

Form 16

APPLICATION FOR OPTIONAL MORTGAGE COVENANT

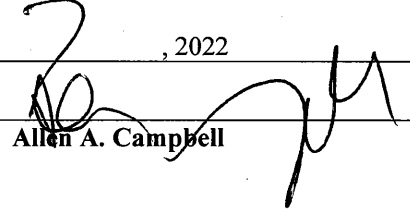
*Land Titles Act, S.N.B. 1981, c.L-1.1, s.25*

Applicant: Capital Direct Atlantic Inc.  
1301 - 1959 Upper Water Street, Halifax, NS B3J 3N2

Optional Mortgage Covenant: See attached Schedule

The Applicant applies for the assignment of a number to the specified optional mortgage covenant.

Date: June 2, 2022

Applicant:   
Allen A. Campbell

Number assigned to the specified optional mortgage covenant: BC-4338

Registrar General of Land Titles

**Schedule "C"**  
**OPTIONAL COVENANTS**

Set of Standard Form Collateral Mortgage Terms attached to and forming Schedule "C" to Capital Direct Atlantic Inc. mortgages, except to the extent that the provisions of this Set of Standard Form Mortgage Terms are modified by additions, amendments or deletions in the Mortgage or any schedule. For New Brunswick mortgages only, this is the document referred to in your Mortgage as being filed in the Land Title System as Optional Covenant No. \_\_\_\_\_.

**ARTICLE 1- DEFINITIONS**

**1.01 Definitions**

In this Set of Standard Form Mortgage Terms:

- (1) "**Business Day**" means any day which in New Brunswick, is a day that is not a "holiday" as that word is defined in the *Interpretation Act* (New Brunswick) as amended or replaced from time to time;
- (2) "**Commitment Letter**" means the letter of offer of credit referred to in Article 24; as amended, modified, restated or replaced from time to time;
- (3) "**Guarantor**" or "**Covenantor**" means the person or persons, if any, who execute this Mortgage as "Guarantor" or "Covenantor" and their respective heirs, personal representatives, successors or permitted assigns, as the case may be, whether immediate or derivative;
- (4) "**Event of Default**" means an event described in Section 13.01;
- (5) "**First Payment Date**" means the date specified and shown in the Mortgage;
- (6) "**Interest Adjustment Date**" means the date specified and shown in the Mortgage;
- (7) "**Interest Calculation Period**" for this Mortgage shall be monthly, not in advance;
- (8) "**Interest Rate**" means the rate(s) of interest set out or referred to in the Mortgage;
- (9) "**Last Payment Date**" the date specified and shown in the Mortgage;

- (10) "**Lease**" means each lease, if any, (including any renewals or replacements thereof) to which the Property may be subject;
- (11) "**Mortgage**" or "**this Mortgage**" means Form 15.1 Collateral Mortgage and any schedule or schedules attached thereto, all read together; as amended or modified from time to time;
- (12) "**Mortgage Moneys**" means at any point in time means the outstanding balance of the Principal Amount, interest thereon and the Other Amounts then secured hereby;
- (13) "**Mortgaged Property**" means the interest(s) in the Property which you have mortgaged to us pursuant to this Mortgage;
- (14) "**Other Amounts**" means any other amounts which are payable by you to us under this Mortgage, other than the Principal Amount and interest;
- (15) "**Payment Dates**" means the payment dates, if any, set out or referred to in the Mortgage and "Payment Date" means any one of them;
- (16) "**Periodic Payment**" means the payments, if any, set out or referred to in Article 3;
- (17) "**Principal Amount**" means the Principal Amount as outlined in the Mortgage;
- (18) "**Prior Charges**" means those charges which are registered against the Mortgaged Property:
- (a) before this Mortgage; and
  - (b) after this Mortgage and in respect we have granted priority to the registered holder thereof;
- (19) "**Property**" means the land(s) described in the Mortgage, all buildings, improvements and fixtures located on and all rights and benefits belonging to the land(s);
- (20) "**Releasor**" means the spouse of the Borrower, if any, who execute this Mortgage as "Releasor" and their respective heirs, personal representatives, successors or permitted assigns, as the case may be, whether immediate or derivative;
- (21) "**Taxes**" means all taxes charged on the Mortgaged Property by any government authority
- (22) "**we**", "**our**" and "**us**" mean or refer to Capital Direct Atlantic Inc. and its successors and assigns, whether immediate or derivative; and

- (23) "**you**" and "**yours**" mean or refer to each person described in this Mortgage as the Borrower(s) and each of their respective heirs, executors, personal representatives, successors and assigns, whether immediate or derivative.

## **ARTICLE 2 - INTEREST**

### **2.01 Interest Rate**

The Borrower shall pay interest on the Principal Amount owing from time to time and before and after judgment to the Balance Due Date and after the Balance Due Date, the Borrower shall pay interest at the rate outlined in the Commitment Letter and the Mortgage.

### **2.02 Calculation of Interest Rate**

Interest will be calculated on the outstanding Principal Amount at the Interest Rate, not in advance, at the end of each Interest Calculation Period, as well after as before maturity, default and judgment.

### **2.03 Compound Interest**

Interest will be compounded (added to the Principal Amount and charged on the combined amount of principal and interest) not in advance, at the end of each Interest Calculation Period, as well after as before maturity, default and judgment.

### **2.04 Interest Canada Act (Canada) Statement**

The equivalent rate of interest calculated half-yearly, not in advance for per annum as set out in the Commitment Letter and the Mortgage.

## **ARTICLE 3 - REPAYMENT**

### **3.01 Promise to Pay**

You promise:

- (1) to repay the Principal Amount, as advanced;
- (2) to pay interest at the Interest Rate on the outstanding balance of the Principal Amount; and
- (3) to pay all Other Amounts;

to us in accordance with the provisions of this Mortgage.

### **3.02 Interest Adjustment Date**

You promise to pay, from the Interest Adjustment Date, interest at the Interest Rate on the amounts from time to time advanced, from and after the Interest Adjustment Date. At our option, interest may be deducted from any advances made prior to the Interest Adjustment Date.

### **3.03 Amount of Each Periodic Payment**

You agree to pay to the Mortgagee monthly payments on the Principal Amount as set out in the Mortgage.

### **3.04 When Mortgage Moneys Will be Due**

The outstanding balance of the Mortgage Moneys will be due and payable:

- (1) before the Balance Due Date, if there is an Event of Default and we demand payment; or
- (2) on the Balance Due Date, automatically without any demand by us.

### **3.05 No Set-off**

The Mortgage Moneys will be paid when due without any set-off, deduction, defalcation or abatement whatsoever.

