



Mortgage

The parties to this Mortgage are:

● **[Include both husband and wife as Mortgagors if married]**

“Mortgagor(s)”

and

Equitable Bank, a body corporate,
(the “Mortgagee”)

and

●

the “Spouse of the Mortgagor”

and

●

the “Guarantor”

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Mortgagor as beneficial owner grants the Mortgage and assigns, transfers and conveys unto the Mortgagee, its successors and assigns forever, as security for payment of the Debt, the aggregate balance of which (exclusive of Interest and any other charges payable under this Mortgage at any given time) shall not exceed the Principal Amount (as hereinafter provided) in relation to this Mortgage, the Mortgagor’s entire interest in the Property, as described in Schedule “A”.

The Principal sum and Interest are to be paid as follows:

Principal Sum: \$ _____ of lawful money of Canada advanced to the Mortgagor on this Mortgage.

Interest Rate: ____ % per annum compounded semi-annually not in advance.
OR
Equitable Bank’s prime rate of interest as it will vary from time to time, plus/minus ____% per year, calculated monthly, not in advance.

The definitions, terms, conditions and covenants set out in the Mortgage Covenants attached as Schedule "B" are incorporated in and form part of this Mortgage and the signatories hereto agree to be bound thereby.

Signed and delivered in the presence of:

Mortgagor

Mortgagor

[Attach the affidavit of status or execution as required in the Province in which the Property is located]

SCHEDULE "A"
Legal Description of the Property

SCHEDULE "B"

EQUITABLE BANK
MORTGAGE COVENANTS
pursuant to the
Conveyancing Act (Newfoundland & Labrador)



**Conveyancing Act (Newfoundland & Labrador)
Mortgage Covenants**

Filed by: **Equitable Bank**

Filing Date:

Filing Number:

This document sets out important terms which apply to the Mortgage under the Conveyancing Act (Newfoundland and Labrador) and are actually part of the Mortgage. We recommend you read this carefully, and you may want to discuss the terms of the Mortgage with a lawyer.

This document describes the financial institution (mortgagee), who is lending you the money, as “We”. The definition of “we” also includes “us”, “our” and “Equitable”.

This document describes the person who is being loaned money and pledging the Mortgage on your Property as “You”. The definition of “you” also includes “your”. ‘You’ also includes anyone who guarantees your payments and Promises.

We are lending you money and we protect our interests through the Mortgage on your Property, which gives us certain rights, if you do not do what you promise to do. The specific terms that apply to your Mortgage (for example, the interest rate) are set out in a document that you sign and is registered, or which is authorized by you, prepared in electronic format and registered electronically. We call this the Registered Mortgage.

Generally, when a word is capitalized, the word is defined in Article 1. You should read Article 1 carefully.

PART A - GENERAL PROVISIONS (Applicable to all Mortgages)

ARTICLE 1 DEFINITIONS

1.01 Definitions

In this set of Mortgage Covenants and in any Mortgage incorporating these Mortgage Covenants, the following words have the following meanings:

"Amendment" means any document or agreement Approved by both you and Equitable that changes any term of the Mortgage, including, without limitation, changes to the amount of a Regular Payment, changes to the frequency of payments and any agreement to renew or extend the Mortgage.

"Approved" means agreed to in writing. "Approve, "Approves" and "Approval" have corresponding meanings.

"Balance Due Date" means the date the Principal Amount is due and payable as indicated in the Mortgage or other date Approved by you and Equitable. This date is the same date as the Last Payment Date.

"Business Day" means a day other than a Saturday or a Sunday, on which the main commercial banks in Toronto, Ontario are open for commercial banking business during normal banking hours.

"Collateral Loan Debt" means all present and future amounts owing by you to Equitable other than Fixed Rate Debt and Variable Rate Debt, including Interest, a line of credit agreement, loan agreement, guarantee or any other document that you have agreed in writing will be secured by the Mortgage on the Property in respect of each Loan. Without limiting the previous sentence, Collateral Loan Debt includes any debt, past, present or future, direct or indirect, absolute or contingent, matured or not, remaining unpaid by you to Equitable, in any currency, whether arising from dealings between you and Equitable or from any other dealings or proceedings by which Equitable may in any manner be or become your creditor, however incurred, whether incurred by you alone or with others and whether as principal or as surety, that you have agreed in writing will be secured by the Property; provided, for the avoidance of doubt, that any Collateral Loan Debt in respect of any loan(s) that is/are insured and/or financed by Equitable under an NHA Program shall have priority as to payment, collection and in respect of Collateral Mortgage enforcement over any other loan, irrespective of the time or order of any loan, made by Equitable to you from time to time secured or to be secured by a Collateral Mortgage that is not insured and/or financed under an NHA Program.

"Collateral Loan Interest Rate" means the annual interest rate applicable to a Collateral Mortgage.

"Collateral Loan Principal Amount" means the portion of the Principal Amount that bears Interest at the interest rate or rates set out in the Credit Documents.

"Collateral Mortgage" means a Mortgage that secures Collateral Loan Debt.

"Commitment Letter" means a document Approved by both you and Equitable in which Equitable commits to providing you with mortgage financing, including an advance, a loan or a line of credit, which sets out the terms of that mortgage financing, and which may include the disclosure of the cost of borrowing mandated by the *Bank Act* (Canada).

"Common Expenses" means the expenses related to the performance of the objects and duties of the Condominium Corporation, and all expenses specified as common expenses in the *Condominium Act* or in the Declaration.

"Condominium Act" means the *Condominium Act, 2009* (SNL 2009, Chapter C-29.1) (as amended or replaced).

"Condominium Corporation" means the condominium corporation that was created by the registration of the Declaration and the Description of land on which the Property is a part.

"Convey" means selling, conveying, disposing of, transferring or leasing, or entering into an agreement to sell, convey, dispose of, transfer or lease (whether by operation of law or otherwise); "Conveyed" has a corresponding meaning.

"Confidential Personal Information" means any and all information or data protected by Privacy Laws, including (without limitation) information or data that: (a) is personal information or information about an identifiable individual (as more particularly defined in the applicable Privacy Laws) that was collected, used, disclosed or

accessible to such party; or (b) is information from which an individual or individual's identity can be ascertained either from the information itself or by combining the information with information from other sources available to the parties.

"Costs" means any fees, costs, charges and expenses relating to:

- (i) the Approval, preparation, execution and registration of the Mortgage, any document connected with the Mortgage and any Amendment, discharge or transfer of the Mortgage;
- (ii) any amounts Equitable is entitled to charge you or pay on your behalf under the Mortgage;
- (iii) any expenses that Equitable incurs in enforcing any of its remedies under the Mortgage;
- (iv) any charges of a municipality or other taxing authority for providing Equitable with information on Taxes, or imposed because Equitable (rather than you) is paying Taxes;
- (v) any inspection of the Property;
- (vi) any environmental testing, site assessment, investigation, study or inspection of the Property;
- (vii) all repairs made to the Property;
- (viii) having to take possession and secure, complete and equip any buildings, structures or Improvements on the Property, including completing construction of the Property;
- (ix) the renewal of any leasehold interest;
- (x) the cost of any Receiver;
- (xi) any expenses incurred in removing a mechanic's lien from title to the Property, obtaining a discharge of a mechanic's lien or defending a mechanic's lien action relating to the Property;
- (xii) each late or missed payment and for replacement of each cheque or other instrument not honoured when presented for payment, or any preauthorized payment which does not clear as scheduled;
- (xiii) any mortgage insurance or title insurance; and
- (xiv) all lawyers' fees and disbursements (including those of Equitable's in-house lawyers) in any way relating to items (i) through (xiii) on a full indemnity basis.

"Credit Documents" means documents Approved by you and Equitable that relate to Fixed Rate Debt, Variable Rate Debt or Collateral Loan Debt. Credit Documents include any Commitment Letter, loan agreement, Mortgage, Collateral Mortgage, promissory note, line-of-credit agreement, guarantee, and any other credit document that we may require, and any amendments or renewals of those Credit Documents.

"Debt" means the sum of Fixed Rate Debt, Variable Rate Debt, Collateral Loan Debt, Costs and all other amounts payable by you under the Mortgage or the Credit Documents; provided, for the avoidance of doubt, that any Debt in respect of any loan(s) that is/are insured and/or financed by Equitable under an NHA Program shall have priority as to payment, collection and in respect of Mortgage enforcement over any other loan, irrespective of the time or order of any loan, made by Equitable to you from time to time secured or to be secured by a Mortgage that is not insured and/or financed under an NHA Program.

"Declaration" means the declaration that was registered pursuant to the *Condominium Act* or any predecessor legislation.

"Default" means failing to meet any of your Obligations, including, but not limited to if you are unwilling or unable to make a required payment.

"Description" means the description registered pursuant to the *Condominium Act* or any predecessor legislation.

"Equitable" means Equitable Bank, the mortgagee or chargee under the Mortgage.

"Equitable Prime Rate" means that annual interest rate (calculated monthly not in advance) that is established from time to time by Equitable, at our discretion, as the interest rate then in effect for determining interest on Canadian dollar mortgages or loans made by Equitable in Canada. The Equitable Prime Rate is available on Equitable's website at equitablebank.ca/mortgage-rates. If it is necessary for Equitable to prove the interest rate in effect we are charging at any time, you agree that the production by us of a written certificate setting out the interest rate at that time is conclusive proof for that purpose.

"Financing Guarantor" means Canada Mortgage and Housing Corporation as guarantor in connection with the financing by Equitable of all or any part of the Obligations.

"First Payment Date" means the date the first payment is due, as indicated in the Mortgage or any other date Approved by you and Equitable.

"Fixed Interest Rate" means the annual fixed rate of interest indicated in the Mortgage or Approved by you and Equitable.

"Fixed Rate Debt" means the Fixed Rate Principal Amount and Interest under a Mortgage having a Fixed Interest Rate.

"Fixed Rate Mortgage" means the portion of a Mortgage securing Fixed Rate Debt.

"Fixed Rate Principal Amount" means the portion of the Principal Amount that bears interest at the Fixed Interest Rate.

"Guarantor" means each guarantor described in the Mortgage or who signs a written document, agreeing to be responsible for all or some of your Obligations and agreeing to be bound by the terms of the Mortgage.

"Improvement" means any construction, installation, alteration, addition, repair or demolition to the Property.

"Insured Mortgage" means a mortgage insured by the Canada Mortgage and Housing Corporation, Genworth Financial Inc., AIG United Guaranty Mortgage Insurance Company Canada, or any other mortgage insurer Approved by Equitable.

"Interest" means the interest owing from time to time under the Mortgage and/or the Credit Documents, calculated at the applicable Interest Rate.

"Interest Adjustment Date" means the interest adjustment date indicated in the Mortgage or any other date Approved by Equitable.

"Interest Period" means the period between two consecutive Regular Payments beginning on a Payment Date and ending on the day before the next Payment Date.

"Interest Rate" means the Fixed Interest Rate, the Variable Interest Rate or the interest rate or rates set out in the Credit Documents, as applicable.

"Last Payment Date" means the date the last payment is due as indicated in the Mortgage or any other date Approved by you and Equitable. This date is the same date as the Balance Due Date.

"Late Interest" means the additional Interest charged by Equitable on both the principal and interest portion, including interest accrued on fees or other charges, of any late Regular Payment. Late Interest will be charged at the Interest Rate.

"Law" means any law, statute, rule, requirement, demand, order, direction, code, guideline, ordinance, by-law, policy or regulation of any government, governmental authority or agency.

"Lease" means any lease, sublease or agreement to lease that gives you your interest in the Property as a tenant, lessee, subtenant or sublessee.

"Leased Property" means your leasehold interest in the Property under a Lease.

