regular Payment schedule. The requested payment shall not exceed 100% of the original Principal and Interest Amount of the Charge as advanced on the Interest Adjustment Date, or such other date as the Principal Amount was fully advanced. This privilege may only be exercised once in each twelve (12) month period commencing on the Interest Adjustment Date and then annually after that, or on any anniversary of that date. You shall request to stop Double Up payment with UnionLink's servicing team if You want to return to Your original payment charge.

b) Payment Increase Privilege.
You may, on any Payment Date, without notice or bonus, increase the amount of Your Regular Payment by an amount not exceeding 20% of the original Regular Payment amount. This privilege may be exercised once in each twelve (12) month period commencing on the Interest Adjustment Date and then annually after that, or on any anniversary of that date. Any increase made pursuant to this Section shall be applied first to accrued interest and then to the reduction of the Principal Amount. Such increased payment amount shall then constitute the Regular Payment amount for the remaining Term of the Charge, unless further modified in accordance with the terms of the Charge.

c) Lump Sum Prepayment Privilege.
You may, on any Payment Date during the Term, request to apply a lump sum payment not exceeding 20% of the original mortgage amount to the outstanding Principal Amount together with all accrued and unpaid interest and any other amounts owing in connection with the Charge, without penalty. This privilege may be exercised up to two times in each twelve (12) month period commencing on the Interest Adjustment Date and annually after that, or on any anniversary of that date. All lump sum payments will be applied first to accrued interest and then to the reduction of the Principal Amount. Lump sum prepayments must not exceed 20% of the original mortgage amount in any twelve (12) month period.

6. CONVERSION PRIVILEGES

This Section applies if you have a variable Interest Rate mortgage. If You have met all Your obligations to Us under the Loan Documents to date, You may convert Your variable Interest Rate to a fixed Interest Rate for a term that You select and We approve. The new term must be equal to or longer than the remaining Term.

The new fixed Interest Rate will be Our current rate for the chosen term. The amortization period will stay the same unless We approve a change. You agree to sign all documents required by Us in order to evidence the change to a fixed Interest Rate mortgage.

7. RIGHT TO CHARGE THE PROPERTY

You now have good right, full power and lawful and absolute authority to charge the Property and to give the Charge to Us upon the covenants contained in the Charge.

8. NO ACT TO ENCUMBER

You have not done, committed, executed or willfully or knowingly suffered, and covenant and agree not do, commit, execute or willfully or knowingly, any act, deed, matter or thing whatsoever that causes or could cause the Property, or any part or parcel of it, to be in any way depreciated, charged, affected or encumbered in title, estate or otherwise, except as the records of the Registry Office disclose as of the date of registration of this Charge.

9. GOOD TITLE IN FEE SIMPLE

You, at the time of the execution and delivery of the Charge, are, and covenant and agree to continue to, stand solely, rightfully and lawfully seized of a good, sure, perfect, absolute and indefeasible estate of inheritance, in fee simple, of and in the Property and the premises described in the Charge and in every part and parcel of it, both legally and beneficially, without any manner of trusts, reservations, limitations, provisos, conditions or any other matter or thing to alter, charge, change, encumber or defeat the same, except those contained in the original grant from the Crown.

10. PROMISE TO PAY AND PERFORM

You will pay or cause to be paid to Us the full Principal Amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction of abatement, and shall do, observe, perform, fulfil and keep all the provisions, covenants, agreements and stipulations contained in the Charge and shall pay as they fall due all taxes, rates, levies, charges, assessments, utility and heating charges, municipal, local, parliamentary and otherwise which now are or may in the future be imposed, charged or levied upon the Property and when required shall produce for Us receipts evidencing payment of the same.

11. INTEREST AFTER DEFAULT

In the event that any default shall be made in payment of any sum to become due for interest at the time provided for payment in the Charge, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity, and both before and after default and judgement, shall bear interest at the rate provided for in the Charge. In case the interest and compound interest are not paid within the interest calculation period provided in the Charge from the time of default a rest shall be made, and compound interest at the rate provided for in the Charge shall be payable on the aggregate amount then due, as well after as before maturity, and so on from time to time, and all such interest and compound interest shall be a charge upon the Property.