### **3.06 Use of Payments**

We will apply all payments received from you, including prepayments:

- (1) before an Event of Default, first to pay interest, second to pay Other Amounts and third to repay the Principal Amount outstanding; and
- (2) after an Event of Default, in such order as we decide.

### **3.07 Time of Payments**

If any payment is due on a day which is not a business day, it will be made on the business day immediately preceding the day it is due. Payments received after 2:00pm.

(Atlantic time) on a business day will be considered received by us on the next business day.

### **3.08 Place of Payments**

You will make all payments under this Mortgage at our address set out in this Mortgage or at any other address specified by us.

### **3.09 Method of Payments**

We may require that you give us:

- (1) an irrevocable written authorization to automatically deduct payments from an account set up by you to make payments to be made to us under this Mortgage with a financial institution acceptable to us; or
- (2) a series of post-dated cheques for any payments, including payments of Taxes, required under this Mortgage.

## **ARTICLE 4- MORTGAGE & REDEMPTION**

### **4.01 Mortgage of the Mortgaged Property**

In return for us agreeing to lend to you the Principal Amount:

- (1) if you have a freehold interest in the Property, you transfer, mortgage and charge all your freehold interest and estate in the Property to us; and
- (2) if you have a leasehold interest in the Property, you sublease, mortgage and charge such of the Property which is subject to your leasehold interest to us for a term of one day less than the unexpired term of each Lease.

### **4.02 Acquiring Greater Interest**

If you acquire any greater or additional interest in the Property, then, by this Mortgage, you transfer, mortgage and charge that greater or additional interest to us without you or us having to do anything further.

### **4.03 Redemption of Property**

When you have repaid the Mortgage Moneys to us in full and otherwise observed and performed the promises you have made to us under and the terms and conditions contained in this Mortgage, this Mortgage will no longer have any effect and the Mortgaged Property will automatically return to your ownership.

## **ARTICLE 5 - PREPAYMENT RIGHTS**

### **5.01 Prepayment Rights**

The Mortgagor shall have the right to pre-pay the balance without penalty.

### **5.02 No Effect on Required Payments**

If a prepayment is allowed and made by you, you are still required to make all regular or other payments called for under this Mortgage.

## **ARTICLE 6 - TITLE & CONDITION OF THE MORTGAGED PROPERTY**

### **6.01 Title to Mortgaged Property**

You promise that:

- (1) if your interest in the Mortgaged Property is a freehold interest, you are the owner of the Mortgaged Property and you have the right to transfer, mortgage and charge the Mortgaged Property to us subject to Prior Charges;
- (2) if your interest in the Mortgaged Property is a leasehold interest, you have a valid and existing leasehold estate as lessee under each Lease and you have the right to sublease, mortgage and charge the Mortgaged Property to us subject to Prior Charges;
- (3) you have done no act to encumber the Mortgaged Property, except for the Prior Charges;
- (4) on default we will have quiet possession of the Mortgaged Property free from all encumbrances except for Prior Charges; provided that until default of payment you will have quiet possession of the Mortgaged Property; and
- (5) you will execute such further assurances of the Mortgaged Property as we may require.

### **6.02 Use of Mortgaged Property**

Unless contemplated by the Commitment Letter, you will not, without our prior written consent:

- (1) change the present use of the Mortgaged Property; or
- (2) permit the Mortgaged Property to be unoccupied or unused.

### **6.03 Compliance**

You agree to promptly comply with all laws, rules, requirements, orders, directions, ordinances and regulations of every governmental authority or agency, affecting the Mortgaged Property. You also promise to do and perform, at your cost and expense, all acts and things which may be required at any time hereafter in connection with the Mortgaged Property by any such present or future laws, rules, requirements, orders, directions, ordinances and regulations.

#### **6.04 Condition & Repair of Mortgaged Property**

You will:

- (1) keep the lands and all buildings and other improvements comprising the Mortgaged Property in good condition;
- (2) not demolish any of the buildings or other improvements; forming part of the Mortgaged Property; and
- (3) promptly repair any damage to the lands and any of the buildings or other improvements comprising part of the Mortgaged Property.

#### **6.05 Inspections**

You authorize us and our authorized representatives to inspect the Mortgaged Property and to enter any buildings forming part of the same, at any reasonable times, to see whether you are keeping them in good condition.

#### **6.06 Effect of Sale**

You will not be released from your obligations and promises contained in this Mortgage only because you sell the Mortgaged Property.

### **ARTICLE 7 - LEASEHOLD PROVISIONS**

#### **7.01 Leasehold**

The provisions of this Article 7 will only apply if your interest in Property is a leasehold interest and to each lease described therein.

#### **7.02 State of Lease**

You promise that:

- (1) on the date of execution of this Mortgage no default has occurred and is continuing under the Lease;
- (2) the Lease is a valid and existing lease for the term set out in the Lease;
- (3) all rents and other moneys payable under the Lease have been paid in full; and
- (4) if the lessor or landlord's consent is required under the Lease in order for you to rightfully sublease, mortgage and charge the Mortgaged Property to us, you have received that consent.



### **7.03 Your Promises**

You promise us that you:

- (1) will do everything you are required to do, and not do anything you are not supposed to do, under the Lease;
- (2) will not surrender the Lease or permit it to be terminated;
- (3) will not agree to any amendment to the Lease without our written approval;
- (4) will promptly give us a copy of any notice, demand or other document you receive in connection with the Lease or the Mortgaged Property; and
- (5) will hold the last day of the term of the Lease in trust for us to do with as we direct.

## **ARTICLE 8 - CHARGES AGAINST THE MORTGAGED PROPERTY**

### **8.01 No Other Charges on Title**

You promise that if there are any charges against the title of the Mortgaged Property other than the Prior Charges you will immediately cause those charges to be satisfied and discharged from the title to the Mortgaged Property.

### **8.02 Prior Charge Obligations**

You promise to fulfill all of your obligations under the Prior Charges.

### **8.03 Prior Charge Defaults**

If you default under any of the Prior Charges, we may:

- (1) correct any default;
- (2) add the amount paid by us to correct the default to the Principal Amount; and
- (3) charge interest on that combined amount at the same Interest Rate then charged on the Principal Amount.

If we make any payment to any of your creditors or to any holder of a Prior Charge pursuant to the provisions hereof, we will be entitled to all equities and securities held by that person in respect of the indebtedness or encumbrance paid or satisfied.

#### **8.04 Builders' Liens**

You will not allow any claims of builders' liens (being claims for payment of charges for labour, services, materials or rent of equipment supplied to make improvements to the Property) to remain filed against the Mortgaged Property at any time. If a lien is filed, not having the lien removed from the title to the Mortgaged Property will not be a breach of this Section 8.04, if you:

- (1) dispute the validity of the claim of lien; and
- (2) give us reasonable security so we can pay the lien if it is found to be valid.