"Loan" means each loan made by Equitable to you from time to time pursuant to a Credit Document, on such terms as notified to you from time to time, that you have agreed in writing will be secured by the Mortgage; provided, for the avoidance of doubt, that either (i) each additional loan that is made under a Credit Document after the initial advance (including any new or additional advances, increases to principal, or further borrowings or extensions of the term, including in the case of any fluctuating account or accounts, revolving loans, lines of credit, additional or further advances beyond an initial advance, re-advances, and multiple facilities (each an **"additional advance"** and, collectively, **"additional advances"**)) will be treated as a new Loan, or (ii) the additional advances in the aggregate will be treated as a new Loan, and in each case of (i) or (ii), such new Loan will be treated as a separate and distinct Loan from any Loan that is insured and/or financed under a NHA Program for all purposes including enforcement.

"Monthly Payment" means Regular Payment.

"Mortgage" means the mortgage or charge of the Property signed by you, all schedules and Amendments attached to it, including these Mortgage Covenants, and any notice advising you of a change in the Variable Interest Rate.

"*NHA Program*" means a financing by Equitable or private or public mortgage insurance program under the *National Housing Act* (Canada), R.S.C., 1985, c. N-11 and associated regulations, as such may be amended, re-enacted or replaced from time to time.

"*Obligation*" means each and all of the obligations that you have agreed to perform and all of the promises you have made under the Mortgage and the Credit Documents.

"*Original Principal Amount*" means the original principal that is indicated in the Mortgage.

"*Payment Date*" means the date on which you are to make a Regular Payment as indicated in the Mortgage, or any other date Approved by you and Equitable.

"*Principal Amount*" means that portion of the Original Principal Amount that is outstanding from time to time. Principal Amount includes Variable Rate Principal Amount, Fixed Rate Principal Amount and Collateral Loan Principal Amount.

"*Privacy Laws*" means the *Personal Information Protection and Electronic Documents Act* (Canada) and any regulations thereunder, as amended or supplemented from time to time, and any other similar applicable federal, provincial or territorial legislation now in force or that may in the future come into force in Canada governing the protection of personal information in the private sector applicable to the conduct of business by Equitable, any mortgage loan insurer, the Financing Guarantor, any other person having or proposing to acquire from time to time any interest in all or any part of the Obligations, including any Loan under the related Credit Documents (including their respective advisors, agents, lawyers, accountants, consultants, appraisers, credit verification sources, credit rating agencies and servicers), any other person in connection with any collection or enforcement proceedings taken under or in respect of all or any part of the Obligations, including any Loan or the related Credit Documents and to the activities contemplated herein, together with any common law duties of confidentiality owed by such persons to you or any co-borrower or Guarantor.

"*Property*" means all or any part of (i) the lands described in the Mortgage and includes a "unit" or "units" as defined in the Condominium Act, (ii) any buildings or structures now on those lands or added to those lands at any time and (iii) anything now or later attached or fixed to those lands, buildings or structures.

"*Purchaser*" has the meaning set out in Section 8.01.

"*Receiver*" means a person appointed by Equitable or a Court to collect income from and manage the Property; "Receiver" includes a receiver, or a receiver and a manager.

"*Regular Payment*" means the amount of each payment or the payments indicated in the Mortgage or other payment approved by you and Equitable for either Fixed Rate Debt or Variable Rate Debt.

"*Renewal Agreement*" means an agreement, renewal notice or written letter Approved by Equitable and at least one of you confirming the terms of a renewal or extension of the Mortgage.

"*Taxes*" means all present and future realty taxes (including interim and/or final taxes), rates and assessments of any nature or kind on the Property and includes interest and penalties.

"*Tax Account*" means an account on Equitable's books of account relating to the Mortgage and to which Equitable may add payments made by you under Section 8.05.

"*Term*" means the length of time from the Interest Adjustment Date to the Balance Due Date, or other length of time approved by you and Equitable.

"*Variable Interest Rate*" means the annual interest rate, calculated monthly not in advance, that is based on the Equitable Prime Rate plus or minus the adjustment factor indicated in your Credit Documents and which changes from time to time based on the Equitable Prime Rate. For greater certainty, in this document any reference to "**variable**" also includes reference to "**adjustable**", and vice versa.

"*Variable Rate Debt*" means the Variable Rate Principal Amount, including Interest, under a Mortgage having a Variable Interest Rate.

"*Variable Rate Mortgage*" means the portion of a Mortgage securing Variable Rate Debt.

"*Variable Rate Principal Amount*" means the portion of the Principal Amount that bears Interest at the Variable Interest Rate.

"*Work Order*" means any outstanding building permits, work orders, deficiency notices or any other notice of non-compliance with applicable laws.

"*You*" means each of the persons indicated as chargors or mortgagors in the Mortgage and anyone else who is bound by the Mortgage. "*Your*" has a corresponding meaning.

ARTICLE 2 CHARGE AND PROMISES

2.01 You give your Property as Security.

Subject to section 2.05, in return for Equitable agreeing to loan money to you or to loan money to someone else when you guarantee payment, you agree as follows:

- (i) if you are the owner of the Property, you assign, transfer and convey your entire interest in the Property to Equitable;
- (ii) if the Property includes Leased Property you charge the Leased Property to Equitable as security as set out in Section 9.02;
- (iii) the Mortgage is given as a general and continuing Security to secure repayment of all existing and future advances, Loans or lines of credit from Equitable to you, to secure any existing and future guarantees that you provide to Equitable and to secure your performance of all of the Obligations; and
- (iv) no payment, no revolving or fluctuation of the Debt or liability, no change in the form of Debt or liability nor acceptance or renewal or substitution of any note, instrument or other document evidencing or regarding any of the Debt or liability, will constitute a reduction or discharge in whole or in part of the security for this Mortgage and the Mortgage will not cease to operate and will not be extinguished except as provided herein.

2.02 Your Promises to Equitable.

Subject to section 2.05, you promise and confirm that:

- (i) you will pay all of the Debt to Equitable and perform all of the other Obligations as provided in the Mortgage and the Credit Documents;
- (ii) you are the lawful owner of the Property (unless the Property is Leased Property) and no other person owns all or part of the Property;
- (iii) you have the right to give the Mortgage to Equitable and charge the Property in favour of Equitable;
- (iv) if you do not pay the Debt to Equitable or perform your other Obligations as provided in the Mortgage and the Credit Documents, Equitable may, at its discretion, take possession of the Property free from any interference by you or anyone else living on the Property and free from any interests, encumbrances, limitations or restrictions other than those that Equitable has Approved;
- (v) there are no limitations or restrictions to your title to the Property except those you have disclosed to Equitable in writing and Equitable has Approved;
- (vi) you will, at your expense, sign any other documents and take any further action that Equitable requests in order to ensure that your entire interest in the Property has been charged to Equitable and that the Debt is adequately secured by the Property and the Mortgage;
- (vii) if the Mortgage is not a first mortgage on the Property, you agree not to increase the principal amount owing under any prior mortgage or to re-borrow any amount repaid under a prior mortgage without the Approval of Equitable. Equitable may withhold its Approval for any reason. You promise not to default under any prior mortgage. You consent to Equitable giving notice to the holder of the other mortgage of the existence of this Mortgage and of all of the terms of this Mortgage and the Credit Documents; and
- (viii) if you are a co-owner of the Property, you agree to be bound by all the terms, conditions, promises, covenants, warranties, and other statements contained herein with respect to your undivided interest in the Property.

2.03 The Mortgage is Additional Security.

Subject to section 2.05, you agree that:

- (i) The Mortgage supplements and does not replace any other security we hold for any Debt or other liability of you;

- (ii) You agree that we may pursue our remedies, either at the same time, or one remedy at a time, as we choose; and
- (iii) The fact that we do obtain a judgment or other remedy under a particular security for the Debt secured by the Mortgage will not affect Equitable's rights to enforce any other security.

2.04 Consolidation.

Our right of consolidation applies to the Mortgage and to any other mortgages you give to us. This means that if you default under any of your mortgages to us, then we can, as a condition of your repaying any mortgage, require that you immediately repay all mortgages. The foregoing provision is, however, subject to terms hereof, including that any references or rights, in favour of Equitable or otherwise, with respect to any consolidation of any security, mortgages, loans, or property with respect to any Loan that is insured and/or financed under a NHA Program with any security, mortgages, loans, or property with respect to any Loan that is not insured and/or financed under a NHA Program, are disclaimed by Equitable and not applicable, with the intent that the Mortgage securing only the Loan(s) that are insured and/or financed under a NHA Program be registered against the Property and the Property only secures the Obligations arising from Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness.

2.05 Insurance and Financing by Equitable.

Each of you and any co-borrower and Guarantor hereby acknowledges and agrees that, as provided herein, Equitable, at its option exercisable in its sole discretion, may insure or, in connection with Equitable obtaining any financing under a NHA Program, deal with all or any part of the Obligations, including any Loan and the related Obligations, or any interest therein, without restriction and without notice to you, any co-borrower and Guarantor, or any other person, and that it has consented to such insurance being obtained and/or dealings and that no further notice is required.

Furthermore, with respect to any Loan that is insured and/or financed under a NHA Program, each of you and any co-borrower and Guarantor hereby acknowledges and agrees that:

- (i) any new or additional advances, increases to principal, or further borrowings or extensions of the Term, including in the case of any fluctuating account or accounts, revolving loans, lines of credit, additional or further advances beyond an initial advance, re-advances, and multiple facilities made after the initial advance (each an **"additional advance"** and, collectively, **"additional advances"**), on such terms as notified to you from time to time, are only permitted on the condition that (a) each additional advance is a new Loan, or (b) all such additional advances are in the aggregate a new Loan, and in each case of (a) or (b), the new Loan will be treated as a separate and distinct Loan for all purposes including enforcement, made to you, whether or not same continues to be secured by the Mortgage securing the insured and/or financed Loan, and each of you and any co-borrower and Guarantor covenants and agrees to enter into such additional or new security documentation requested by Equitable to evidence the foregoing, including and without limitation a new Commitment Letter and a new charge;
- (ii) any references or rights, in favour of Equitable or otherwise, with respect to any consolidation of any Security, Mortgages, Loans, or Property with respect to any Loan that is insured and/or financed under a NHA Program, are disclaimed by Equitable and not applicable, with the intent that the Mortgage securing only the Loan(s) that are insured and/or financed under a NHA Program be registered against the Property and the Property only secures the Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness; and
- (iii) any references or rights, in favour of Equitable or otherwise, with respect to any cross-collateralization or cross-default of any Security, Mortgages, Loans, or Property, or the granting of Property as Security for more than one Loan, or more than one Loan being secured by a single Property, in cases where not all of such Loans secured by the Mortgage are insured and/or financed under a NHA Program, are disclaimed by Equitable and not applicable with respect to any Loans that are not insured and/or financed under a NHA Program, with the intent that the Mortgage securing only the Loan(s) that are insured and/or financed under a NHA Program shall be registered against the Property and the Property shall only secure the Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness,

provided, for the avoidance of doubt, that (a) any Obligations in respect of any Loan(s) (including without limitation any costs and expenses with respect thereto) that is/ are insured and/or financed by Equitable under a NHA Program shall have priority as to payment, collection and in respect of Mortgage enforcement over any other Loan made by Equitable to you from time to time pursuant to a Credit Document secured or to be secured by the Mortgage that is not insured and/or financed under a NHA Program; (b) in no event shall Equitable seek an order under any bankruptcy legislation or file or prove a claim in any bankruptcy proceeding or for the appointment of any trustee in bankruptcy in respect of you or a co-borrower or the Guarantor until after the date that the outstanding principal amount of all Loans that are insured and/or financed under a NHA Program are irrevocably discharged in full; and (c) to the extent that all insurance proceeds and realization proceeds arising from or relating to enforcement of the Mortgage are insufficient to irrevocably discharge in full all Obligations, the deficiency in respect of any Obligations other than Obligations in respect of Loans that are insured and/or financed under a NHA Program shall be borne by Equitable, and Equitable shall not pursue any judgment in respect of an amount that is greater than such deficiency.