12. NO OBLIGATION TO ADVANCE

Neither the preparation, execution or registration of the Charge shall bind Us to advance the Principal Amount secured, nor shall the advance of a part of the Principal Amount secured bind Us to advance any unadvanced portion of it, but nevertheless the security in the Property shall take effect immediately upon the execution of the Charge by You. The expenses of the examination of the title and of the Charge and valuation are to be secured by the Charge in the event of the whole or any balance of the Principal Amount not being advanced. These expenses shall be charged upon the Property, and shall be, without demand, payable immediately with interest at the rate provided for in the Charge. In default, Our power of sale granted in the Charge, and all other remedies granted in the Charge, shall be exercisable.

13. 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 such payments, together with all costs, charges, legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the Property and of negotiating the Charge, investigating title and registering the Charge and other necessary deeds, and generally in any other proceedings taken in connection with or to realize upon the security given in the Charge (including legal fees and real estate commissions and other costs incurred in leasing or selling the Property or in exercising the power of entering, lease and sale contained in the Charge) shall be, with interest at the rate provided for in the Charge, a charge upon the Property in favour of Us pursuant to the terms of the Charge and We may pay or satisfy any lien, charge or encumbrance now existing or in the future created or claimed upon the Property, which payments with interest at the rate provided for in the Charge shall likewise be a charge upon the Property in Our favour. Provided, and it is further agreed, that all amounts paid by Us as described above shall be added to the Principal Amount secured by the Charge and shall be payable immediately with interest at the rate provided for in the Charge, and on default all sums secured by the Charge shall immediately become due and payable at Our option, and all powers in the Charge conferred shall become exercisable.

14. POWER OF SALE

On default of payment for at least fifteen (15) days, We may, on at least thirty-five (35) days' notice in writing given to You, enter on and lease the Property or sell the Property. Such notice shall be given to such persons and in such manner and form and within such time as provided in Applicable Laws in the Province in which the Property is located. In the event that the giving of such notice shall not be required by law or to the extent that such requirements are not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the Property, if occupied, or by posting it on the Property if unoccupied, or at Our option, by mailing it in a registered letter addressed to You at Your last known address, or by publishing it once in a newspaper published in the county or district in which the Property is situate, and such notice shall be sufficient although not addressed to any person or persons by name or designation and notwithstanding that any affected person may be unknown, or ascertained or under disability. Provided further, that in case default be made in the payment of the Principal Amount or interest or any part of the Principal Amount or interest and such default continues for two (2) months after the payment of either falls due then We may exercise the powers referred to above of entering, leasing or selling or any of them without any notice, it being understood and agreed, however, that if the giving of notice by Us shall be required by law then notice shall be given to such persons and in such manner and form and within such time as are required by law. It is further agreed that the whole or any part or parts of the Property may be sold by public auction or private contract, or partly one or partly the other, and that the proceeds of any such sale may be applied first in payment of any costs, charges and expenses incurred in taking, recovering or keeping possession of the Property or by reason of non-payment or preparing payment of monies, secured by the Charge or otherwise, and secondly in payment of all amounts of principal and interest owing under the Charge. It is agreed that if any surplus remains after fully satisfying Our claims as described above, the surplus shall be paid as required by law.

We may sell any of the Property on such terms as to credit and otherwise as shall appear to Us most advantageous and for such prices as can reasonably be obtained. We may make all stipulations as to title or evidence or commencement of title or otherwise which We shall deem proper, and may buy in or rescind or vary any contract for the sale of the whole or any part of the Property and resell without being answerable for resulting loss. In the case of a sale on credit, We shall be bound to pay You only such monies as have been actually received from purchasers after the satisfaction of Our claims and for any of said purposes may make and execute all agreements and assurances as We think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by impropriety notice that any sale or lease is improper. No lack of notice or publication when required in connection with the Charge shall invalidate any sale or lease under it.

15. QUIET POSSESSION

Upon default in payment of principal and interest under the Charge or in performance of any of the terms or conditions under the Charge, We may enter into and take possession of the charged Property and where We so enter on and take possession or enter on and take possession of the Property or

default as described in the Charge, We shall enter into, have, hold, use, occupy, possess and enjoy the Property without the let, suit, hindrance, interruption or denial of You or any other Person or Persons.

16. RIGHT TO DISTRAIN

If You shall make default in payment of any part of the interest payable under the Charge at any of the dates or times fixed for the payment of the interest, it shall be lawful for Us to distrain upon the Property or any part of it, 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 expenses attending such levy or distress; in like manner 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.