If the lien is found to be valid and you do not then have the lien immediately removed from the title to the Mortgaged Property, we may then use the security to pay the lien and have it removed as a charge against the Mortgaged Property.

#### **8.05 Performance by Mortgagee**

If you fail to perform any promise you have made under this Mortgage, the Commitment Letter or any other security from time to time to taken in connection with the Commitment Letter, we may, in our sole discretion, perform, or cause to be performed, any such promise and we may do such acts as we consider are reasonable to protect our interests. For such purposes we and our authorized representatives may enter onto the Mortgaged Property. Without limiting the generality of the foregoing, we may also:

- (1) insure the buildings and improvements which form part of the Mortgaged Property in accordance with the provisions hereof if you neglect to do so, or if you neglect to deliver policies and receipts in accordance herewith;
- (2) repair and reinstate the buildings and improvements which form part the Mortgaged Property if you fail to repair them in accordance herewith or demolish or alter them in contravention hereof;
- (3) without any order or direction from you, pay to a person supplying or having a claim for work, services, or materials supplied in and about the Mortgaged Property, any moneys due to them for such work, services or materials; and
- (4) pay common expenses, assessments, contributions or levies required to be paid in connection with any condominium unit which comprises the whole or any part the Mortgaged Property.

You agree that we will not be bound to exercise our rights hereunder and, if we do, we will not be liable to you for any loss or damage suffered by you as a result thereof.

## **ARTICLE 9 - ADVANCES AND READVANCES**

### **9.01 Current or Running Account**

If this Mortgage secures a current or running account:

- (1) we may, from time to time, readvance to you any of the Principal Amount which may have been repaid by you;
- (2) this Mortgage will continue to have effect and will not be deemed to have been discharged by reason only that:
  - (a) all advances and readvances have been repaid; or
  - (b) there is nothing owing to us under this Mortgage; and
- (3) this Mortgage will remain as effective security for advances and readvances until we deliver to you a discharge of this Mortgage.

### **9.02 No Obligation to Advance**

None of the following will require us to advance (or, if applicable, readvance) money under this Mortgage:

- (1) the signing of this Mortgage; or
- (2) the registration of this Mortgage; or
- (3) the advance or readvance of some of the Principal Amount;

but this Mortgage will secure the amount of the Principal Amount that has been advanced (including, if applicable, readvances) and is outstanding under this Mortgage plus interest and Other Amounts.

### **9.03 Deductions from Advances**

We may deduct from any advances (or, if applicable, readvances) of money under this Mortgage:

- (1) any Taxes that are due;
- (2) any interest accumulated under this Mortgage; and
- (3) an amount estimated by our lawyers as being the fees and disbursements (and applicable taxes) for preparing and registering this Mortgage.

#### **9.04 Different Terms and Conditions**

You may request and we may agree that particular advances (or if applicable, readvances) of the Principal Amount will be recorded and accounted for separately and will be subject to terms and conditions different than those applicable to other advances or readvances.

### **ARTICLE 10 – INSURANCE**

#### **10.01 Insurance Requirements**

You will have the buildings and other insurable improvements which form part of the Mortgaged Property insured against loss by fire and any other risks required by us for the maximum amount for which they can be insured.

#### **10.02 Liability Insurance**

You will keep and maintain third party liability insurance in an amount satisfactory to us.

#### **10.03 Other Insurance**

You will keep and maintain such other insurance as is customarily maintained by persons operating or occupying similar properties in equivalent locations.

#### **10.04 Wording of Insurance Policy**

Each insurance policy will be in a form and will contain a mortgage clause acceptable to us.

#### **10.05 Insurance Proceeds Payable to Us**

Each insurance policy will state that the proceeds of any claim will be payable to us after paying amounts properly payable to the holders of any Prior Charges.

#### **10.06 Assignment**

You will, upon our written request, immediately assign, transfer and deliver over to us each and every policy of insurance and all moneys payable to you in connection with same.

#### **10.07 Copies of Insurance Policies & Receipts**

Upon request, you will give us:

- (1) the original or a certified copy of each insurance policy and renewal policy; and

- (2) receipts for premiums paid under any insurance policy or renewal policy.

#### **10.08 Damage to Buildings**

You will immediately notify us if the buildings or other insured improvements which form part of the Mortgaged Property are damaged. If the damage is covered under an insurance policy, you will immediately file a claim with the insurer.

#### **10.09 Proofs of Insurance**

You will, immediately on the happening of any loss or damage, furnish to us, at your expense all necessary proofs and do all necessary acts to ensure payment of insurance moneys.

#### **10.10 Use of Insurance Proceeds**

We may use the insurance proceeds as follows:

- (1) to pay for repair of the damage to the buildings or other improvements forming part of the Mortgaged Property;
- (2) to pay the proceeds to you;
- (3) to pay the proceeds to any other person having a claim on the Mortgaged Property; or
- (4) to apply them to the Mortgage Moneys then owing under this Mortgage, whether or not then payable,

and our decision will be final and binding.

#### **10.11 Waiver**

To ensure that we may apply insurance moneys in the manner contemplated by Section 10.10, you hereby:

- (1) assign and release to us all your rights to receive the insurance moneys; and
- (2) waive any statutory right to request or require the insurance proceeds to be applied in any particular manner.

### **ARTICLE 11 - TAXES**

#### **11.01 Payment of Taxes**

You will pay all Taxes before they are overdue.

### **11.02 Proof of Payment**

You will give us proof of payment of Taxes within thirty (30) days of their due date.

### **11.03 Tax Instalments**

If we require, you will pay us:

- (1) 1/12th of the estimated annual Taxes (estimated by us) with each Periodic Payment you are required to pay to us; and
- (2) immediately upon our request, the amount by which the actual annual Taxes are greater than our estimate,

(collectively, the "Tax Instalments") so that we can pay the Taxes in full before they are overdue.

### **11.04 Payment of Taxes by Us**

As long as you are not in default under this Mortgage, we will use the Tax Instalments described in Section to pay the Taxes. If you are in default under this Mortgage, we may use those Tax Instalments to pay the Mortgage Moneys in such manner as we see fit.

### **11.05 Grants & Rebates**

It is your responsibility to apply for government grants, assistance or rebates with respect to any Taxes.