ARTICLE 3 GENERAL PROVISIONS

3.01 Changes to Your Debt.

Subject to section 2.05:

- (i) at your request and if Equitable Approves, the Mortgage will secure any future Loans, lines of credit and any other advances to you in which the balance owing by you may increase or decrease from time to time and which may for periods of time have nothing owing;
- (ii) these future Loans, lines of credit and advances will be secured by the Property unless the Credit Documents indicate that they are not to be secured by the Property; and
- (iii) the Mortgage will continue to secure all of the Debt and you will continue to be liable for all of the Debt even if one or more of the following occurs:
 - (a) Equitable advances additional money secured by the Mortgage or re-advances money that you have repaid under the Mortgage;
 - (b) the amount of the Debt increases or decreases, or if the Debt is reduced to zero and then increases;
 - (c) the documents that evidence the Debt change, or are replaced; for example if some Credit Documents are replaced by others - even if the new Credit Documents given by you have additional persons or fewer persons promising to pay the amount owing;
 - (d) Equitable increases or reduces the monetary amount of any credit available to you;
 - (e) the form of the Debt changes in any way, for example Variable Rate Debt or Fixed Rate Debt becomes Collateral Loan Debt or the Mortgage secures additional Debt;
 - (f) the Mortgage secures more than one type of Debt (for example Fixed Rate Debt and Collateral Loan Debt) or more than one type of Collateral Loan Debt;
 - (g) the terms applicable to the Debt are changed, for example if the Interest Rate changes, if the Debt or a portion of the Debt is renewed or extended or if the Regular Payments change; or
 - (h) any co-borrower or guarantor dies.

3.02 Application of Payments.

Payments made to us by you shall be applied as set out in these Mortgage Covenants below.

3.03 Place of Payment.

You agree to repay the Debt to Equitable at its head office in Toronto, Ontario or any other place Approved by Equitable.

3.04 Time of Payment.

Any payment that is due on a day that is not a Business Day must be made on the Business Day immediately preceding the due date. Equitable will consider payments received after 1:00 p.m. (Eastern Standard Time) to have been made on the next Business Day.

3.05 Failure to Pay or Perform Obligations.

If you fail to pay any part of the Debt when it is due or if you do not perform any of your Obligations when required, then, at Equitable's option, all of the Debt will immediately become payable. If the Mortgage secures more than one type of Debt (for example Fixed Rate Debt and Collateral Loan Debt) Default under any type of Debt will constitute Default under all types of Debt and Equitable will be able to exercise all of the remedies set out in Article 10 for all types of Debt. If you Default under any prior mortgage (as referenced in Section 2.02(vii)), that Default will be a Default under the Mortgage.

If a Default has occurred all payments made to bring the Debt into good standing shall be made by certified funds or bank draft.

3.06 Costs.

All Costs incurred by Equitable will be immediately payable by you, bear Interest at the highest Interest Rate then chargeable and form part of the Debt. See Article 1 for the definition of Costs.

3.07 Deductions from Advances.

Equitable may deduct from any advance under the Mortgage:

- (i) any Taxes that are due;
- (ii) any Interest due under the Mortgage;
- (iii) all legal fees and disbursements (and applicable taxes) for preparing and registering the Mortgage; and
- (iv) any Costs relating to the Approval, preparation or registration of the Mortgage or the Credit Documents (including fees for mortgage insurance and title insurance).

3.08 Advances under the Mortgage.

Equitable may decide, for any reason, that it will not advance all or any part of the Original Principal Amount even if the Mortgage has been registered and whether or not any part of the Original Principal Amount has previously been advanced to you. Even though Equitable has not advanced any money, the Mortgage will still secure Costs.

ARTICLE 4 COLLATERAL LOAN MORTGAGES

4.01 When This Article Applies.

The provisions in this Article apply if the Mortgage at any time secures Collateral Loan Debt. If the Mortgage secures Collateral Loan Debt and Fixed Rate Debt or Variable Rate Debt, the provisions of this Article apply only to the Collateral Loan Debt.

4.02 Interest Rate.

Interest will be calculated as set out in the relevant Credit Document for the Collateral Loan Debt or, if not set out, will be calculated and compounded monthly, with interest on overdue interest at the same rate. If no interest rate is specified in the relevant agreement, you will pay interest on such part of the Collateral Loan Debt at an interest rate based on Equitable Prime Rate plus thirty percent (30.00%) per annum calculated and compounded monthly. The Interest Rate will change automatically, without prior notice, if and when the Equitable Prime Rate changes.

If there is a change in the Equitable Prime Rate, Equitable may send you notice of the new Interest Rate, but if Equitable fails to do so, you will still be liable to make all payments when due under the Mortgage at the new Interest Rate. These notices form part of the Mortgage. A change in the Interest Rate will become effective on the day that the Equitable Prime Rate changes. If it is necessary for Equitable to prove the Equitable Prime Rate in effect at any time, you agree that the production by Equitable of a written certificate setting out the Equitable Prime Rate at that time is conclusive proof for that purpose.

Interest is payable both before and after demand and both before and after default and judgment.

4.03 Repayment.

Subject to section 2.05:

- (i) You will pay the Collateral Loan Debt to Equitable on demand; and
- (ii) You will pay Interest to Equitable on the Collateral Loan Debt at the interest rate and on the terms set out in the Credit Documents.
- (ii) If any payment is late, you will pay Equitable additional Interest as set out in the Credit Documents.

4.04 Prepayment.

Subject to section 2.05, the Collateral Loan Debt may be prepaid only as set out in the Credit Documents.

4.05 What the Collateral Loan Debt Covers

If you have a revolving line of credit, credit card account, loan, overdraft or similar account where the balance fluctuates, we do not consider the Mortgage to be discharged or released even if the balance goes down to zero

and, in that case, the Mortgage continues to secure any future amounts borrowed by you from time to time, subject to section 2.05

4.06 Other Terms.

Other terms applicable to the Mortgage and the Collateral Loan Debt are set out in the Credit Documents.

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PART B - VARIABLE RATE MORTGAGES (Applicable to Variable Rate Mortgages)

ARTICLE 5 MORTGAGES WITH A VARIABLE INTEREST RATE

5.01 When This Article Applies.

The provisions of this Article apply if the Mortgage initially secures Variable Rate Debt. If the Mortgage secures Variable Rate Debt and Collateral Loan Debt, the provisions of this Article apply only to the Variable Rate Debt.

5.02 Changes in the Variable Interest Rate.

The Variable Interest Rate is based on the Equitable Prime Rate plus or minus the adjustment factor indicated in your Credit Documents and will change with any change in the Equitable Prime Rate. If there is a change in the Equitable Prime Rate, Equitable may send you notice of the new Variable Interest Rate, but if Equitable fails to do so, you will still be liable to make all payments when due under the Mortgage at the new Variable Interest Rate. These notices form part of the Mortgage. A change in the Variable Interest Rate will become effective on the day that the Equitable Prime Rate changes. If it is necessary for Equitable to prove the Equitable Prime Rate in effect at any time, you agree that the production by Equitable of a written certificate setting out the Equitable Prime Rate at that time is conclusive proof for that purpose.

5.03 The Variable Interest Rate.

The Variable Interest Rate payable by you under the Mortgage is a variable rate which may automatically be adjusted following the Interest Adjustment Date and on the first day of each month thereafter.

The Variable Interest Rate on this Mortgage is calculated monthly not in advance and payable monthly, as well as before maturity and both before and after default.

5.04 Variable Interest Rate Payments.

Variable Rate Mortgage – Variable Payment

- (i) The amount of your Regular Payment as at the date of advance is set out in the Credit Documents and is based upon the Interest Rate provided in the Mortgage.
- (ii) You acknowledge that the Variable Interest Rate will vary automatically each time there is a change in the Equitable Prime Rate with or without any notice to you.
- (iii) If the amount of any Regular Payment paid by you is insufficient to pay the Interest accrued under the mortgage at the time such Regular Payment is paid, the Interest accrued which remains unpaid shall itself bear interest at the Variable Interest Rate until paid.

5.05 Repayment.

In addition to those provisions contained in this Article 5, you agree that:

- (i) On the Interest Adjustment Date you will pay Interest to Equitable at the Variable Interest Rate on all amounts advanced, calculated from the date of each advance to but excluding the Interest Adjustment Date.
- (ii) After the Interest Adjustment Date, you will pay Equitable the Variable Rate Principal Amount together with Interest at the Variable Interest Rate on the Variable Rate Principal Amount calculated from the Interest Adjustment Date. You will pay these amounts in Regular Payments beginning on the First Payment Date and continuing on each Payment Date until the Balance Due Date. On the Balance Due Date you will pay the balance of the Variable Rate Debt.
- (iii) If the amount of any Regular Payment is less than the Interest on the Variable Rate Debt due for any Interest Period, any such difference amount for that Interest Period will be added to the Variable Rate Principal Amount and then bear Interest at the Variable Interest Rate.
- (iv) If a Regular Payment is late you will pay Late Interest.
- (v) You will continue to pay Interest at the Variable Interest Rate until all of the Variable Rate Debt has been repaid.

5.06 Your Right of Conversion

You, when never having been in default under the terms of this Mortgage, shall have the option at any time during the Term of this Mortgage, of converting a Variable Rate Mortgage to a Fixed Rate Mortgage with a term greater than or equal to the remaining Term. The Mortgage will be converted for the remaining Term on the original Mortgage upon receipt of a written request made

by you and delivered to us at our head office located in the Province of Ontario. The Interest Rate for the converted mortgage shall be based on our prevailing posted Interest Rate in effect on the date the written request for conversion is received by us, plus a premium or minus a discount as established by us, in our sole discretion. The conversion to a Fixed Rate Mortgage will take effect on the next scheduled Regular Payment date applicable under the Mortgage following receipt by us of the written request of conversion to a Fixed Rate Mortgage. If you decide to exercise this right of conversion, you will agree to also execute, at our request, an amendment setting out the new terms.

5.07 Compound Interest

- (i) If any Regular Payment is late, Equitable will calculate Late Interest every day at the Variable Interest Rate on the full amount that is late.
- (ii) Equitable will add Late Interest to the Debt at the end of each Interest Period.
- (iii) You promise to pay this compound interest, both before and after default and judgment, until the Debt is paid.
- (iv) You promise to pay this compound interest immediately when we ask you to pay it.

5.08 Application of Regular Payments.

When Equitable receives a Regular Payment, Equitable will first apply it to Late Interest, if any. Next Equitable will apply it to Interest on the Variable Rate Principal Amount. Finally Equitable will apply any remaining part of the Regular Payment to reduce the Variable Rate Principal Amount. Equitable may also decide to apply a Regular Payment to other amounts you may owe to third parties whose claims might constitute a higher priority interest to the Mortgage, for example Taxes, in any order Equitable determines in its sole discretion. The foregoing is subject to section 2.05.

5.09 Prepayment for Open Mortgages.

If the portion of the Mortgage securing Variable Rate Debt is open for prepayment and if you have performed all of your Obligations to date then you may prepay all or part of the Variable Rate Principal Amount on any Payment Date without notice or additional charge. If you make a partial prepayment of the Variable Rate Principal Amount, you must continue to make the Regular Payments on the Payment Dates until all of the Variable Rate Debt is paid.

5.10 Prepayment for Closed Mortgages.

The terms of your right, if any, to prepay all or part of the Variable Rate Debt before the Balance Due Date shall be described in your Credit Documents.

5.11 Prepayment for Renewed or Extended Mortgages.

The prepayment provisions set out in this Article are available only during the original Term. If the terms of the Mortgage are renewed or extended and the Renewal Agreement contains prepayment provisions, you agree to be bound by the prepayment provisions set out in the Renewal Agreement. If the terms of the Mortgage are renewed or extended and the Renewal Agreement does not contain prepayment provisions you agree to abide by the prepayment provisions set out in the original Commitment Letter.

