

**ALBERTA GOVERNMENT SERVICES
LAND TITLES OFFICE**

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LAND TITLES ACT

SET OF STANDARD MORTGAGE TERMS

ALBERTA LAND REGISTRATION NUMBER: 191091242

This set of standard mortgage terms shall be deemed to be included in every mortgage which refers to this set of standard mortgage terms by its Alberta Land Registration Number, as provided in Section 114 of the *Land Titles Act* (Alberta).

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SECTION 1 DEFINITIONS

1.01 In this set of Standard Mortgage Terms, the following terms have the following meanings:

- (a) **Agreement(s)** means all of the contracts, loan agreements, companion booklets, promissory notes, bills, guarantees, notices or other documents, now or in the future, and all renewals, extensions, amendments, restatements, replacements, renewals and substitutions of them approved by you and us relating to the Obligations Secured.
- (b) **Buildings** means all buildings and Improvements covered by the Mortgage, as set out in Section 2 , whether presently existing or built in the future, both during construction and afterwards.
- (c) **CMHC** means the Canada Mortgage and Housing Corporation.
- (d) **Condominium Corporation** means any condominium corporation of which the Property is a part.
- (e) **Costs and Servicing Fees** means all costs and servicing fees referred to in the Mortgage or the Agreements including, without limitation, costs and servicing fees outlined in Section 37 .
- (f) **Genworth** means the Genworth Financial Mortgage Insurance Company Canada.
- (g) **Improvement** means any construction, erection, remodeling, rebuilding, installation, alteration, addition, change, tear down, renovation, repair or demolition on, of or to your Property or a part of your Property.
- (h) **Judgment** has the meaning assigned to it in Subsection 21.08.
- (i) **Land** means the real property described in the Mortgage or any schedule attached to it.
- (j) **Loan** means each loan made by us to you from time to time pursuant to an Agreement, on such terms as notified to you from time to time, that you have agreed in writing will be secured by the Mortgage.
- (k) **Mortgage** means, collectively, the mortgage or charge of the Property signed by you, any schedules attached thereto and this set of Standard Mortgage Terms, as any of these as may be amended, modified, supplemented, restated or replaced from time to time.
- (l) **NHA Program** means a mortgagee financing or private or public mortgage insurance program under the *National Housing Act* (Canada) and associated regulations, as such may be amended, re-enacted or replaced from time to time.
- (m) **Obligations Secured** means all or any of the obligations, promises, requirements, debts and liabilities, present or future, absolute or contingent, matured or not, at any time owing by you to us or remaining unpaid by you to us, and wherever incurred and whether incurred by you alone or with others and whether as principal or surety, that you have agreed in writing will be secured by the Property, including without limitation those contained in the Mortgage and/or the Agreements.
- (n) **Person** means a natural person or any other legal entity such as a corporation.
- (o) **Principal Amount** means the amount specified as the principal sum in the Mortgage, which is the maximum amount of the Obligations Secured that are secured by the Mortgage.
- (p) **Property** means the Land including any Buildings and any other property that is at any time placed upon, attached to or affixed to the Land or Buildings, including without limitation, any fixtures or Improvements, and all other associated rights including easements and rights-of-way and all related rents and profits, but excluding the final day of any lease.

- (q) **Standard Mortgage Terms** means this set of standard mortgage terms.
- (r) **Taxes** has the meaning assigned to it in Subsection 8.01.
- (s) **We, our and us** means the Mortgagee defined in the Mortgage or in the Agreements, including our successors and assigns and, as appropriate, any of our subsidiaries.
- (t) **You and your** mean each and every Person who has signed or is bound by the Mortgage as Mortgagor and anyone who has signed any of the Agreements.

1.02 The Mortgage is made pursuant to the *Land Titles Act* (Alberta). If this is a high ratio insured mortgage it may be made pursuant to the NHA Program and is governed by the *Law of Property Act* (Alberta). You and anyone who, expressly or impliedly, assumes this Mortgage from you, could be sued for any obligations under this Mortgage if there is a default by you or by a Person who assumes this Mortgage.

1.03 References to sections or subsections refer to sections or subsections respectively in this set of Standard Mortgage Terms. **Any reference to an Act in this Mortgage includes any amendment, replacement or re-enactment of that Act.**

1.04 By signing this Mortgage, you and any guarantor of the Obligations Secured hereby acknowledges and agrees that we, at our option, which option is exercisable in our sole discretion, may insure or, in connection with us obtaining any financing under a NHA Program, deal with all or any part of the Obligations Secured, including any Agreements, or any interest therein, without restriction and without notice to you, any guarantor or any other person, and that you and any applicable guarantors have consented to such insurance being obtained and/or dealings and that no further notice is required.

SECTION 2 PROPERTY MORTGAGED

2.01 The Property is charged by this Mortgage.

SECTION 3 WHAT THE MORTGAGE DOES

3.01 By signing this Mortgage, you encumber, mortgage and charge your entire interest in the Property to us and to anyone to whom the Mortgage is transferred in any way, as security for the performance and payment to us of the Obligations Secured up to the Principal Amount.