## **ARTICLE 12 - EXPENSES & COSTS**

### **12.01 Payments by Us**

We may pay:

- (1) any overdue Taxes;
- (2) accounts of any lawyers for the preparation and registration of this Mortgage;
- (3) accounts of any lawyers for the collection of any amounts due under this Mortgage and the enforcement of this Mortgage;
- (4) anything that you have agreed in this Mortgage to pay but have not paid; and
- (5) the cost of doing any thing that you have promised in this Mortgage to do but have not done.

## **12.02 Treatment of Amounts Paid by Us**

You will immediately reimburse us for any amount paid under Section 12.01 until you reimburse us the amount paid will:

- (1) be added to the Principal Amount;
- (2) be charged interest at the Interest Rate;
- (3) be secured by this Mortgage; and
- (4) be a charge on the Mortgaged Property.

## **12.03 Special Costs**

If any court proceedings are taken to enforce this Mortgage, we will be entitled to special costs. If some of the costs recovered from you in court proceedings duplicate some of the lawyers' expenses incurred by us and added to the Principal Amount under Section 12.02, we will reduce the balance outstanding under this Mortgage by the amount of those duplicate costs.

## **ARTICLE 13 - EVENTS OF DEFAULT**

### **13.01 Events of Default**

The following will be events of default under this Mortgage:

- (1) if you do not do any thing that you have promised in this Mortgage to do; or
- (2) if you do any thing that you have promised in this Mortgage not to do; or
- (3) if you, any Covenantor or any other person liable for the payment of the Mortgage Moneys, in whole in or part, becomes bankrupt or insolvent or makes or demonstrates an intention to make an assignment for the benefit of your, his, her or its creditors, or makes a proposal or takes advantage of any provision of the *Bankruptcy and Insolvency Act* or any other legislation for the benefit of insolvent debtors; or
- (4) if any proceedings are commenced with respect to you, any Covenantor or any other person liable for the payment of the Mortgage Moneys, in whole or in part, under the compromise or arrangement provisions of any applicable legislation, or you, any Covenantor or any other person liable for the payment of the Mortgage Moneys, in whole or in part, enters into an arrangement or compromise with any or all of your, his her or its creditors pursuant to such provisions or otherwise; or

- (5) if, without our written consent, you grant or purport to grant any mortgage, charge, lien or interest, whether fixed or floating, upon the Mortgaged Property or any part thereof, other than this Mortgage or the Prior Charges; or
- (6) if the Mortgaged Property is abandoned or is left unoccupied for more than 30 days; or
- (7) if the Mortgaged Property or any part of the Mortgaged Property is expropriated; or
- (8) if you sell or agree to sell the Mortgaged Property or any part of the Mortgaged Property; or
- (9) if you default under any other loan made by us to you; or
- (10) if any representation or warranty made by you (or on your behalf) to us in connection with this Mortgage or the Commitment Letter is found at any time to be incorrect in any material respect; or
- (11) if you (or any Covenantor) cease(s), or threaten(s) to cease, to carry on your (or his, her or its, as applicable) business as the same is now conducted by you; or
- (12) if you use any of the funds advanced under this Mortgage for any purpose other than as agreed to by us; or
- (13) if you (or any Covenantor) are an individual and you (or the Covenantor) die or are declared to be incompetent to manage your (or his or her) affairs; or
- (14) if you are a corporation and:
  - (a) you authorize the purchase of your shares without our prior written consent; or
  - (b) one of your members commences an action against you in respect of this Mortgage, or gives you a notice of dissent in accordance with the provisions of the *Business Corporations Act* (New Brunswick), or amendments thereto or a similar notice by a shareholder under other applicable legislation; or
  - (c) you carry on any business that you are restricted from carrying on by your constating documents; or
  - (d) an order is made, a resolution is passed or a motion is filed for your liquidation, dissolution or winding-up; or



- (e) there is any change in the beneficial ownership of your shares from that which exists as of the date hereof; or
- (15) if you, the Covenantor or any other person liable for the payment of the Mortgage Moneys, in whole or in part, defaults in the observance or performance of any of the terms of the Commitment Letter or any other security documents given or granted by you, him, her or it to us as additional or collateral security for the payment of the Mortgage Moneys, or the performance of the terms of this Mortgage, in whole or in part; or
- (16) if the holder of any mortgage, lien or charge on, or any claim against the land does anything to enforce or realize on such mortgage, lien, charge or claim; or
- (17) if we in good faith believe that the prospect for repayment of all or any part of the Mortgage Moneys is impaired; or
- (18) if, in our opinion, there is a material adverse change in your financial condition or the financial condition of any other person who is liable for the payment of the Mortgage Moneys, in whole or in part, or in the value of the Mortgaged Property.

### **13.02 Mortgage Due on Default**

If there is an Event of Default:

- (1) we may require that you immediately repay the Mortgage Moneys as if the Balance Due Date had fully come and expired. In that regard you agree that:
  - (a) the provisions relating to an Event of Default under this Mortgage will be as set out in this Mortgage; and
  - (b) you will not be relieved from the consequences of your default by the payment of the moneys and any costs and charges related thereto which you were supposed to have paid;
- (2) we will have possession of the Mortgaged Property free and clear from all encumbrances subject only to Prior Charges; and
- (3) we may exercise any and all remedies available to us to enforce this Mortgage.

### **13.03 Waiver of Event of Default**

If we waive an Event of Default, that waiver will not prevent us from relying on any other Event of Default.

### **13.04 Default under Other Loans**

We may consider an Event of Default to be a default under all other loans made by us to you.

## **ARTICLE 14 - ENFORCE & COLLECTION**

### **14.01 Our Remedies**

Upon the occurrence of an Event of Default we may exercise any one or more of the following remedies:

- (1) we may sue you for the amounts due under this Mortgage;
- (2) we may sue any other person liable for the repayment of the Mortgage Moneys, in whole or in part, for the amounts due under this Mortgage;
- (3) we may take possession of the Mortgaged Property;
- (4) we may sell the Mortgaged Property by public auction or private sale or lease (or, if applicable, sublease) on any terms and conditions decided by us:
  - (a) if an Event of Default continues for at least 30 days, and upon not less than 30 days' notice from us to you of our intention to do so; or
  - (b) if an Event of Default continues for at least three months, then, without any notice to you;
- (5) we may apply to court to obtain a court order that the Mortgaged Property be sold on any terms approved by the court;
- (6) we may apply to the court to foreclose the Mortgaged Property (so that after we obtain final order of foreclosure, you will no longer have any interest in the Mortgaged Property); and
- (7) we may, by instrument in writing, appoint a receiver, receiver-manager or receiver and manager (collectively, the "Receiver") of the Mortgaged Property with or without bond.