5.12 Portability

If we agree in writing, which agreement may be withheld at our sole discretion, you may transfer your existing Mortgage to a new property or you may combine your existing Mortgage amount with additional funds and, depending on the remaining term of the existing Mortgage, obtain an extended term. The Interest Rate on the replacement Mortgage will be a blend of the interest rate you were paying on the funds transferred from your existing mortgage and the rate applicable to the term of the replacement mortgage and/or additional amount, as determined by us.

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PART C – FIXED RATE MORTGAGES (Applicable to Fixed Rate Mortgages)

ARTICLE 6 MORTGAGES WITH A FIXED INTEREST RATE

6.01 When This Article Applies.

The provisions of this Article apply if the Mortgage secures Fixed Rate Debt. If the Mortgage secures Fixed Rate Debt and Collateral Loan Debt, the provisions of this Article apply only to the Fixed Rate Debt unless we advise otherwise. A schedule to the Mortgage will indicate if the Mortgage secures Fixed Rate Debt.

6.02 Repayment.

- (i) On the Interest Adjustment Date, you will pay Interest to Equitable on all amounts advanced, calculated from the date of each advance to, but excluding, the Interest Adjustment Date.
- (ii) After the Interest Adjustment Date, you will pay Equitable the Fixed Rate Principal Amount together with Interest at the Fixed Interest Rate on the Fixed Rate Principal Amount calculated from the Interest Adjustment Date. You will pay these amounts in Regular Payments beginning on the First Payment Date and continuing on each Payment Date until the Balance Due Date. On the Balance Due Date, you will pay the balance of the Fixed Rate Debt.
- (iii) If a Regular Payment is late you will pay Late Interest.
- (iv) You will continue to pay Interest at the Fixed Interest Rate until all of the Fixed Rate Debt has been repaid.

6.03 Compound Interest.

If any Regular Payment is late, Equitable will calculate Late Interest every day at the Fixed Interest Rate on the full amount that is late. You agree to pay this Late Interest. Equitable will add Late Interest to the Debt at the end of each Interest Period.

6.04 Application of Regular Payments.

When Equitable receives a Regular Payment, Equitable will first apply it to Late Interest, if any. Next Equitable will apply it to Interest on the Fixed Rate Principal Amount. Finally, Equitable will apply any remaining part of the Regular Payment to reduce the Fixed Rate Principal Amount. Equitable may also decide to apply a Regular Payment to other amounts you may owe to third parties whose claims might constitute a higher priority interest to the Mortgage, for example Taxes, in any order Equitable determines in its sole discretion. The foregoing is subject to section 2.05.

6.05 Prepayment for Closed Mortgages.

The terms of your right, if any, to prepay all or part of the Fixed Rate Debt before the Balance Due Date shall be described in your Credit Documents.

6.06 Portability

If we agree in writing which agreement may be withheld at our sole discretion, you may transfer your existing Mortgage to a new property or you may combine your existing Mortgage amount with additional funds and, depending on the remaining Term of the existing Mortgage, obtain an extended Term. The Interest Rate on the replacement Mortgage will be a blend of the rate you were paying on the funds transferred from your existing mortgage and the rate applicable to the Term of the replacement Mortgage and/or additional amount, as determined by us.

6.07 Prepayment for Renewed or Extended Mortgages

The prepayment provisions set out in this Article are available only during the original Term. If the terms of the Mortgage are renewed or extended and the Renewal Agreement contains prepayment provisions, you agree to be bound by the prepayment provisions set out in the Renewal Agreement. If the terms of the Mortgage are renewed or extended and the Renewal Agreement does not contain prepayment provisions, you agree to abide by the prepayment provisions set out in your original Commitment Letter.

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PART D – AMENDING OR EXTENDING THE MORTGAGE (Applicable to Fixed Rate Mortgages and Variable Rate Mortgages)

ARTICLE 7 RENEWAL AND AMENDMENT PROVISIONS

7.01 General

You may renew your Mortgage if Equitable approves the renewal. A Renewal Agreement will conclusively establish any renewal or extension of the Mortgage as well as the terms of that renewal or extension. You acknowledge that Equitable is under no obligation to offer a renewal or extension to you.

7.02 Renewal Services

Equitable may allow you to renew the Mortgage and may send you a document confirming the renewal terms. You agree to sign this document and return it to Equitable. For your renewal to be effective, Equitable must receive your signed Renewal Agreement within thirty (30) days prior to the beginning of the new Term.

You agree that if a Renewal Agreement is sent to you but you do not, by the Balance Due Date, either (i) sign and return the Renewal Agreement to us, or (ii) repay to us in full any and all outstanding Debt, we may, at our option, automatically extend the Mortgage on the terms contained in the Renewal Agreement, and you will be bound by such terms. In the event that your Mortgage is automatically extended, you agree that Equitable may process a new Mortgage payment consistent with the terms of the Renewal Agreement. There may be a fee associated with this automatic extension, and if so, it will be disclosed to you in advance of such extension.

No renewal or extension of time given by us to you shall in any way affect or prejudice our rights against you, the Guarantor or any other person. It shall not be necessary to register notice of any such renewal or obtain any consents or acknowledgements in order to retain priority for this Mortgage so altered by any subsequent encumbrance or instrument registered subsequent to this Mortgage.

7.03 If There Are Guarantors.

You and all Guarantors agree that, with Equitable's Approval, any one mortgagor can agree to any Amendment or Renewal Agreement, and that agreement will bind all other mortgagors and all Guarantors. The person so agreeing is deemed to be the agent of the others.

7.04 Registration of Amendments.

You agree that any Amendment does not have to be registered in any land registry or land titles office. Any Amendment will be binding on you, on Equitable, on any transferee of the Property and on any person who has an interest in the Property. Any Amendment will have priority over any subsequent charge, mortgage, interest in or transfer of the Property to the same extent as if the Amendment had been registered in the appropriate land registry office before registration of any subsequent charge, mortgage, interest or transfer.

7.05 No Renewal Without Equitable's Approval.

Except as set out in sections 7.02 no payment made by you after the Balance Due Date or after the end of any extension or renewal will result in any renewal or extension of the Mortgage unless Equitable has Approved the extension or renewal in writing.

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PART E - OTHER GENERAL PROVISIONS (Applicable to All Mortgages)

ARTICLE 8 OTHER PROVISIONS AFFECTING YOUR MORTGAGE

8.01 Sale or Transfer of Property/Subsequent Encumbrances.

Equitable will not permit any encumbrance to be registered against the lands that are the subject of the Mortgage, except with its consent and as provided below.

If you Convey the Property or any interest in the Property to anyone (in this Section a "Purchaser") and you have not obtained the prior written consent of Equitable and informed Equitable of any subsequent amendment to the Conveying document, and the Purchaser has not:

- (i) applied for and received Equitable's Approval to assume the Mortgage; and
- (ii) signed an assumption agreement Approved by Equitable,

then Equitable may demand from you repayment of the Debt by notice in writing and the Debt will become immediately payable in full by you. You expressly acknowledge that Equitable may, in its unqualified subjective discretion, withhold its Approval of a Conveyance.

The applicable prepayment provisions in Articles 4, 5 and/or 6, as applicable, will apply to any repayment. No change in the ownership of the Property or in any agreement between Equitable and a Purchaser will in any way affect or prejudice Equitable's rights against you or any other person liable for payment of the Debt. Equitable may enter into agreements with a Purchaser without notice to you and without your Approval. You will not be released from your Obligations even if Equitable accepts money from a Purchaser or if a Purchaser agrees with Equitable without notice to you to assume, renew, extend or amend the Mortgage.

In addition, you acknowledge that you will inform us forthwith of any purchase, sale or any other conveyancing document to be executed by you which Conveys the Property or any interest in the Property to anyone other than you, and obtain our written consent prior to executing such document(s).

No sale or other conveyancing of the Property shall in any way change your liability or alter our rights as against you or as against any other person liable for the Debt hereby secured.

8.02 Assignment of Leases.

As additional security for your performance of the Obligations, you agree to assign to Equitable from time to time, immediately on our request, any lease of the whole or any part of the Property. Any assignment must be in a form acceptable to Equitable. You will deliver to Equitable executed copies of all leases of the Property at Equitable's request. You will comply with all of the landlord's obligations in any lease assigned by you to Equitable. You agree that none of Equitable's rights or remedies under the Mortgage will be delayed, hindered or prejudiced by these assignments.

8.03 Assignment of Rents.

You agree with us as follows:

- (i) For the purposes of this Section, the term "leases" includes agreements to lease, tenancy agreements, licences and occupancy agreements.
- (ii) You hereby assign to Equitable all rents payable from time to time under all present and future leases of all or any part of the Property; you also assign to Equitable the benefit of all other tenants' obligations under those leases.
- (iii) As soon as you enter into any lease of the Property you will, if requested by Equitable, execute and deliver to Equitable an assignment in Equitable's usual form of all rents payable under that lease and the benefit of all other tenants' obligations under that lease. You will also execute and deliver to Equitable any other documents that Equitable determines are necessary to make the assignment effective.
- (iv) Nothing in the Mortgage, or in the assignments referred to in this Section, will make Equitable responsible for the collection of rents payable under any lease of the Property or for the performance of any other obligations in any lease.
- (v) Equitable will not be considered a mortgagee in possession or landlord of the Property because of any assignment referred to in this Article.
- (vi) Equitable has to account only for rent that Equitable actually receives (less reasonable collection charges) and Equitable may apply those rents to repayment of the Debt in any manner that Equitable, in its discretion, determines.

8.04 Payments Equitable May Make.

Equitable may pay any rents or satisfy any present or future Taxes, mortgages, rates, charges, Common Expenses or other similar liabilities or interests in the Property. These amounts, when paid by Equitable, form part of the Debt.

8.05 Taxes.

You will pay all Taxes on the Property promptly as they fall due. If Equitable requests evidence of payment of Taxes, you will immediately provide Equitable with evidence satisfactory to Equitable that you have paid all Taxes. If you do not provide Equitable with this evidence, Equitable may obtain it directly from the municipality or other taxing authority. Any charge Equitable incurs to obtain this evidence will be added to the Debt and is payable by you immediately. You hereby authorize the municipality to release all tax information on the Property to Equitable.

If a portion of the Debt is Fixed Rate Debt or Variable Rate Debt then the following provisions apply:

- (i) Equitable may pay out of any advance any Taxes payable at the date of that advance or due within the calendar year.
- (ii) If Equitable requires you agree to pay Equitable on each Payment Date an amount Equitable estimates will be required to provide funds sufficient to pay all Taxes for the year by the time Equitable remits the Taxes. Equitable may pay the Taxes at any time or times as it sees fit or may hold the funds in a Tax Account as it sees fit until such payment is made.
- (iii) Equitable may re-estimate your Taxes from time to time. You will pay any additional amounts required because of a re-estimate. You will provide Equitable with all tax bills and other notices relating to Taxes on the Property immediately after you receive them. Equitable may obtain these directly from the municipality or other taxing authority. Any charges Equitable incurs to obtain these items will be added to the Debt and are payable by you immediately.
- (iv) As long as Equitable requires you to make tax payments under this Section, and as long as you have performed all of your Obligations, Equitable agrees to pay from the Tax Account all Taxes as they fall due or at any time Equitable deems fit to the extent that there are sufficient funds in the Tax Account. If the amount in the Tax Account is insufficient, Equitable may, at its option, either debit to the Tax Account or add to the Debt the amount by which the Tax Account is insufficient.
- (v) Any debit balance in the Tax Account will bear Interest at the highest interest rate payable under the Mortgage and will form part of the Debt. Equitable will not pay interest on any credit balance in the Tax Account.
- (vi) If, at any time, the Taxes that Equitable has paid exceed the amount you have paid under this Section, you will immediately, on Equitable's request, pay Equitable that difference.
- (vii) Equitable is not a trustee of the Tax Account.
- (viii) If you fail to perform any of your Obligations, any payments made by you under this Section may, at Equitable's option, be
 - (a) credited to the Tax Account; and/or
 - (b) applied against the Debt; and/or
 - (c) electronically debited from your bank account.