17. ACCELERATION OF PRINCIPAL AND INTEREST

On default of payment of the interest secured by the Charge the Principal Amount secured by the Charge shall, at Our option, immediately become payable. If You (a) fail to pay any instalment of principal promptly as the same matures; (b) fail to meet any of the terms and conditions in the Loan Documents; (c) are in default under any other agreement with Us; (d) become insolvent or bankrupt or die; or (e) Our interest in the Property is, in Our view, insecure or in jeopardy, in each case, subject to any notice required by law, the outstanding balance secured by the Charge shall, at Our option, immediately become due and payable. We may at any time after default waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default. Each waiver must be in writing to be effective.

18. UNAPPROVED SALE

If You, directly or indirectly, sell, transfer, dispose of, mortgage, encumber, lease or otherwise deal with your legal or beneficial interest in the Property, the Principal Amount secured by the Charge shall, at Our option, immediately become due and payable.

19. PARTIAL RELEASES

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 money secured under the Charge either with or without any sufficient consideration for it, without responsibility for it, and without by doing so releasing any other part of the Property or any Person from the Charge or from any of the covenants contained in the Charge and without being accountable to You for its value, or for any monies except those actually received by Us. It is agreed that every part or lot into which the Property is or may in the future be divided does and shall stand charged with the whole money secured under the Charge and no Person shall have the right to require the mortgage monies to be apportioned.

20. PROPERTY TAXES

With respect to any property taxes, municipal taxes, school taxes and local improvement rates (referred to below as "taxes') chargeable against the Charged premises, it is MUTUALLY AGREED between the parties to the Charge that:

a) We may deduct from the final advance of the monies secured by the Charge an amount sufficient to pay the taxes which have become or will become due and payable at the Interest Adjustment Date referred to in the Charge and are unpaid at the date of such final advance.
b) After the Interest Adjustment Date, You shall pay as they fall due all taxes which now are or may in the future be imposed, charged or levied upon the Property.

We agree to apply any deduction on the taxes chargeable against the Property so long as You are not in default under any covenant, proviso or agreement contained in the Charge.

Upon request, You agree to submit to Us tax receipts evidencing the payment of taxes within 30 days after they become due.

21. OBLIGATION TO INSURE

You will immediately insure, unless already insured, and during the continuance of the Charge keep insured against loss or damage by fire, in such proportions upon each building as may be required by Us, the buildings on the Property to the amount of not less than their full insurable value on a replacement cost basis in dollars of lawful money of Canada. Such insurance shall be placed with a company approved by Us. Buildings shall include all buildings whether now or in the future erected on the Property, and such insurance shall include not only insurance against loss or damage by fire but also insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and all other extended perils customarily provided in insurance policies including "all risks" insurance. The covenant to insure shall also include where appropriate or if required by Us, boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to Us.

Evidence of continuation of all such insurance having been effected shall be produced to Us at least fifteen (15) days before the expiration of the insurance, otherwise We can provide it and charge the premium paid and interest on it at the rate provided for in the Charge to You and the same shall be payable immediately and shall also be a charge upon the Property. It is further agreed that We may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by Us and also of Our own accord may effect or maintain any insurance provided for in the Charge, and any amount paid by Us for it shall be payable immediately by You with interest at the rate provided for in the Charge and shall also be a charge upon the Property. Policies of insurance required under the Charge shall provide that loss, if any, shall be payable to Us as Our interest may appear, subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

22. OBLIGATION TO REPAIR

You will keep the Property and the buildings, erections and improvements on it, in good condition and repair according to their nature and description respectively. We may, whenever We deem necessary, by Our agent enter upon and inspect the Property and make such repairs as We deem necessary, and the reasonable cost of such inspection and repairs with interest at the rate provided for in the Charge shall be added to the Principal Amount and be payable immediately and be a charge upon the Property prior to all claims on it subsequent to the Charge. If You shall neglect to keep the buildings, erections and improvements in good condition and repair, or commit or permit any act of waste on the Property (as to which You shall be sole judge) or make default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any charge to which the Charge is subject, all monies secured by the Charge shall, at Our option, immediately become due and payable, and in default of payment of same with interest as in the case of payment before maturity the powers of entering upon and leasing or selling given under the Charge and all other remedies provided under the Charge may be exercised immediately.