### **14.02 Proceeds of Sale**

If the Mortgaged Property is sold by public auction, private sale or court order, we will, subject to the rights of your creditors who rank in priority to this Mortgage, use the net amount received by us from the sale to pay the amounts due and owing under this Mortgage. Any surplus will be paid:

- (1) according to the court order, if the Mortgaged Property is sold by court order; or
- (2) to you or any other person entitled by law to such proceeds, if the Mortgaged Property is sold other than by Court order.

If the amount received from the sale is not sufficient to fully pay the amounts due under this Mortgage, you will pay the unpaid amount to us.

#### **14.03 Not a Mortgagee in Possession**

Neither the provisions of this Mortgage nor the exercise of the powers provided in this Mortgage will make us a mortgagee in possession, and we will not be accountable except for the moneys actually received by us.

#### **14.04 Remedies Cumulative**

All remedies available to us under this Mortgage will be in addition to and not restrictive of our remedies at law, in equity and by statute.

#### **14.05 Enforcement of Remedies**

Each of our remedies may be enforced in priority to or concurrently with or subsequent to any of our other remedies.

#### **14.06 Other Securities Held by Us**

If we hold other securities as security for repayment of the Mortgage Moneys, or any part thereof, we may realize on those securities or this Mortgage in any order we decide. Any action under those securities will not prevent action being taken under this Mortgage and vice versa.

### **ARTICLE 15 – RECEIVER**

#### **15.01 Receiver's Powers**

Subject to any limitations in the instrument in writing, or any order of a court of competent jurisdiction appointing a Receiver, any Receiver appointed by us will have the following powers:

- (1) to take possession of the Mortgaged Property;
- (2) to lease (or, if applicable, sublease) the Mortgaged Property or any portion thereof and receive and collect the rents, issues and profits thereof;
- (3) to carry on or concur in carrying on any of your businesses which are involved with, include, or are conducted on the Mortgaged Property. In particular, the Receiver will have the power to maintain and preserve

- the Mortgaged Property and complete any incomplete improvements being constructed on the lands forming part of the Mortgaged Property;
- (4) to pay any or all debts and liabilities in connection with the Mortgaged Property;
  - (5) to make any arrangements or compromises which he considers expedient;
  - (6) to borrow money upon the security of the whole or any part of the Mortgaged Property;
  - (7) to maintain the whole or any part of the Mortgaged Property in a manner that will be sufficient to obtain the amounts which are from time to time required in his opinion. In so doing the Receiver may issue certificates (each herein called a "Receiver's Certificate") that may be payable as he considers expedient and bear interest as stated therein. The amounts from time to time payable under any Receiver's Certificate will charge the Mortgaged Property in priority to this Mortgage and you hereby charge the Mortgaged Property with the debt, if any, owing from time to time under any Receiver's Certificate;
  - (8) to institute and prosecute all suits, proceedings and actions which he considers necessary or advisable for the proper protection of the Mortgaged Property; and
  - (9) to defend all suits, proceedings and actions against you or him and to appear in and conduct the prosecution and defence of any suit, proceeding or action and appeal any suit, proceeding or action.

#### **15.02 No Obligation to Marshal**

In exercising his powers hereunder, any Receiver will be free to deal with the Mortgaged Property and any of your assets relating thereto in such order or manner as he may be directed by us, any rule of law or equity to the contrary notwithstanding. The Receiver will not be under any obligation to marshal in your favour.

#### **15.03 Application of Revenue**

The net revenue received from the Mortgaged Property and the net proceeds of sale of the Mortgaged Property or any part thereof will be applied by the Receiver, subject to the claims of your creditors, if any, which rank in priority to this Mortgage, as follows:

- (1) firstly, in payment of all costs, charges and expenses of and incidental to his appointment and the exercise by him of all or any of his powers, including his reasonable remuneration and all amounts properly payable to him;

- (2) secondly, in payment to us of all Other Amounts;
- (3) thirdly, in payment to us of outstanding interest; and
- (4) fourthly, in payment to us of the outstanding Principal Amount.

Any surplus remaining after the foregoing deductions will be paid to you unless any person claims a charge against all or a portion of the surplus in which case the Receiver will dispose of all or any portion of the surplus as the Receiver deems appropriate in the circumstances.

#### **15.04 Removal & Reappointment**

Any Receiver appointed by us may be removed by us and another Receiver appointed in his place.

#### **15.05 Receiver is Agent of Borrower**

Any Receiver appointed by us will be your agent. You will be responsible for all actions of the Receiver and for his remuneration. Nothing done by the Receiver will make us liable as a mortgagee in possession.

### **ARTICLE 16 – CONSOLIDATION**

#### **16.01 Consolidation of All Mortgages on Default**

The doctrine of consolidation will apply to this Mortgage and any other mortgages granted by you to us. This means that if you have granted any other mortgages to us then, after an Event of Default, we may consolidate this Mortgage with all of the mortgages so that you cannot repay any of the mortgages without repaying all of the mortgages.

### **ARTICLE 17 - DISCHARGE OF MORTGAGE**

#### **17.01 Discharge of Mortgage from Title to Mortgaged Property**

Subject to the provisions of Section 9.01, when the Mortgage Moneys have been paid in full, we will, at your request, prepare and sign a discharge of this Mortgage (the “Discharge of Mortgage”). We will give the Discharge of Mortgage to you when you pay the following fees and expenses:

- (1) our standard fee of One Hundred and Fifty Dollars (\$150.00) for signing a discharge of mortgage; and
- (2) all of our expenses of preparing and signing the Discharge of Mortgage.

## **17.02 Registration of Discharge**

You will be responsible for registering the Discharge of Mortgage to remove this Mortgage from the title to the Mortgaged Property.

## **ARTICLE 18 - SUBDIVISION & PARTIAL DISCHARGES**

### **18.01 Subdivision of the Mortgaged Property**

If the Mortgaged Property is subdivided:

- (1) each subdivided lot will be charged with the whole amount due under this Mortgage; and
- (2) we cannot be required by anyone to discharge this Mortgage against any subdivided lot unless the Mortgage Moneys are paid when due.

### **18.02 Partial Discharge of the Mortgage**

We are not obligated to provide any partial discharge of this Mortgage unless it is so stipulated in the Mortgage Form or unless we, in our sole and absolute discretion, decide to discharge this Mortgage from any part of the Mortgaged Property in return for such consideration as we require. If we discharge any part of the Mortgaged Property from this Mortgage, this Mortgage will continue against the rest of the Mortgaged Property that has not been discharged.

## **ARTICLE 19 – CONDOMINIUM PROVISIONS**

### **19.01 Condominium Units**

If the Mortgaged Property includes any condominium unit, this Article 19 will apply.