8.06 Bank Account for Payment

By signing the Mortgage you:

- (i) Agree to maintain an account of a type satisfactory to us with a branch of a bank, trust company, caisse populaire or credit union and provide an authorization in a form satisfactory to us to automatically debit each payment of principal, interest, taxes and/or life insurance premiums (as applicable) when due.
- (ii) Agree to ensure that the account always contains sufficient funds to make each payment. Failure to maintain sufficient funds in the account, cancellation of the authorization or closing of the account will be considered to be a default under this Mortgage.
- (iii) Agree to pay to us our processing fees for any actions which we have to take under this Article.
- (iv) Expressly give us the authorization, upon reasonable notice given to you from us, to:
 - (a) electronically debit your account for an amount higher or lower than the Regular Payment on your Regular Payment date; or
 - (b) electronically debit your account in addition to your Regular Payment,,

- for additional monies owing by you to us as a result of adjustments for tax, utility or other arrears.
- (v) Agree that you waive the notification described in subsection (iv) above if we, in our sole and arbitrary discretion, decide not to give such notification.
 - (vi) Agree to provide us with, upon our request, a post-dated cheque, or a series of post-dated cheques, for any payment, including payments of Taxes required under the Mortgage.

8.07 Repair and Maintenance of the Property.

You agree as follows:

- (i) You will keep the Property in good condition and repair and you will not do anything that will diminish the value of the Property.
- (ii) You will not change the use of the Property.
- (iii) You will pay Equitable on demand the reasonable Costs of those inspections, investigations, assessments, studies and testing.
- (iv) You will promptly, at your own cost, comply with all Laws concerning the Property.
- (v) At your own cost you will make all Improvements or alterations to the Property that may be required at any time by any Law.
- (vi) You will notify Equitable forthwith of any substantial Improvements or damage to the Property.

8.08 Equitable's Rights During Construction.

If any portion of the Mortgage is to be used to finance an Improvement, you must so inform us in writing immediately and before any advances are made by Equitable. Before commencing any construction on the Property you will have all plans and specifications Approved by Equitable.

If at any time:

- (i) any construction on the Property remains unfinished and without any work being done on it for more than ten (10) consecutive days;
- (ii) you deviate from any plans that have been Approved by Equitable;
- (iii) you deviate from the generally accepted local standards of construction; or
- (iv) you allow a construction lien to be registered against the Property for more than thirty (30) days,

then Equitable may, without becoming a mortgagee in possession, enter the Property and do all work necessary to protect the Property from deterioration. This includes Equitable completing, or partially completing, any construction on the Property in accordance with plans and specifications that have been Approved by Equitable or otherwise as Equitable, in its discretion, determines. In completing construction, Equitable may use and have exclusive possession of all materials and equipment on the Property without any interference from you. Equitable may also pay the amount of any lien and add that amount to the Debt.

8.09 Insurance.

You agree as follows:

- (i) As long as there is any Debt outstanding, you will, at your expense, take out and keep in force insurance on the Property.
- (ii) You will keep the Property (and any income derived therefrom) insured against loss or damage in an amount equal to not less than one hundred percent (100%) of the full replacement value of the Property pursuant to a mortgage endorsement in favour of Equitable issued by your insurer for the Property. The risks against which you must insure include fire, extended perils, tempest, tornado, cyclone, lightning, wind, storm, hail, explosion, riot, impact by aircraft or vehicle, smoke damage, other risks covered by a standard extended coverage insurance policy and any other risks and hazards that Equitable may from time to time require. You will ensure that Equitable is sent copies of all notices sent to you about this insurance.
- (iii) If the Property is a condominium unit, you will ensure that the Condominium Corporation takes out and keeps the insurance referred to in section 8.09(ii) in force.
- (iv) You will arrange for condominium unit owners insurance for each unit to be in place respecting betterments, improvements, liabilities and contingency coverage in the event prime coverage maintained by the Condominium Corporation is insufficient and Equitable's interest on all such insurance is to be shown as loss payee.
- (v) As long as there is any Debt outstanding, if a sprinkler system, a steam boiler or any apparatus operating or operated by steam is installed in or operated on the Property, you will insure the

- buildings on the Property against loss or damage caused by any bursting, explosion or defect in the sprinkler system, boiler or apparatus to the full replacement value of the Property.
- (vi) All insurance policies must provide that any loss will be payable to Equitable as its interest may appear and must contain the standard mortgage clause Approved by Equitable.
 - (vii) Equitable may require any insurance on the Property to be cancelled and new insurance taken out with an insurance company Approved by Equitable (and Approved by the landlord under the Lease if the Property is a Leased Property and if required by the Lease). Equitable may, without consulting you, take out any insurance on the Property if Equitable has not received proof of coverage satisfactory to it. The premiums for this insurance will be added to the Debt.
 - (viii) You agree that you will deliver certificates of insurance or, if required by Equitable, certified copies of insurance policies as soon as possible after placing the required insurance.
 - (ix) All policies must contain an undertaking by the insurer to notify Equitable in writing not less than fifteen (15) days prior to any material change, cancellation, failure to renew or termination of any policy.
 - (x) If you fail to take out or to keep in force any insurance policy, or if any insurance policy is not Approved by Equitable, and if you do not rectify the situation within seven (7) days after written notice from Equitable, Equitable may, without consulting you, take out insurance at your expense.
 - (xi) If you have failed to meet any of your Obligations, Equitable may charge you the cost of insuring the Property under an individual or a blanket insurance policy issued to Equitable. Equitable is under no obligation to insure the Property or to insure the Property for more than the Debt. However, if Equitable does take out additional insurance, it will be at your expense.
 - (xii) If Equitable pays any premiums for insuring the Property, the amount of all payments will be added to the Debt and will be payable immediately.
 - (xiii) When Equitable requests it, you will provide Equitable with satisfactory evidence of the insurance required under this Section and proof that the premiums for that insurance have been paid. You must also provide Equitable with satisfactory evidence of the renewal of all insurance policies at least fifteen (15) days before the termination of each policy.
 - (xiv) Equitable, in our discretion, may require that all insurance proceeds be paid to Equitable, to you or to any other person appearing by the records of the Land Registry Office or Land Titles Office to be or to have been the owner of the Property. The proceeds may also be paid in one way or another, or they may be applied, in Equitable's sole discretion, in whole or in part to repay the Debt even if the Debt is not yet due.
 - (xv) Equitable may, in our discretion, require that the insurance proceeds be applied to rebuilding or repairing the Property.
 - (xvi) If the Property is a Leased Property, the insurance proceeds will be applied to rebuilding or repairing the Property, if required by the Lease.
 - (xvii) All policies of insurance must show any loss payable (i) to Equitable, (ii) to a trustee Approved by Equitable pursuant to an insurance trust agreement Approved by Equitable, or (iii) to both (if the Property is a condominium unit). The terms of any insurance trust agreement may not, once Approved by Equitable, be altered without Equitable's further Approval.
 - (xviii) The Mortgage also charges all insurance proceeds as security for the Debt. If the Property is a condominium unit, the Mortgage also charges your interest in the insurance trust and on any insurance proceeds relating to the Property held by the trustee.
 - (xix) If the Property is a condominium unit, you will ensure that the Condominium Corporation will at all times comply with the terms of all insurance policies, the insurance provisions of the Declaration and any insurance trust agreement. You will also ensure that the insurance taken out by the Condominium Corporation complies with the Obligations of this Section. Finally, you will ensure that the Condominium Corporation assigns and delivers to Equitable certificates of insurance or, if required by Equitable, certified copies of each insurance policy, as soon as possible after placing the required insurance.
 - (xx) If there is any loss or damage, you must furnish at your own expense all necessary proofs and do all necessary acts to enable Equitable to obtain payment of the insurance proceeds.
 - (xxi) Production of the Mortgage will be sufficient authority for the insurer to pay any loss to Equitable.
 - (xxii) During such time or times as there is construction of any buildings or other Improvements on the Property, you will maintain builder's all-risk insurance with a stated amount clause for the Improvements for full insurable value.
 - (xxiii) The insurance provisions of this section apply to all buildings, structures and Improvements on the Property whenever built and during construction.

8.10 Subdivision, Release and Replacement of Property.

You agree as follows:

- (i) The Mortgage charges every part or lot into which the Property is or may be divided for all of the Debt.

- (ii) No person will have any right to require the Debt to be apportioned with respect to any part or lot.
- (iii) At any time before or after the Mortgage is registered, Equitable may take other security, take evidence of indebtedness or obtain additional promises of payment.
- (iv) None of these actions will affect Equitable's rights under the Mortgage or limit the liability of any person who is liable under the Mortgage or any Guarantor.
- (v) Equitable may, on any terms that Equitable deems proper in our sole discretion, release or discharge the following in any combination:
 - (a) the Property;
 - (b) any part of the Property;
 - (c) any other security Equitable has taken;
 - (d) you, or any borrower; and/or
 - (e) any Guarantor.
- (vi) Equitable may at any time without notice to any person or without the consent of any person, make a settlement, extension or variation in the terms of any Obligation.
- (vii) No release, discharge, settlement, extension or variation in terms, nor any carelessness or neglect by Equitable in asserting its rights, the loss by operation of Law of any right Equitable has against you or any other person, or the loss or destruction of any security, will in any way release, diminish or prejudice its security against any undischarged Property. Similarly, no such action will release or prejudice any of the Obligations or release or diminish your liability or the liability of any Guarantor so long as any Debt remains unpaid.
- (viii) No security or Guarantor will be released or discharged except by a written release or discharge executed by Equitable.

8.11 Change of Control.

If you are a corporation and you Convey any interest in your issued and outstanding shares so that there is a change in your effective voting control without Equitable's prior Approval, then Equitable may exercise any of the remedies set out in Article 10. Equitable's Approval may be withheld in its unqualified subjective discretion.

8.12 Servicing Fees.

Equitable may charge a reasonable servicing fee to process each application for Approval contemplated by this Article. This servicing fee will be payable immediately upon demand and will form part of the Debt.

8.13 Equitable's Right to Freely Deal with Loans and Mortgage.

We may, at our option, exercisable in our sole discretion, sell, transfer, assign, encumber, create a trust in respect of, securitize, insure, or otherwise deal with all or any part of the Obligations, including any Loan and the related Debt and Credit Documents, or any interest therein, without restriction and notice to you, any co-borrower and Guarantor, or any other person including your spouse. Each of you, and any co-borrower and Guarantor hereby acknowledges and agrees that it has consented to such dealings and that no further notices or consents are required.

If we do so, you agree that the Mortgage shall continue to secure all Obligations, including each Loan and all Debt, or any interest therein, that have been sold, transferred, assigned, encumbered, made subject to a trust, securitized, or otherwise dealt with, and all Obligations, including each Loan and all Debt, which arise after any such sale, transfer, assignment, encumbrance, trust, securitization, or any other dealing (provided, for the avoidance of doubt, that the Loan and Obligations shall continue to be subject to the terms hereof, including that any Obligations in respect of a Loan that is insured and/or financed by Equitable under an NHA Program shall have priority as to payment, collection and in respect of Mortgage enforcement, irrespective of the time or the order of any Loans, over any other Loan made by Equitable to you from time to time pursuant to a Credit Document secured or to be secured by the Mortgage that is not insured and/or financed under an NHA Program, and this action shall not have any impact on the interest rate or other terms of the Loans pursuant to the Credit Documents).

Once sold, transferred, assigned, encumbered, made subject to a trust, securitized, or otherwise dealt with, such Obligations, including each Loan and all Debt, or any interest therein may be repurchased, reacquired, or redeemed by Equitable at any time, whether or not an Event of Default has occurred.

Equitable may from time to time, in connection with the sale, assignment, syndication or securitization of a Loan, or otherwise, appoint or designate a custodian or agent for a Loan, which may be the registered mortgagee. You and any co-borrower and Guarantor, if any, acknowledges that such custodian or agent will have no liability whatsoever to you or any co-borrower and Guarantor(s), if any, in connection with a Loan.