23. BUILDING CHARGE

If any of the Principal Amount to be advanced under the Charge is to be used to finance an improvement on the Property, You must inform Us in writing immediately and before any advances are made under the Charge. You must also provide Us immediately with copies of all contracts and subcontracts relating to the improvement and any amendments to them. You agree that any improvement shall be made only according to contracts, plans and specifications approved in writing by Us. You shall complete all such improvements as quickly as possible and provide Us with proof of payment of all contracts from time to time as We require. We shall make advances (part payments of the Principal Amount) to You based on the progress of the improvement, until either completion and occupation or sale of the Property. You shall determine whether or not any advances will be made and when they will be made. Whatever the purpose of the Charge may be, We may at Our option hold back funds from advances until We are satisfied that You have complied with the holdback provisions of the builders' lien legislation in the Province in which the Property is located. You authorize Us to provide information about the Charge to any Person claiming a construction lien on the Property.

24. FIXTURES

You covenant and agree with Us that all erections and improvements or otherwise now on or in future put upon the Property which are Your property, including, without limitation, all fences, heating, plumbing, air conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, window blinds, storm windows and storm doors, window screens and screen doors, dishwashers, washing machines, dryers, and all apparatus and equipment appurtenant to any of these things are and shall be, in addition to other fixtures on them, fixtures and form part of the Property and shall be a portion of the security for the Indebtedness. You charge and grant to Us a security interest in all of Your right, title and interest in and to all such items as additional security for repayment of the Indebtedness.

25. EXTENSIONS NOT TO PREJUDICE

No extension of time given by Us to You or anyone claiming under You, or any other dealing by Us with the owner of the Property or of any part of it, shall in any way affect or prejudice Our rights against You or any other Person liable for the payment of the money secured by the Charge, and We may be renewed by an agreement in writing at maturity for any term with or without an increased rate of interest notwithstanding that there may be subsequent encumbrances. It shall not be necessary to register any such agreement in order to retain priority for the Charge so altered over any instrument registered subsequent to the Charge. Provided that nothing contained in this Section shall confer any right of renewal upon You.

26. NO MERGER OF COVENANTS

The taking of a judgment or judgments on any of the covenants in the Charge shall not operate as a merger of the covenants or affect Our right to interest at the rate and times provided for in the Charge. Any judgment shall provide that interest on the judgment shall be computed at the same rate and in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

27. CHANGE IN STATUS

Immediately after any change or happening affecting any of the following, namely: (a) Your spousal status; (b) the qualification of the Property as a family residence within the meaning of the applicable family law act in the Province in which the Property is located; and (c) the legal title or beneficial ownership of the Property, You will advise Us accordingly and furnish Us with full particulars of this, 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 of possession in the Property by virtue of the applicable family law act in the Province in which the Property is located. In furtherance of such intention, You covenant and agree to furnish Us with such evidence in connection with any of (a), (b) and(c) above as We may from time to time request and no change in (c) shall occur without Our consent, which consent may be unreasonably withheld in Our sole discretion.

28. USE OF PROPERTY AND ENVIRONMENTAL MATTERS

You shall not change or permit any change in the use of the Property nor will You request or support any rezoning of the Property (or any portion of it) without Our prior written consent which consent may be unreasonably withheld in our sole discretion.

You shall indemnify Us and save Us harmless from and against all actions, proceedings, losses, damages, liabilities, claims, demands, judgments, costs and expenses (including legal fees) (collectively "Environmental Claims") occurring, imposed on, made against or incurred by You arising from or relating to, directly or indirectly, and whether or not caused by Us or within our control, (a) any actual or alleged breach of Environmental Laws relating to or affecting the Property; (b) the actual or alleged presence, release, discharge or disposition of any Hazardous Substance in, on, over, under, from or affecting all or part of the Property or surrounding lands, including any personal injury or property damage arising as a result; (c) any actual or threatened environmental proceeding affecting the Property including any settlement of such a proceeding; and (d) any assessment, investigation, containment, monitoring, remediation and/or removal of any Hazardous Substances from all or part of the Property or surrounding areas or otherwise complying with Environmental Laws. This indemnity shall survive the exercise of any of

Your rights and remedies under this Charge including foreclosure and shall survive the repayment of the Indebtedness and/or the discharge of this Charge.