### **19.02 Obligations under *Condominium Property Act***

You will fulfill all the obligations of a condominium unit owner under the *Condominium Property Act*, the declaration, by-laws and regulations of the condominium corporation, and will pay all contributions levied by the condominium corporation.

### **19.03 Assignment of Voting Rights**

You assign to us your right to vote under the condominium corporation's declaration, by-laws or regulations on matters relating to insurance, maintenance, finance or other matters relating to our security. Nothing in this Mortgage requires us to vote or to protect your interests. Notwithstanding the above, we agree that such assignment will not take effect until and unless we become a mortgagee in possession.

#### **19.04 Not Mortgagee in Possession**

Nothing in Article 19 will make us a mortgagee in possession.

#### **19.05 Notices & Statements**

At our request, you will give to us copies of all notices, financial statements and other documents from time to time given to you by the condominium corporation.

#### **19.06 No Leases Over Three Years**

You will not lease any condominium unit for a term of three years or more.

### **ARTICLE 20 - NOTICES & DEMANDS**

#### **20.01 Service of Notices & Demands**

Any notice or demand to be given to you may be given by facsimile or delivered by mail to you at the address set out in this Mortgage or at such other address that you have given us notice of in writing. Any notice or demand to be given to us may be given to us by facsimile or delivered or mailed to us at the address set out in this Mortgage or at any other address that we have given you notice of in writing. If a demand or notice is sent by facsimile, it will be considered received by the person to whom it is addressed when sent. If a demand or notice is delivered, it will be considered received by the person to whom it is addressed when delivered. If the demand or notice is mailed, it will be considered received by the person to whom it is addressed, three days after mailing except as provided in Section 20.02.

#### **20.02 Labour Disputes**

If there is a labour dispute affecting mail delivery in Canada, any notice or demand which is mailed during, or three days before, the labour dispute will only be considered received when actually received by the person to whom it is addressed.

### **ARTICLE 21 - MISCELLANEOUS**

#### **21.01 Equity of Redemption**

No extension of time given by us to you, or anyone claiming under you, nor any other dealing by us with the owner of the equity of redemption of the Mortgaged Property, will in any way affect or prejudice our rights or remedies against you or any other person liable for the payment of the Mortgage Moneys, either in whole or in part.

#### **21.02 Fixtures**

All fixtures which are now or which are hereafter owned by you and put upon the lands or any of the buildings and other improvements forming part of the Mortgaged Property, are or will thereafter be deemed to be part of the Mortgaged Property and

security for the Mortgage Moneys, even though not attached otherwise than by their own weight.

### **21.03 Additional Security**

The provisions of this Mortgage and the security of this Mortgage are in addition to, but not in substitution for, any other security now or hereafter held by us for the Mortgage Moneys, or any part thereof.

### **21.04 Estoppel Certificate**

Within seven (7) days after receipt of a request to do so, you will certify to us, or any person designated by us, the amount of the Mortgage Moneys then due hereunder, the date to which interest is paid, that you have no right of set-off against the Mortgage Moneys or, if you have such a right of set-off, the amount thereof, and that there have been no amendments hereof or, if there has been any such amendment, specifying it.

### **21.05 Extension. Renewal of Mortgage**

Any extension of the term of payment of the Mortgage Moneys, or any part thereof, and any agreement increasing or decreasing the Interest Rate prior to the execution of the discharge of this Mortgage by us need not be registered in a registry of deeds or land registration office, but will be effectual and binding on you, the Covenantor (if any) and any other person liable for payment of the Mortgage Moneys, in whole or in part. Furthermore, it will not be necessary to register any such agreement in order to retain priority of this Mortgage so altered over any instrument registered as a charge against the Mortgaged Property subsequently to the registration of this Mortgage.

### **21.06 Returned Cheques**

The Borrower shall, in addition to the sum due for principal and interest hereunder, pay to the Lender the sum of Two Hundred Dollars (\$200.00) as liquidated damages and not as a penalty for each of the Borrower's post-dated cheques which are returned to the Lender as non-negotiable after being presented for payment. Such sum shall be a charge upon the Property and bear interest at the rate hereinbefore stated.

### **21.07 Default Under Prior Charges**

The Borrower further covenants and agrees that any default under the Prior Charges shall be deemed to be a default hereunder and entitle the Lender to exercise any and all remedies available to the Lender in the event of default hereunder. Further, the Lender, at its sole option and discretion, may make any payment or cure any default under the Prior Charges and any amount or amounts so paid, together with all costs, charges, expenses and outlays of the Lender thereby incurred, shall be added to the monies payable hereunder, bear interest at the Interest Rate from the date expended until paid, be payable with interest as aforesaid forthwith by the Borrower to the



Lender without demand and be a charge on the lands and the Lender shall have the same rights and remedies to enforce payment thereof as the Lender would have in the event of default in payment of any monies hereunder.

### **21.08 Administrative Costs**

The Borrower shall pay, on demand, the Lender's reasonable administrative costs and charges arising out of or incurred by the Lender in connection with its administration of this Mortgage and the review, execution and delivery of any documents which the Lender is requested to prepare or execute in connection herewith. If any such amount is not paid on demand, it shall be added to the Mortgage Moneys and bear interest at the Interest Rate. The Lender shall have the same right with respect to collection of any such amount as it does with respect to the collection of the principal amount and interest under this Mortgage, in law or in equity.

## **ARTICLE 22 - INTEREST RATE ALTERNATIVE**

### **22.01 Interest Rate Alternative**

Subject to the provisions of Section 23.01, if the Interest Rate would, except for this clause, be a criminal rate, or void for uncertainty, or unenforceable for any other reason, or not capable of being ascertained, or is determined by court to be subject to deemed reinvestment of interest, then, the Interest Rate will be one percent (1%) per annum less than the minimum rate which would be a criminal rate calculated in accordance with generally accepted actuarial practices and principles.

## **ARTICLE 23 - MAXIMUM RETURN TO LENDER**

### **23.01 Maximum Return**

You agree that, notwithstanding any agreement to the contrary, no Interest on any Credit Advance will be payable in excess of that permitted by the laws of Canada. If the effective annual rate of Interest, calculated in accordance with generally accepted actuarial practices and principles, would exceed 60% on the Credit Advanced, then:

- (1) the amount of any fees payable in connection therewith will be reduced to the extent necessary to eliminate such excess;
- (2) any remaining excess that has been paid will be credited towards prepayment of the Principal Amount; and
- (3) any overpayment that may remain after such crediting will be returned forthwith upon demand.

In this paragraph the terms "Interest" and "Credit Advance" have the meanings given to them in section 347 of the *Criminal Code*.