Equitable shall have the unrestricted right from time to time to appoint a third party to service or administer any Loan, and to deal with you and any co-borrower and Guarantor(s), if any, in place of Equitable, provided that until

Equitable gives notice of such appointment to you, you and each co-borrower and Guarantor, if any, shall continue to deal with Equitable in matters pertaining to the servicing or administration of the Loan.

You and each co-borrower and Guarantor and spouse executing the mortgage hereby authorize and consent to us or any other person having an interest in the Mortgage and related Debt from time to time and their or our respective agents and advisors including any party retained to service the mortgage, releasing, disclosing and assigning any personal or other information (including financial information) with respect to you, any co-borrower and Guarantor and your spouse, the Mortgage and your 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 your Mortgage from time to time.

8.14 Repayment of Payments Made by Equitable.

Subject to section 2.05, any payments made by Equitable under this Article will be added to the Debt and are payable by you immediately.

8.15 Assumption

If you are not the original borrower of the Mortgage, you agree to be bound by all obligations of the original borrower under the Mortgage. Notwithstanding the foregoing, Equitable may, in its unqualified subjective discretion, refuse to Approve an assumption.

8.16 Inspection

You agree that:

- (i) If we, or any mortgage insurance company, if this is an Insured Mortgage, or any Financing Guarantor or any of our respective authorized representatives or agents, have cause to do so pursuant to the terms hereof, you agree that any of such parties may enter upon the Property and any buildings on the Property to inspect the Property and the condition of the buildings and other improvements on the Property.
- (ii) If we, or any mortgage insurance company, if this is an Insured Mortgage, or any Financing Guarantor or any of our respective authorized representatives or of our respective agents, have reason to believe the Property is not in conformity with any federal, provincial or municipal law or regulation respecting the environment, you agree that any of such parties may, at any time, before or after Default, enter and inspect the Property and conduct any environmental testing, site assessment, investigation or study, which any of the parties mentioned herein, or their agents, deem necessary;
- (iii) You agree that the cost of this testing, assessment, investigation or study, with interest at the Interest Rate, will be immediately payable by you and shall be a Debt; and
- (iv) Neither we, nor any mortgage insurance company (if this is an Insured Mortgage), nor any Financing Guarantor or any of our respective authorized representatives or agents shall become a mortgagee in possession, management or control by exercising these rights.

8.17 Transfer of Mortgage

Equitable may, in its unqualified subjective discretion, refuse to Approve a transfer of the Mortgage to another lender.

8.18 Short Covenants

If you own the Property, you covenant with Equitable that you:

- (i) have a good title to the said lands;
- (ii) have the right to mortgage the said lands;
- (iii) have done no act to encumber the said lands;
- (iv) will execute such further assurances of the said lands as may be requisite;
- (v) and that, on default, Equitable shall have quiet possession of the said lands free from all encumbrances.

ARTICLE 9 PROVISIONS FOR SPECIFIC TYPES OF PROPERTIES

9.01 Promises for Leased Property.

If the Property is a Leased Property, you promise and confirm to Equitable that:

- (i) You own your leasehold interest in the Property;
- (ii) You have the right to mortgage or charge the Lease and sublet the Leased Property to Equitable;
- (iii) If required under the Lease, you have obtained the landlord's consent to the Mortgage;
- (iv) Neither you nor any other person has mortgaged or otherwise encumbered the Lease or your rights under the Lease;
- (v) The Lease is a valid, existing lease and has not been amended except as you have advised Equitable in writing;
- (vi) You have paid the rent and performed your obligations under the Lease up to the date you signed the Mortgage and there is no default under the Lease;
- (vii) You will not amend, surrender or terminate the Lease without Equitable's prior Approval, and in the case of an amendment, without furnishing Equitable in writing with full particulars thereof;
- (viii) You will pay the rent under the Lease and perform your obligations under the Lease as long as the Debt is outstanding;
- (ix) You will provide Equitable with any notice of default under the Lease that you receive;
- (x) You will indemnify Equitable from all actions, claims and demands relating to defaults under the Lease; and
- (xi) You will assign to Equitable the last day of the term of the Lease, or any renewal term, which you hold in trust for Equitable.

9.02 Additional Provisions for Leased Property.

If the Property is a Leased Property, the following provisions apply:

- (i) You charge the Leased Property to Equitable as security only and not as a complete assignment of your interest.
- (ii) You sublease the Leased Property to Equitable to the extent required by Law for the charge to be effective for the remainder of the term of the Lease, except for the last day of the term of the Lease (including the last day of any renewal).
- (iii) You hold all other rights under the Lease in trust for Equitable, including the last day of the term, and any right of renewal or right to purchase.
- (iv) You hereby irrevocably appoint Equitable as your agent. If there is default under the Mortgage, Equitable may, as your agent, assign the Lease and the last day of the term of the Lease as Equitable may determine in its discretion.
- (v) If Equitable sells the Leased Property pursuant to Article 9, Equitable may assign your interest in the Lease to a purchaser.
- (vi) Equitable may at any time remove you or any other person from being a trustee of the Lease and appoint a new trustee in your place.
- (vii) At Equitable's request but at your cost, you will assign to Equitable the last day of the term of the Lease or any renewal or substituted term.
- (viii) If Equitable sells the Leased Property under the power of sale you will hold the Leased Property and the last day of the term in trust for any purchaser.
- (ix) If you neglect or refuse to renew the Lease, then Equitable may renew the Lease in its own name so that the Lease will continue to be security for the Mortgage.
- (x) If you have not performed your Obligations for fifteen (15) days, Equitable may, on at least thirty-five (35) days' written notice to you assign the Lease.
- (xi) Any assignment may be on the terms set out in these Mortgage Covenants.
- (xii) No sale or other dealing by you with the Lease or the Leased Property and no extension of time given by Equitable to you, or anyone claiming under you, or any dealing by Equitable with the landlord or the Lease, will in any way affect or prejudice Equitable's rights against you or any other person liable to repay the Debt.
- (xiii) If you acquire any additional interest in the Leased Property, then by the Mortgage you charge that additional interest to Equitable without you or Equitable having to do anything further.

9.03 Additional Promises if the Property is a Condominium Unit.

You promise to perform all of your obligations under the *Condominium Act* and under the Declaration, the by-laws and the rules of the Condominium Corporation. Any breach of those obligations will constitute a Default under the Mortgage. In addition, the following provisions apply:

- (i) You will pay promptly when due your contribution to Common Expenses and any and all money due and payable in accordance with the provisions of the Condominium Act or the said

Declaration or the said by-law of the by-laws of the corporation from time-to-time on or before the dates for payment thereof. In the event that you fail to make such payment, Equitable may pay the same and treat such default as a Default of payment under the Mortgage.

- (ii) On request, you will immediately provide Equitable with satisfactory evidence that all Common Expenses or special assessments have been paid.
- (iii) Equitable may deduct from any advance of the Principal Amount the amount of Common Expenses that are payable and are unpaid at the date of that advance.
- (iv) If Equitable requests it, you will give it copies of all notices, financial statements, reserve fund studies and other documents from time to time given to you by the Condominium Corporation.
- (v) If Equitable gives you notice, you will pay to Equitable the amount necessary to pay Common Expenses. Equitable will remit all sums to the Condominium Corporation on your behalf.
- (vi) If Equitable becomes a mortgagee in possession, by reason of default or otherwise, you authorize Equitable, in your name and on your behalf, to exercise your rights under the Condominium Act to cote as any meeting of the Condominium Corporation, and to consent to any matter relevant to the management, sale or other dealings with the property or assets of the Condominium Corporation or the termination of the applicable of the Condominium Act to the Condominium Corporation.
- (vii) You irrevocably authorize Equitable to exercise your right to vote or to consent in all matters relating to the affairs of the Condominium Corporation, provided that:
 - (a) Equitable will only exercise your right to vote or consent if Equitable has given you and the Condominium Corporation the notice required by the Condominium Act that Equitable intends to exercise this right;
 - (b) Equitable is not under any obligation to vote or consent;
 - (c) in voting or consenting, Equitable is not obligated to protect your interests, but may vote or consent as Equitable, in its discretion, determines; and
 - (d) even if Equitable votes or consents, Equitable is not a mortgagee in possession.
- (viii) Equitable may from time-to-time waive the right to vote or right of consent by giving notice of intention to do so to the corporation and such waiver may be for an indeterminate period of time until withdrawn or for a limited period of time or for a specific meeting or matter, and while such waiver is in effect you may exercise the right to vote or to consent.
- (ix) You may not vote for any action that might reduce the value of your unit, the complex, or Equitable's interest therein. You must comply with this section even if Equitable would not have been able to exercise your right to vote.
- (x) In the event that the government of the Property by the Condominium Corporation is terminated or in the event of a sale of the Property or a part of the common elements of the Condominium Corporation being authorized by a vote of the owners of the said units then, and in any such event, the monies hereby secured shall, at the option of Equitable, become due and payable, and all the powers given herein shall become exercisable notwithstanding any consent given by Equitable to such termination or sale.

ARTICLE 10 ENFORCEMENT

10.01 Enforcing Equitable's Rights.

If you do not comply with any of your Obligations, Equitable may exercise any one or more of the remedies listed below in any order that Equitable chooses, subject to the provisions of section 2.05:

- (i) Immediate Payment.
Equitable may, at its option without notice to you, require all Debt to be paid to Equitable immediately.
- (ii) Legal Action.
Equitable may take whatever legal action is necessary to collect all or part of the Debt. This legal action may include suing you for the Debt.
- (iii) Personal Property.
Equitable may enter the Property and distrain against (i.e. seize and sell) any personal property owned by you to repay all or part of the Debt.
- (iv) Take Possession of the Property.
Equitable may take and keep possession of the Property, collect rents from it and manage or lease the Property or any part of it. Before Equitable takes possession of the Property, Equitable can ask you to leave the Property with all your belongings and if you do not do so, we may make any necessary applications and the Courts of Newfoundland and Labrador may order you to leave. If you refuse to do so, the Courts of Newfoundland and Labrador may have you forcibly removed. If you have not removed your personal belongings from the Property before Equitable takes possession, you authorize Equitable to remove and dispose of your belongings in any manner that Equitable, in its absolute discretion, deems appropriate, without notice to you.

Equitable will have no liability for moving, disposing or storing those belongings. You will be responsible for all Costs incurred by Equitable in dealing with those belongings. These Costs will be added to the Debt.

(v) Lease the Property.

Equitable may take possession of the Property and lease it on any terms that Equitable determines in its discretion without notice to you. Equitable may apply the net proceeds of any lease to reduce the Debt. If the net proceeds do not pay all of the Debt, you must immediately pay Equitable the difference.

(vi) Foreclosure

Equitable may take court proceedings to foreclose your interest in the Property. If Equitable obtains a final order for foreclosure, your interest in the Property will belong to Equitable and you will have no further interest in the Property.

(vii) Judicial Sale.

Equitable may ask the court to order a sale of the Property, under the court's supervision. If the amount Equitable receives from the sale of the Property is less than the Debt, you must immediately pay Equitable the difference.

(viii) Power of Sale.

If any Default continues for at least fifteen (15) days, on at least thirty (30) days' written notice to you, or any other minimum period that may be prescribed by Law, Equitable may sell the Property or any part of it pursuant to the provisions of the Conveyancing Act (Newfoundland and Labrador). Any sale may be for cash or on credit, or partly for cash and partly on credit, by private sale or public auction and on any terms that Equitable determines in its discretion. Equitable will apply the net proceeds of any sale to reduce the Debt. If the net proceeds do not pay all of the Debt, you must immediately pay Equitable the difference. The exercise by Equitable of its power of sale does not preclude Equitable from any further exercise of its power of sale in accordance with this Section. The power of sale, conferred on us by the Conveyancing Act (Newfoundland and Labrador) and such power and all other powers conferred on us by virtue of such act, are incorporated herein.