29. CONDOMINIUM PROVISIONS

If the Charge is of Property within a condominium or strata registered pursuant to the applicable condominium or strata legislation in the Province in which the Property is located, the following provisions shall apply. You will comply with all Applicable Laws, and with the declaration, by-laws and rules and regulations of the condominium or strata corporation, or the applicable section thereof (the "corporation") relating to Your unit (the "unit") and provide Us with proof of compliance from time to time as We may request. You will pay the common expenses (including without limitation, any condo or strata fees, as well as any special levies, special assessment or other extraordinary or special fees) for the unit to the corporation on the due dates. If We decide to collect Your contribution towards the common expenses from You, You will pay the same to Us upon being so notified. We are authorized to accept a statement which appears to be issued by the corporation as conclusive evidence for the purposes of establishing the amounts of the common expenses and the dates those amounts are due. You, upon notice from Us, will forward to Us any notices, assessments, by-laws, rules and financial statements of the corporation that You receive or are entitled to receive from the corporation. You will maintain all improvements made to the unit and repair them after damage. In addition to the insurance which the corporation must obtain, You shall insure the unit against destruction or damage by fire and other perils usually covered in the insurance policies and against such other perils as We require for its full replacement cost (the minimum amount for which it can be insured). The insurance company and the terms of the policy shall be reasonably satisfactory to Us. You irrevocably authorize Us to exercise Our rights under all Applicable Laws to vote, consent and dissent in any condominium or strata governance.

30. DISCHARGE

The discharge of the Charge shall be prepared by Us and all legal and other expenses for the preparation and execution of such discharge shall be borne by You.

31. GUARANTEE

Each party named in the Charge as a Guarantor agrees with Us as follows:

a) In consideration of Us advancing all or part of the Principal Amount to You, and in consideration of the sum of TWO DOLLARS ($2.00) of lawful money of Canada now paid by Us to the Guarantor (the receipt and sufficiency of which are acknowledged), the Guarantor absolutely and unconditionally guarantees to Us, and Our successors, the due and punctual payment of all principal moneys, interest and other moneys owing on the security of the Charge and observance and performance of the covenants, agreements, terms and conditions in the Charge by You. The Guarantor, for themself and their successors, covenants with Us that, if You shall at any time make default in the due and punctual payment of any moneys payable under the Charge, the Guarantor will pay all such moneys to Us without any demand being required to be made.

b) If any or all of the obligations of the Guarantor under this Charge in its capacity as guarantor is not recoverable by Us for any reason whatsoever, the Guarantor will, as a separate and distinct obligation, indemnify Us and save Us harmless from and against all losses resulting from the failure of the Guarantor to perform such obligations after demand by Us for such performance.

c) Although as between the Guarantor and You, the Guarantor is only surety for the payment by You of the moneys guaranteed by the Charge, as between the Guarantor and Us, the Guarantor shall be considered as primarily liable for this and it is further expressly declared that no release or releases of any portion or portions of the Property; no indulgence shown by Us in respect of any default by You or any of Your successors which may arise under the Charge; no extension or extensions granted by Us to You or any of Your successors for payment of the moneys secured under the Charge or for the doing, observing or performing of any covenant, agreement, term or condition contained in the Charge to be done, observed or performed by You or any of Your successors; no variation in or departure from the provisions of the Charge; no release of You or any other thing whatsoever whereby the Guarantor as surety only would or might have been released

shall in any way modify, alter, vary or in any way prejudice Us or affect the liability of the Guarantor in any way under this covenant, which shall continue and be binding on the Guarantor, and as well after as before maturity of the Charge and both before and after default and judgment, until the said moneys are fully paid and satisfied.

d) Any payment by the Guarantor of any moneys under this guarantee shall not in any event be taken to affect Your liability for such payment but such liability shall remain unimpaired and enforceable by the Guarantor against You and the Guarantor shall, to the extent of any such payments made by them, in addition to all other remedies, be subrogated as against You to all the rights, privileges and powers to which We were entitled prior to payment by the Guarantor; provided, nevertheless, that the Guarantor shall not be entitled in any event to rank for payment against the Property in competition with Us and shall not, unless and until the whole of the principal, interest and other moneys owing on the security of the Charge shall have been paid, be entitled to any rights or remedies whatsoever in subrogation to Us.

e) All covenants, liabilities and obligations entered into or imposed under the Charge upon the Guarantor shall be equally binding upon their successors. Where more than one party is named as a Guarantor all such covenants, liabilities and obligations shall be joint and several.

f) We may vary any agreement or arrangement with or release the Guarantor, or any one or more of the Guarantors if more than one party is named as Guarantor, and grant extensions of time or otherwise deal with the Guarantor and their successors without any consent on the part of You or any other Guarantor or their successors.