## **ARTICLE 24 - COMMITMENT LETTER**

### **24.01 Commitment Letter**

The provisions of any commitment letter (including the Solicitor's Instructions & Commitment) entered into by you and us in connection with the Principal Amount (the "Commitment Letter") which are not expressly restated in this Mortgage or in any other editorial or other security documentation which is to be executed and delivered to us by you or any guarantor or covenantor, will survive the execution and registration of this Mortgage and the collateral or other security documents to be delivered with this Mortgage. Furthermore, there will be no merger of those provisions in this Mortgage or the collateral or other security documents, until we and you, by an appropriate instrument in writing so declare. If any conflict at any time exists between any term of the Commitment Letter and any term of this Mortgage, then we shall decide which term will govern and take precedence. You also agree that a default under the terms of the Commitment Letter will constitute a default under this Mortgage and will entitle us to exercise all of our rights and remedies contained in this Mortgage.

## **ARTICLE 25 - SALE OR TRANSFER**

### **25.01 Due on Sale**

Except as contemplated by the Commitment Letter and by Prior Charges:

- (1) if you sell, transfer, convey, assign or otherwise dispose of the Mortgaged Property or any part thereof, or you enter into any agreement to effect any of the foregoing, whether by registered or unregistered instrument and whether for valuable or nominal consideration or otherwise, to a party not first approved by us in writing; or
- (2) if such purchaser, grantee, transferee or assignee should fail to:
  - (a) apply for and receive our written approval as aforesaid;
  - (b) if required by us, personally assume all your obligations under this Mortgage; and
  - (c) if required by us, execute an assumption agreement in the form required by us; then we, at our option may declare the Mortgage Moneys to become immediately due and payable in full and you will immediately pay those moneys to us.

### **25.02 Meaning of Assigned**

If you are a body corporate, the word "assigned" as used in Section 25.01 includes any transfer, sale, assignment, bequest, inheritance, encumbrance or other disposition of your issued and outstanding shares which has the result of changing

the identity of the person(s) who, while this Mortgage remains outstanding, exercise(s) effective voting control of you.

### **25.03 Servicing Fee**

We will be entitled to charge a reasonable servicing fee to process each application for approval as herein contemplated by Section 25.01, which fee will be payable immediately upon demand. Your failure to pay such servicing fee will be deemed to be an Event of Default. You agree that any approval given hereunder will in no way change your liability to us or in any way alter our rights as against you or any other person liable for payment of the Mortgage Moneys, in whole or in part.

## **ARTICLE 26 – INTERPRETATION**

### **26.01 Headings**

The headings in this Mortgage are for reference only and will not be used in the interpretation of this Mortgage.

### **26.02 Invalid Provisions**

If any provision in this Mortgage is found to be invalid or unenforceable, the rest of this Mortgage will not be affected by the invalid or unenforceable provision.

### **26.03 Singular or Masculine Words**

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

### **26.04 More than One Borrower**

If you (or the Covenantor or the Releasor) are more than one person, each one of you will be jointly and separately (that is, not proportionately) responsible for all of your promises and obligations under this Mortgage.

### **26.05 Persons Bound**

This Mortgage will be binding on all persons signing this Mortgage and on their respective executors, administrators, successors in title, and assigns and will continue for our benefit and the benefit of our successors and assigns.

### **26.06 Capacity**

If the Mortgaged Property, or any portion thereof is held by you as a partner of a firm, as a trustee, as an agent, or in any other similar capacity, whether fiduciary or otherwise:

- (1) each and every warranty, representation, promise, agreement, term, condition, proviso and stipulation; and

- (2) each and every grant, mortgage, assignment and other charge constituted hereby,

made by or imposed upon you hereunder shall be and be deemed to be jointly and severally made by or imposed upon you and the partnership, the beneficiary (or beneficiaries) of the trust, the principal(s) of the agent, or other entity (or entities), as the case may be, and each grant, mortgage, assignment and other charge contained in this Mortgage will be deemed to be a grant, mortgage, assignment or charge of the estate, right, title and interest of the partnership, the beneficiary (or beneficiaries), the principal(s), or such entity (or entities), as the case may be, in and to the Mortgaged Property as well as being a grant, mortgage, assignment or other charge of your estate, interest and title in and to the Mortgaged Property, it being the intention of the parties hereto that this Mortgage shall constitute a charge against both the legal and beneficial title to the Mortgaged Property.

### **26.07 Time of the Essence**

Time will be of the essence of this Mortgage.

## **ARTICLE 27 – COVENANTOR**

### **27.01 Covenantor**

This paragraph applies if this Mortgage has been executed by a “Covenantor”. If so, the Covenantor for the sum of Ten Dollars (\$10.00) of lawful money of Canada and other good and valuable consideration now paid by us to the Covenantor (the receipt and sufficiency of which is hereby acknowledged), hereby promises to and agrees with us, as a principal debtor and not as a surety:

- (1) to duly and punctually pay the Mortgage Moneys and to observe and perform (or cause to be observed and performed) all the promises, terms, provisos, stipulations and conditions to be observed and performed by you in this Mortgage and to indemnify, protect and save harmless us from all loss, costs and damage in respect of this Mortgage and every matter and thing contained in this Mortgage;
- (2) that:
  - (a) no release or releases of any portion or portions of the Mortgaged Property and no indulgence shown by us in respect of any default by you, which may arise under this Mortgage;
  - (b) no extension or extensions granted by us to you for payment of the Mortgage Moneys, in whole or in part, or for the doing, observing or performing of any promise, agreement, matter or thing contained in this Mortgage, to be done, observed or performed by you;

- (c) no variation in or departure from the provisions of this Mortgage including but not limited to any variation or increase of the Interest Rate or any extension of the term of payment of the Mortgage Moneys; and
- (d) no taking of further security from you, nor any other dealings between us and you,

will in any way prejudice us or modify, alter, vary or affect the liability of the Covenantor in any way under this covenant, which shall continue and be binding on the Covenantor, as well after as before default under, judgment upon, or maturity of this Mortgage, until the Mortgage Moneys are fully paid and satisfied;

- (3) that we will not be bound to exhaust our recourse against you or any other person before enforcing our rights against the Covenantor;
- (4) that any failure on our part to perfect, maintain or enforce our rights, whether due to default, negligence or otherwise on our part, with respect to this Mortgage, or any other security granted to us relating to this Mortgage, or the Mortgage Moneys either in whole or in part, will not prejudice us with respect to our rights pursuant to this covenant and will not discharge or limit or lessen the liability of the Covenantor pursuant to the terms of this covenant;
- (5) that the release of any person or persons comprising the Covenantor from his or her or its liability under this covenant, in whole or in part, will not affect the liability of any person or persons remaining as Covenantor, which liability will in each instance remain unimpaired and still in full force and effect as if each person being so released had not been party to this Mortgage; and
- (6) that we may vary any agreement or arrangement with any or all of the persons comprising the Covenantor and grant extensions of time to or otherwise deal with the Covenantor without any consent on your part.