(ix) Cure any Defaults.

Equitable may, but is not obligated to, cure any of your Defaults under the Mortgage at your expense, and generally take any other steps of proceedings against you as are permitted by Law. You will immediately pay Equitable any money we spend or are obligated to spend in curing any Defaults. Equitable may add any money it has spent curing your Defaults to the Debt. In order to cure any Defaults, Equitable may enter on the Property as often as necessary at any time. If Equitable enters the Property, we will not be a mortgagee in possession.

10.02 Other Defaults.

Equitable may also exercise its remedies under this Article if any one or more of the following occurs:

- (i) if the Property is the subject of a restraint order under the *Controlled Drugs and Substances Act* (Canada) or a similar order under any Law;
- (ii) if you have ever used, or currently use the Property for any purpose that is in violation of the *Controlled Drugs and Substances Act* (Canada) or any similar Law;
- (iii) if you have made any material misrepresentation to Equitable in connection with the Mortgage or the Credit Documents; or
- (iv) if you fail to clear and/or complete any Work Order issued to you by any governmental authority having or claiming jurisdiction over the Property or any buildings located on the Property within thirty (30) days of receiving such Work Orders, or such longer period of time as we may agree to from time to time.

10.03 Costs of Proceedings.

The Costs of any sale or foreclosure proceedings, whether or not the sale or foreclosure is completed, or any Costs that Equitable incurs in taking or keeping possession of the Property or enforcing its remedies under the Mortgage, are immediately payable by you whether or not any actual proceeding has commenced.

10.04 Prepayment After Default

If we declare the Principal Amount, or balance of the Mortgage payable upon the occurrence of an event of Default and the balance declared due is paid prior to the Balance Due Date or the Maturity Date of the last renewal, you agree to compensate us, in lieu of providing us with three (3) months' notice, by paying to us an amount equal to three (3) months' interest at the then current Variable Interest Rate calculated on the outstanding Variable Rate Debt, or Fixed Interest Rate calculated on the outstanding Fixed Rate Debt, as the case may be.

10.05 Payment after Maturity.

Where there is a Default after the Balance Due Date or Maturity Date of the last renewal of the Mortgage, you may pay the outstanding Principal Amount of the Mortgage only upon payment of three (3) months' interest at the then current Variable Interest Rate or Fixed Interest Rate, as the case may be, calculated on the outstanding Principal Amount in lieu of three (3) months' notice.

10.06 Appointment of Receiver.

If you do not comply with any of your Obligations, Equitable may appoint a Receiver on any terms (including remuneration) that Equitable deems reasonable. Equitable may also remove any Receiver and appoint another Receiver. The following provisions apply:

- (i) The Receiver will be your agent, not Equitable's.
- (ii) You alone will be responsible for any of the Receiver's acts or omissions.
- (iii) Equitable will not be responsible for any misconduct or negligence of the Receiver.
- (iv) Any Receiver may or may not be Equitable's officer or employee.
- (v) Appointing a Receiver will not constitute Equitable as a mortgagee in possession.
- (vi) From the income collected, the Receiver may pay all Taxes, insurance premiums and other expenses required to keep the Property in good condition; pay its own fees as Receiver; pay all amounts required to keep any mortgages or other interests ranking in priority to the Mortgage in good standing; pay Interest; and pay all or any part of the Debt, whether due or not.
- (vii) Equitable is not accountable for any money received by the Receiver except to the extent that Equitable actually receives that money.

The Receiver may do any one or more of the following:

- (i) use every right or remedy that Equitable has under the Mortgage to collect the income from the Property, take possession of all or part of the Property, manage the Property and keep the Property in good condition;
- (ii) manage any business conducted on the Property;
- (iii) lease all or any portion of the Property, and for this purpose enter into contracts in your name that will be binding on you;
- (iv) sell the Property;
- (v) arrange for the repair and maintenance of the Property; arrange to complete any construction on the Property; arrange for construction of leasehold improvements;
- (vi) register plans of subdivision and declarations and descriptions for the Property;
- (vii) take possession of and use any materials, supplies, plans, tools or equipment on the Property; and
- (viii) borrow money on the security of the Property in priority to the Mortgage.

The rights and powers in this Section are supplemental to any other rights and powers that Equitable may have.

10.07 Court Appointed Receiver.

Equitable may ask the Court to appoint a Receiver, or confirm the appointment of a Receiver, of the Property. The terms of the appointment of this Receiver will be as the Court determines.

10.08 Arbitration

You agree that arbitration is a more efficient and cost effective way to resolve claims than court litigation.

Accordingly, because arbitration provides an efficient form of claim resolution you therefore agree that any claim, dispute or controversy that arises from or relates to (a) your Mortgage (b) the Credit Documents or (c) any other benefits or services related to the Mortgage and Credit Documents will be resolved by way of binding arbitration.

Arbitration will follow the National Arbitration Rules of the ADR Institute of Canada Inc., or its successors (the "Arbitrator"). We reserve the right to change or replace the Arbitrator, at our sole discretion. Arbitration will take place in the province or territory where you reside and any decision rendered will be final and binding. Either party has the right to appeal the Arbitrator's award to an appeal panel administered by the Arbitrator provided it gives the Arbitrator notice of its intention to appeal within thirty (30) days from the date of the written arbitration award. The appeal decision will be final and binding, there will be no further appeal and you acknowledge that it will be considered as a final award.

If you do commence arbitration proceedings you acknowledge that it will only relate to your claim and cannot be on behalf of anyone else or anyone else's claim and that the Arbitrator will have no jurisdiction or authority to

consider any claim you commence if it appears that it is in any way on behalf of any other person or group or persons.

ARTICLE 11 MISCELLANEOUS PROVISIONS

11.01 Judgments.

If Equitable obtains a judgment because of your Default in any Obligation, that judgment will be obtained in accordance with section 2.05, but in any event it shall not operate as a merger of any Obligation or affect Equitable's right to Interest. Any judgment will provide that Interest is to be computed at the same rate and in the same manner as set out in the Mortgage until the judgment is fully paid.

11.02 Expropriation

If the entire Property is expropriated, the Debt will immediately become payable, along with loss of interest, including any prepayment charges, if applicable, as described elsewhere in these Mortgage Covenants.

If only a part of the Property is expropriated, the amount you are awarded for the partial expropriation will be paid to Equitable and we will credit this amount to your Debt. If, in Equitable's opinion, the remainder of the Property does not provide adequate security for the remaining Debt, then the Debt, or any part of the Debt as Equitable determines, will immediately become due and payable, plus any loss of interest.

11.03 Administration Fees

You agree to pay to us administration fees to cover our time and costs for administration of the Mortgage including without limitation, a fee or allowance for:

- (i) dealing with each late or missed payment and for replacement of each cheque or other instrument not honoured when presented for payment, or any preauthorized payment which does not clear as scheduled;
- (ii) preparing each arrears, reinstatement, discharge or other statement, whether provided to you, our agents or solicitors or any other interested person;
- (iii) processing each application to obtain our consent or our approval for any other matter required by the Mortgage whether or not approval or consent is provided or the matter is completed;
- (iv) adjusting the amortization of the Mortgage;
- (v) adjusting the frequency, date or amount of your Regular Payments;
- (vi) investigating, preparing and issuing statements, files, letters, demands or other correspondence in connection with enforcing your obligations under the Mortgage;
- (vii) processing each extension, renewal, restructuring or other amendment of the Mortgage or amounts secured by the Mortgage, whether or not completed;
- (viii) investigating the status of any insurance and administering insurance cancellations and paying insurance premiums;
- (ix) processing any assumption or port of the Mortgage which has been Approved by Equitable;
- (x) investigating the status of realty tax payments and administering tax payments;
- (xi) registering a financing statement or financing change statement or issuing or receiving any notice or information, security status or acknowledgement request and conducting any required searches;
- (xii) registering electronically or otherwise, or executing and delivering any discharge of this Mortgage (notwithstanding that the discharge may have been prepared by you or other person on your behalf);
- (xiii) the personal time and trouble of our employees or agents in collecting any payment or inquiring into compliance or otherwise reviewing or dealing with or enforcing any other obligation contained in this Mortgage or instructing and assisting counsel or other agents with respect to the enforcement of this Mortgage and any litigation in relation thereto, or in managing or selling the Property including, without limitation, with respect to taxes, condominium fees and matters, insurance, repair and construction, environmental matters, leases and other encumbrances, and
- (xiv) generally, any matter connected with the proper administration of the Mortgage.

Our administration fees shall be the amounts established and generally applied by us from time to time and may be disclosed in a Schedule to the Mortgage or ascertained upon inquiry to us. We may change the amounts of such fees from time to time by providing notice to you in advance of such changes.

Any administration fees owing by you to us which are not immediately paid shall be added to the Debt and shall bear interest at the rate set forth in the Mortgage.

11.04 Discharge.

When you have paid the Debt in full and performed all of your other Obligations, Equitable will, if requested by you, sign a discharge or a transfer of the Mortgage. Equitable will have reasonable time to prepare and sign the discharge or transfer. The Costs of registration of any discharge will be your responsibility. You will pay Equitable's then current administration fee for preparing a discharge or an assignment of the Mortgage. Registration and the costs of registration of any discharge or transfer will be your responsibility. If Equitable registers the discharge or transfer, you will pay any government fee that Equitable incurs for registration.

11.05 Conflict.

It is expressly understood and agreed that, in the event of a conflict or inconsistency between the application of any of the rights and remedies contained in the Mortgage and the application of any of the rights or remedies of any of the other Credit Documents, we will determine, in our sole discretion which shall prevail, it being understood that the purpose of the Mortgage and any of the other Credit Documents is to add to, and not detract from, the rights and remedies granted to us under the Credit Documents and in all cases the terms of section 2.05 shall apply. We may exercise any and all rights hereunder, under the Credit Documents, and as available at Law and no such remedy for the enforcement of our rights shall be exclusive of, or dependent on, any other remedy, but any one or more of such remedies may from time to time be exercised independently or in combination.

11.06 Notices by Equitable.

Unless otherwise stated in the Mortgage, and subject to Article 6, if the Mortgage allows or requires Equitable to make a demand on, give a notice or consent to or make a request of any person (including you), Equitable may make the demand, give the notice, or consent, or make the request, in any one or more of the following ways, at Equitable's sole discretion:

- (i) by delivering it personally to the borrower;
- (ii) if the borrower is a corporation, by delivering it personally to a director, officer or employee of the corporation;
- (iii) by transmitting it by facsimile to the borrower;
- (iv) by transmitting it via e-mail to the borrower;
- (v) if the borrower is a corporation, by transmitting it via e-mail to a director, officer or employee of the corporation;
- (vi) by mailing it by prepaid registered mail addressed to the borrower at the borrower's last known address on the records of Equitable; or
- (vii) by transmitting it by any other means as Equitable Approves in writing in advance.

Unless otherwise stated in the Mortgage, notice will be regarded as received:

- (i) when it is personally delivered to the borrower or to a director, officer or employee of the corporation;
- (ii) on the day of the facsimile transmission or, if that day is not a Business Day, on the first Business Day after the facsimile transmission;
- (iii) on the first Business Day after the e-mail is delivered to the borrower or to a director, officer or employee of the corporation;
- (iv) five (5) days after the date of mailing, whether the borrower receives it or not; or
- (v) on any other date when Equitable advises you of an alternative method of notice.

11.07 Notices by You

Any notice that you give to Equitable must be by one of the following methods:

- (i) registered mail, postage prepaid to Equitable's address in Ontario;
- (ii) personal delivery to the manager of the department at Equitable that administers the Mortgage;
- (iii) facsimile transmission to Equitable's then designated facsimile number;
- (iv) e-mail to Equitable's then designated e-mail account; or
- (v) any other method that Equitable Approves in writing in advance.

Unless otherwise agreed to by you and Equitable, notice will be deemed to be received:

- (i) five (5) days after mailing by registered mail;
- (ii) when personally delivered to a Manager of Mortgage Administration ; or
- (iii) on any other date when we advise you of an alternative method of notice.