32. ASSIGNMENT

We may, at Our option, sell, assign, securitize, grant participations in, or encumber the Charge to one or more third party(ies) without notice to You, any Guarantor or any spouse signing the Charge and without requiring any consent. If We do so, You agree that the Charge shall continue to secure all amounts owing under the Charge. Once sold or assigned, the Charge may be repurchased by Us, whether or not it is in default. You and each Guarantor and spouse executing the Charge hereby authorize and consent to Us or any other person, including Our or their respective agents and advisors and any party retained to service the Charge (i) having an interest in the Charge from time to time, and (ii) releasing, disclosing and assigning any personal or other information (including financial information) with respect to You, any Guarantor, Your spouse, the Charge and the Property, regardless of the scope of distribution and to any such other person as may be required to complete, administer, realize, assign, securitize or otherwise deal with the Charge from time to time.

You may not assign any of the Loan Documents or any of Your rights or obligations under any Loan Document.

33. DATE OF CHARGE

The date of the Charge unless otherwise provided shall be the earliest date of signature by any of You.

34. AUTOMATIC RENEWAL

Unless We have advised You that We will not renew the Charge, We will automatically renew the Charge at the end of Your term on the terms and conditions stated in the renewal offer We will provide. In order to qualify for automatic renewal, You must have met all Your obligations to Us under the Charge and have a satisfactory payment record. The interest rate charged during each renewal term will be Our posted rate on the renewal date.

35. EXPROPRIATION

If any portion of the Property or any land adjoining the Property is expropriated or taken by the exercise of any similar power, We may, at Our option, require You to pay the entire compensation to which You may be entitled to receive to reduce the Indebtedness.

36. SET-OFF

If We owe any obligation to You, We may set the obligation off against, or compensate the obligation from, any amount You owe Us under the Charge, regardless of the length of time the amount has been owed to You. We are not required to provide notice to You in the event We exercise this right to set-off.

If We receive notice that You are in default under the terms of the Charge, We may immediately exercise this right of set-off.

This right is in addition to any rights We may have at law or in equity to set-off or to compensation.

You waive any right of set-off or deduction, and You agree to make all payments owing under the Charge without cancelling, reducing, offsetting, compensating, abatement, counterclaiming or deducting, or holding back any amounts.

37. EFFECT OF SUBDIVIDING THE PROPERTY

If the Property or any portion of the Property is subdivided (e.g., into a lot or condominium), every part of the subdivided Property secures all of what is owed to Us. This applies whether the subdivision exists when the Charge is entered into or the subdivision occurs after the Charge is entered into. You do not have any rights of discharge in respect of a portion of the Property in return for paying part of Your obligation to Us, even if the Property is subdivided.

38. APPOINTING US AS YOUR ATTORNEY

Where under the Charge You give Us a right to take action on Your behalf or to exercise a right You hold, You irrevocably appoint Us as Your attorney to take such action. If You appoint Us as Your attorney to take some action under the Charge, You irrevocably appoint anyone We authorize as Your attorney for the same purpose.

39. NATIONAL HOUSING ACT

If the Charge is an insured mortgage under the *Canada National Housing Act*, (the "**CNH Act**") the Charge is made pursuant to the CNH Act and You shall comply with all requirements of such insurance.

40. HOME WARRANTY PLAN/PROGRAM

If a home warranty plan/program or any other regulatory program applicable to new homes under a regulatory authority applies to the Property, You agree to meet all of its requirements. You also agree to reimburse Us for any costs and servicing fees that We incur in meeting Your obligations or enforcing Your rights on Your behalf, if We choose to do so. You will pay Our related costs and servicing fees immediately.