## **ARTICLE 28 - ASSIGNMENT OF RENTS**

### **28.01 Assignment of Rents**

As security for the performance and observance of your obligations and liabilities to us under this Mortgage, and until such time as your obligations and liabilities have been fully paid and satisfied, you hereby assign to us all rents and other moneys now due and payable or hereafter to become due and payable (the "Rents") to you:

- (1) under every existing and future lease or sublease of (and agreement to lease or sublease) the whole or any portion of the Mortgaged Property;

- (2) in respect of every existing and future tenancy, or sub tenancy, agreement as to use or occupation and license, in respect of the whole or any portion of the Mortgaged Property, whether or not made pursuant to any written lease, sublease, agreement or license;
- (3) under every existing and future guarantee of all or any of the obligations of any existing or future tenant, sub-tenant, user, occupier or licensee, of a user, occupier or licensee of the whole or any portion of the Mortgaged Property; and
- (4) under every future agreement to assume the obligations of any existing or future tenant, sub-tenant, user, occupier or licensee of the whole or any portion of the Mortgaged Property;

(all of the foregoing leases, subleases, agreements, licenses and guarantees being hereinafter referred to as the "Assigned Leases" and individually an "Assigned Lease"), together with the benefit of all covenants and rights therein contained, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in your name or in the name of the owner of the Mortgaged Property from time to time.

#### **28.02 Conditional on Default**

You will be permitted to collect and receive the Rents as and when they become due and payable according to the terms of each of the Assigned Leases until the occurrence of an Event of Default. On the occurrence of an Event of Default, we may give written notice to each tenant, sub tenant, occupier, licensee of the Mortgaged Property, or any part thereof and any guarantor of any such person, advising of the occurrence of an Event of Default. You hereby irrevocably direct each such tenant, sub-tenant, occupier, licensee or guarantor, upon being furnished with a true copy of this Mortgage and the aforesaid notice in writing, to make it's payments of rental due after receipt of such notice, to us or as we may direct, without any further direction or authority.

#### **28.03 Covenants**

You promise that:

- (1) you have not done and you will not do or omit to do any act having the effect of terminating, canceling or accepting surrender of any of the Assigned Leases or of waiving, releasing, reducing or abating any of your rights or remedies, or obligation of any other party thereunder;
- (2) none of the rights, remedies or obligations described in paragraph (a) are or will be affected by any other agreement, document or understanding or by any reduction, abatement, defence, set-off or counterclaim, except as herein expressly provided;

- (3) none of the Assigned Leases or your rights thereunder including the right to receive the Rents, has been or will be amended, assigned, encumbered, discounted or anticipated;
- (4) none of the Rents has been or will be paid in advance for a period exceeding one (1) month;
- (5) none of the remainder of the Rents has been or will be paid prior to the due date for payment thereof;
- (6) there is no existing default in payment of Rents under any of the Assigned Leases by any of the parties thereto;
- (7) there is no outstanding dispute under any of the Assigned Leases between you and any other party thereto;
- (8) you will observe and perform all of your obligations under each of the Assigned Leases;
- (9) a true copy of each of the Assigned Leases will be delivered by you to us on our demand;
- (10) you will execute such further assurances as we may require from time to time to perfect this assignment. In particular, but without limiting the generality of the foregoing, whenever any future Assigned Lease is made or arises, you will, upon demand, immediately give us a specific assignment of the Rents and guarantees thereunder, if any, similar to this assignment and you will give any other parties thereto notice of such assignment and will obtain from them acknowledgments of such notice;
- (11) you will not lease or sublease or agree to lease or sublease or grant any license, sublicense or agreement as to use or occupation of any part of the Mortgaged Property except at a rent and on terms and conditions and to tenants which are not less favourable or desirable to you than those which a prudent landlord would expect to receive for the premises to be leased or subleased;
- (12) nothing contained in this assignment will have the effect of making us responsible for the collection of any Rents, or for the performance of your obligations and liabilities under or in respect of any of the Assigned Leases. Also we will not, by virtue of this assignment or our receipt of any Rents become or be deemed a mortgagee in possession of the Mortgaged Property. Furthermore, we will not be under any obligation to take any action or exercise any remedy to collect or recover of any of the Rents, or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of any of the Assigned Leases. In that regard we will only be liable to account

for such moneys as actually come into our hands, less proper collection charges and we may apply such moneys on account of the Mortgage Moneys in such manner as we deem advisable; and

- (13) we may from time to time and at any time waive in whole or in part the benefit to us of any provision in this assignment or any default by you under this Mortgage, but such waiver on any occasion will be deemed not to be a waiver of provisions thereafter or of any subsequent default.

## **ARTICLE 29 - ADDITIONAL ASSIGNMENTS**

### **29.01 Assignments**

Without in any way affecting or releasing your liability to us for the payment of the Mortgage Moneys and. in consideration of the sum of Ten Dollars (\$10.00) of lawful money of Canada and other good and valuable consideration now paid by us to you (the receipt and sufficiency of which is hereby acknowledged by you):

- (1) you assign, transfer and set over to us any moneys due and payable to you by an expropriating authority upon an expropriation of any or all of the Mortgaged Property up to the amount of the Mortgage Moneys outstanding at the date you cease to be the registered owner of that portion of the Mortgaged Property affected by any such expropriation. You promise to execute and deliver any such further or additional documentation which we, in our sole discretion, may deem necessary to effect the above assignment or which is requested by the expropriating authority. You also promise to forward to us copies of any documentation relating to an expropriation or proposed expropriation of the Mortgaged Property, or any portion thereof, forthwith upon your receipt of the same; and
- (2) you assign, transfer and set over to us all of your right, title, claim, demand and interest whatsoever at law or in equity or otherwise to indemnification, express or implied, of and from the performance and observance of any and all of the terms of this Mortgage, including without limitation payment of the whole or any portion of the Mortgage Moneys by any purchaser of the Mortgaged Property, or any part thereof, from you.



## **ARTICLE 30 – CONSENT OF SPOUSE (RELEASOR)**

### **30.01 Consent of Spouse**

The spouse of the Borrower consents to the granting of this Mortgage by the Borrower and releases to the Lender any claim or interest that the spouse has or may have in the Property under any applicable matrimonial laws of the province where the Property is located as far as such release is necessary to give effect to the Lender's rights under this Mortgage.