11.08 Number.

Words in the singular include the plural and words in the plural include the singular.

11.09 Who is Bound.

The Mortgage is binding on you, your legal and personal representatives, your heirs, your successors and your assigns. The Mortgage is also binding upon anyone to whom you transfer the Property. The Mortgage is binding on Equitable, on its successors and on anyone to whom Equitable may transfer the Mortgage.

11.10 Guarantee

In the event you are a corporation, Equitable will require the personal guarantees of all the principals as primary debtors and not as sureties.

Each person signing or joining in the Mortgage as a Guarantor agrees in consideration of our making a mortgage to you, as follows:

- (i) The Guarantor, with you, as principal debtor and not as surety will duly pay or cause to be paid all amounts payable under this Mortgage on the days and at the times and in the manner provided for payment of the same;
- (ii) The Guarantor unconditionally guarantees full performance and discharge of all your obligations under the provisions of this Mortgage at the times and in the manner provided in this Mortgage;
- (iii) The Guarantor indemnifies and saves us harmless from and against all losses, damages, costs and expenses which we may sustain, or incur or be or become liable for by reason of:
 - (a) the failure for any reason whatsoever by you to pay the amounts payable under this Mortgage or to do and perform any other act, matter or thing required by the provisions of this Mortgage; or
 - (b) any act, action or proceeding, of or by us, for, or in connection with, the recovery of the amounts payable under this Mortgage by you, or enforcing the performance by you or any other person liable under this Mortgage of any act, matter or thing required by the provision of this Mortgage;
- (iv) We shall not be obliged to proceed against you or any other person liable under this Mortgage or to enforce or exhaust any security before proceeding to enforce any obligations of the Guarantor and that enforcement of such obligations may take place before, after or contemporaneously with enforcement of any of your debts or obligations under this Mortgage or the enforcement of any security for any such debt or obligation;
- (v) We may, without notice to and the consent or approval of the Guarantor, grant extensions of time for payment, make renewals, increase, vary and amend the Interest Rate, the Principal Amount and other terms of the Mortgage and the Debt, release the whole or any part of the Property or other security from this Mortgage, or otherwise deal with you, any of the indebtedness secured by this Mortgage or the Property or other security as we see fit without releasing or lessening the liability of the Guarantor;
- (vi) The Guarantor agrees to be bound by each such renewal, variation and amendment of any terms of the Mortgage we make with you and each reference to the Mortgage shall mean the Mortgage as so renewed and amended from time to time, regardless of whether made with or without the knowledge, consent or approval of the Guarantor;
- (vii) No delay or carelessness or neglect by us in asserting any of our rights, nor the loss of any right by operation of Law, nor the loss or destruction of any security, nor the lack of validity or enforceability of all or any part of this Mortgage or any other security held for or any document evidencing any part of the indebtedness or liability secured by the Mortgage will in any way release or lessen the liability of the Guarantor;
- (viii) The Guarantor has read these Mortgage Covenants and is fully aware of and agrees with its terms and in particular, the terms of this Guarantee;
- (ix) Where there is more than one Guarantor, each Guarantor is jointly and severally responsible under this guarantee with the other Guarantor(s) and you;
- (x) We may serve notice on the Guarantor and any notice to the Guarantor shall be deemed received in the same manner as provided for notice to you in this Mortgage.

11.11 Consents and Disclosure.

In connection with the processing, approving, funding, servicing, and administering, or any insurance, sale, securitization, or financing of all or any part of the Obligations, including any Loan under the related Credit Documents, or any interest therein, any of Equitable, any mortgage loan insurer, the Financing Guarantor, any other person having or proposing to acquire any interest in all or any part of the Obligations, including any Loan under the related Credit Documents, from time to time (including their respective advisors, agents, lawyers, accountants, auditors, consultants, appraisers, credit verification sources, credit rating agencies and servicers), or

any other person in connection with any collection or enforcement proceedings taken under or in respect of all or any part of the Obligations, including any Loan or the related Credit Documents (“**Information Access Persons**”), may, as it may determine in its sole discretion in accordance with Privacy Laws, collect, use and store information and materials (including Confidential Personal Information) provided by you and/or co-borrower and/or Guarantor to, or obtained by or on behalf of, the relevant Information Access Person, relating to the Obligations, including any Loan under the related Credit Documents, you any co-borrower or Guarantor, or the Property (both before and after any new Loan, any re-financing of a Loan, any re-advances and any further advances on any Loan, and/or any Default) without further notice to you or any co-borrower or Guarantor, and any such Information Access Person may, as it may determine in its sole discretion in accordance with Privacy Laws, from time to time transfer, assign, release, disclose, exchange or share such information and materials (including Confidential Personal Information) to or with:

- (i) any other Information Access Persons; and
- (ii) any governmental authority having jurisdiction over it or any of its activities,

and you, and each co-borrower and Guarantor (if any) hereby irrevocably consents to the collection, use, storage, release, disclosure, exchange, sharing, transfer, and assignment of all such information and materials (including Confidential Personal Information) in accordance with Privacy Laws.

You consent to Information Access Persons and other third parties that provide benefits or services to Equitable for the Mortgage obtaining information about you from credit bureaus and other lenders to evaluate you and the Mortgage.

You also consent to having received, read, understood and accepted Equitable’s Privacy Agreement.

Additionally, you hereby irrevocably consent to our releasing and disclosing to any other parties, their authorized agents and solicitors requesting the same, any and all information, whether confidential or not, in our possession regarding the Property or the within Debt including, without limitation, details of the Debt balance, the terms of the Mortgage, Defaults hereunder (existing or prior) and like matters. You hereby confirm and agree that the release and disclosure of any such information by us constitutes the release and disclosure of such information with your full knowledge and consent within the meaning of the Privacy Laws.

You hereby release us from any and all liabilities, damages, suits, actions, claims, monies and costs arising from (i) the release and disclosure of any such information by us, and (ii) any breach of the provisions of any applicable laws, including Privacy Laws, provided that we have acted in accordance with this consent and direction received from you. This direction is coupled with an interest.

11.12 Partial Invalidity.

If any provision of the Mortgage is found to be invalid or unenforceable, the validity and enforceability of all other provisions in the Mortgage will not be affected.

11.13 Effect of Amendments.

Any agreement to make an Amendment to the Mortgage including, without limitation, any extension of time for payment, change in the Interest Rate or renewal or extension of the Term, will apply not only to those who Approve the Amendment but also to any Guarantor and to any other person who was a party to the Mortgage but did not Approve the Amendment.

11.14 Liability.

If two or more persons are liable under the Mortgage, their liability is both joint and several (that is, they are each liable for the full performance of all Obligations).

11.15 Telephone Calls.

You agree that Equitable may record any telephone calls to ensure quality service and to confirm your discussions with Equitable and any of its employees.

11.16 Governing Law.

The Mortgage shall be governed by the Laws of Prince Edward Island and the applicable federal Laws of Canada. You submit to the jurisdiction of the courts of Prince Edward Island with respect to the Mortgage.

11.17 New Home Warranties

You agree to comply with any new home warranty legislation or program requirements and to reimburse us for any costs that we incur in complying or enforcing your rights on your behalf if you fail to do so.

11.18 National Housing Act

If the Mortgage is an Insured Mortgage, the Mortgage is made under the *National Housing Act* (Canada).

11.19 Chattels Left Behind

Any and all chattels left on the Property by you following a Default and the exercise by us of any of our rights or remedies hereunder shall be deemed abandoned. You acknowledge that we shall be free to move, store, dispose of or otherwise deal with such chattels in our sole discretion, and any cost we incur in relation to same shall be added to the Debt. We shall have a charge and lien on any stored chattels for all costs incurred in connection therewith including appraisal, moving, storage, disposal and the like.

11.20 Abandonment

In the event that any buildings now or hereafter in the course of erection on the Property remain unfinished and without any work being done on them for a period of ten (10) consecutive days, we may enter in and upon the Property and do all work necessary to protect the same from deterioration and to complete the buildings so remaining unfinished in such manner as we may see fit. It is hereby agreed that any monies expended by us pursuant to this provision shall be immediately due and payable, shall be added to the principal sum of the Debt and shall be a charge upon the Property and shall bear interest at the Interest Rate and in default of payment, at our sole option, the power of sale and other remedies available under the Mortgage or any of the other Credit Documents, at law or in equity, may be exercised.

11.21 General

You agree that, at any time, we may convert paper records of the Credit Documents delivered to us (each, a "Paper Record") into electronic images (each, an "Electronic Image") as part of our normal business practices. You agree that each such Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on any Guarantor and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.

11.22 Family Law Act

You certify to us that all information which you have provided to us about your marital status and your Property when applying for the Mortgage, and the statements made in any registered document were and are completely truthful and accurate under the *Family Law Act* as amended or replaced. After any change in your marital status, you will provide us with the full name and birth date of any spouse, so that we are kept fully informed of the names and addresses of the borrower(s) of the Property and of any spouse who is not a borrower but who has a right to possess the Property. If you fail to advise in your change of marital status, at our option, the Debt will immediately become due and payable and we will be entitled to enforce any of our rights.

Your spouse (if applicable) by signing the Mortgage, consents to the Mortgage and releases all of his/her interest in the Property to the extent necessary to give effect to our rights under the Mortgage. Your spouse also agrees that we may, without further notice, deal with the Property and the Debt created by the Mortgage as we wish.

11.23 Statute References

A reference in the Mortgage to a statute includes the statute as it may be amended and any replacement or substitute statute.

11.24 Equivalent Rates

The following table lists interest rates calculated monthly not in advance per annum together with the equivalent interest rates calculated semi-annually not in advance per annum. You may determine the equivalent interest rate by looking at an interest rate under the heading "interest rate per annum calculated monthly not in advance (%)" and comparing that interest rate to the interest rate set forth in the column immediately to the right of the said interest rate in the column under the heading "interest rate per annum calculated semi-annually not in advance (%)". This table is provided in order to satisfy any requirement under the *Interest Act* (Canada) to provide equivalent interest rates calculated semi-annually not in advance per annum.

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

Monthly not in advance (%)	Semi-annually not in advance (%)	Monthly not in advance (%)	Semi-annually not in advance (%)	Monthly not in advance (%)	Semi-annually not in advance (%)	Monthly not in advance (%)	Semi-annually not in advance (%)	Monthly not in advance (%)	Semi-annually not in advance (%)
4.65000	4.69528	8.30000	8.44485	11.90000	12.19895	15.55000	16.06254	19.15000	19.93046
4.70000	4.74626	8.35000	8.49661	11.95000	12.25149	15.60000	16.11587	19.20000	19.98458
4.75000	4.79725	8.37500	8.52249	12.00000	12.30403	15.62500	16.14254	19.25000	20.03872
4.80000	4.84826	8.40000	8.54838	12.05000	12.35659	15.65000	16.16922	19.30000	20.09286
4.85000	4.89927	8.45000	8.60016	12.10000	12.40915	15.70000	16.22257	19.35000	20.14702
4.87500	4.92478	8.50000	8.65195	12.12500	12.43544	15.75000	16.27593	19.37500	20.17411
4.90000	4.95029	8.55000	8.70375	12.15000	12.46173	15.80000	16.32930	19.40000	20.20119
4.95000	5.00133	8.60000	8.75556	12.20000	12.51432	15.85000	16.38269	19.45000	20.25537
5.00000	5.05237	8.62500	8.78147	12.25000	12.56692	15.87500	16.40939	19.50000	20.30956
5.05000	5.10343	8.65000	8.80739	12.30000	12.61953	15.90000	16.43609		
5.10000	5.15450	8.70000	8.85922	12.35000	12.67215	15.95000	16.48949		

11.25 Receipt

You hereby acknowledge receipt of a true copy of the Mortgage including the foregoing Mortgage Covenants before signing the Mortgage.

END OF SET