Where You have purchased the Property from a builder, or where a general contractor is building the Property, We must be satisfied that the builder/contractor and the housing unit are registered under a home warranty plan/program or any other regulatory program applicable to new homes prior to disbursement of funds. You will provide evidence satisfactory to Us, in the form prescribed under the home warranty plan/program or other regulatory program applicable to new homes, and any other evidence We may require until We are satisfied, in Our sole and absolute discretion, that the Property is completed and is ready to be occupied. If You are acting as the contractor and are not a builder, You will provide proof, issued by the appropriate authority, and any other evidence We may require until We are satisfied in Our sole and absolute discretion that the Property is ready to be occupied. You will immediately pay any related costs and servicing fees to satisfy Our requirements.

41. GENERAL

a) Any conflict or inconsistency between the documents that form part of the agreement between Us and You related to the Charge will be resolved in accordance with the following order of priority: first, the Loan Agreement, if any; second, the Commitment; and third, the Charge. It will not be considered a conflict or an inconsistency if the Loan Agreement, Commitment or Charge or any other Loan Documents contain additional terms, conditions or provisions, including any rights, remedies, covenants, representations or warranties, that are not included in the Loan Agreement,

Commitment or the Charge. Any such terms, conditions or provisions will remain in effect.

b) You and all and every other Person 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 in the future, at Your expense 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 to give full effect to and carry out the provisions of the Loan Documents, or as may be required to convey and assure the Property unto Us as lawfully required by Us or Our solicitor.

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

42. GOVERNING LAW

The Charge shall be governed by and construed in accordance with the laws of the Province in which the Property is located.

43. ONTARIO PROVISIONS

The following shall only apply if the Property is located in the Province of Ontario:

a) These standard charge terms shall be deemed to be included in every charge in which the set is referred to by its filing number as provided in Section 9 of the *Land Registration Reform Act*, R.S.O. 1990, c. L.4, as amended, except to the extent that the provisions of these terms are modified by any additions, amendments or deletions provided for or stipulated in such charge, or in any schedule(s) annexed thereto.

b) The implied covenants deemed to be included in a charge under subsection 7 (1) of the *Land Registration Reform Act* (Ontario) as amended or re-enacted are excluded from the Charge.

c) In construing these covenants the words "Charge", "chargee", "chargor", "land" and "successor" shall have the meanings assigned to them in Section 1 of the *Land Registration Reform Act* (Ontario).

44. ALBERTA PROVISIONS

The following shall only apply if the Property is located in the Province of Alberta:

a) These standard mortgage terms shall be deemed to be included in every charge in which the set is referred to by its filing number, as contemplated in Sections 113 and 114 of the *Land Titles Act*, R.S.A. 2000, c. L.4.

b) In this Section, the words "mortgage", "mortgagee" and "mortgagor" shall have the meanings assigned to them in the *Land Titles Act* (Alberta).

c) **AND FOR BETTER SECURING TO THE MORTGAGEE THE REPAYMENT IN THE MANNER SET OUT ABOVE OF THE PRINCIPAL SUM AND INTEREST (AND OTHER AMOUNTS HEREBY SECURED), THE MORTGAGOR HEREBY MORTGAGES TO THE MORTGAGEE ALL OF ITS ESTATE AND INTEREST IN THE LAND DESCRIBED HEREIN.**

45. BRITISH COLUMBIA PROVISIONS

The following shall only apply if the Property is located in the Province of British Columbia:

a) These standard mortgage terms shall be deemed to be included in every mortgage in which the set is referred to by its filing number, as contemplated in Sections 228 and 299 of the *Land Title Act*, R.S.B.C. 1996, c. 250.

46. INTERPRETATION

In construing these covenants the words "You", "Your", "We", "Us" and "Our" shall be interpreted as singular or plural as the number of the parties referred to in each case requires, and all verbs associated with these words will be adjusted accordingly. All rights, advantages, privileges, immunities, powers and things secured under the Charge to You or Us shall be equally secured to and exercisable by Your, or Our, heirs, executors, administrators and assigns, or successors and assigns, as the case may be. The word "successor" shall also include successors and assigns of corporations including amalgamated and continuing corporations. All covenants, liabilities and obligations entered into or

imposed under the Charge or any other Loan Document upon You or Us shall be equally binding upon Your, or Our, heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and all such covenants and liabilities and obligations shall be joint and several. The headings beside each Section in these Standard Charge Terms are for reference purposes only and do not form part of the covenants in these Standard Charge Terms.

END OF SET