3.02 The Mortgage secures a current or running account and is not satisfied or discharged by any intermediate payment of all or part of the Obligations Secured but remains a continuing security for payment and performance of the Obligations Secured, notwithstanding any change in the amount, nature or form of the Obligations Secured or any renewal, extension, amendment, replacement, restatement or substitution of the Agreements.

3.03 Our charge upon your interest in the Property, subject to the Mortgage and Agreements, will end when:

- (a) you have repaid and performed the Obligations Secured including without limitation all amounts to which we may become entitled under the Mortgage;
- (b) you have done everything else you have promised to do in the Mortgage and the Agreements; and
- (c) we have signed and delivered to you a discharge of the Mortgage.

3.04 You may remain in possession of the Property in accordance with the Mortgage and the Agreements. We can take any steps necessary to protect the entire interest you have charged to us and you authorize us and agree that we may, on your behalf, execute and/or register any documents necessary to give effect to your charging your entire interest in the Property to us. This includes, but is not limited to, rectifying clerical errors. You hereby irrevocably appoint us, as attorney on your behalf, to mortgage or otherwise encumber the Property and execute on your behalf

such instruments and do all acts, matters, and things that we have the right to do pursuant to this Mortgage and the Agreements.

3.05 You agree to perform all of your obligations and to pay in accordance with the Agreements and this Mortgage all amounts due to us under this Mortgage or under any of the Agreements, and all interest, including, without limitation, compound interest, accruing on the Obligations Secured from time to time. These amounts are secured by this Mortgage and form part of the Obligations Secured.

3.06 You agree that all payments that you make to us or that we ask you to make will be made in full without any set off, abatement, counterclaim, deduction or withholding whatsoever. You agree that you do not have a right to cancel, offset or reduce any payment or debt by any amount we owe you.

3.07 If the Property is subdivided before our interest in the Property comes to an end, the Mortgage will apply to each part into which the Property is subdivided. This means that each part will secure repayment of the total amount of the Obligations Secured.

SECTION 4 NO OBLIGATION TO ADVANCE

4.01 If we decide, for any reason, that we do not wish to lend you any money or more money, or provide other forms of credit to you, then we do not have to do so, even though the Mortgage is prepared, signed and / or registered, and whether or not any amounts have already been advanced. Notwithstanding this, by signing the Mortgage you charge all of your entire interest in the Property to us.

SECTION 5 TITLE TO THE PROPERTY

5.01 If you are the owner of the Property, you promise and declare that, as of the date of this Mortgage and as at each subsequent advance of the Obligations Secured:

- (a) you are the registered legal owner and beneficial owner of the Property and have good and marketable freehold title to the Property;
- (b) you have the right to give us the Mortgage and to enter into the Agreements;
- (c) there are no encumbrances or other claims or interests on the title to the Property other than those disclosed on the registered title to the Property; and
- (d) there are no limitations or restrictions on your title to the Property except building by-laws, zoning regulations and registered restrictions, all of which have been and will continue to be complied with.

5.02 If you are a tenant of the Property, you promise and declare that, as of the date of this Mortgage and as at each subsequent advance of the Obligations Secured:

- (a) the Property is leased to you under a lease, a copy of which you have provided to us;
- (b) the lease is a binding and existing lease and all information you have provided to us concerning it is true;
- (c) all rents payable and other amounts due under the lease have been paid;
- (d) you have permission or the right to assign, sublease and mortgage or charge the lease; and
- (e) except as expressed in the lease, there are no limitations, restrictions or encumbrances on your interest under the lease other than building by-laws, zoning regulations and registered restrictions, all of which have been and will continue to be complied with.

5.03 You agree not to further transfer, mortgage, charge, hypothecate, lease or encumber the Property without our prior written consent.

5.04 You promise not to do anything that will interfere with our charge upon your interest in the Property and you agree to sign any documents or do anything further that we think is necessary to charge to us your interest in the Property.

5.05 If we agree in writing that the Mortgage is not a first charge on the Property, you agree not to increase the principal amount owing under any prior charge or to re-borrow any amount repaid under any prior charge without first obtaining our written approval, unless the prior charge is held by us. We may withhold our approval for any reason. You promise not to default under any prior charge. You consent to us giving notice to the holder of any other charge on the Property of the existence of this Mortgage and of all the terms of this Mortgage and the Agreements.

SECTION 6 PAYMENT

6.01 You agree to pay us the Obligations Secured in accordance with the terms of the Agreements, and to comply with all of your other obligations under this Mortgage and the Agreements.

SECTION 7 INSURANCE

7.01 You will insure without delay and keep insured in our favour and until the Mortgage is discharged, the Property against loss or damage by fire and other perils usually covered by a standard extended coverage insurance policy and against any other perils we request from time to time (including, without limitation, earthquake insurance).

7.02 Such insurance must be provided by a company approved by us and be for the full replacement cost of the Property (the maximum amount for which the Property can be insured) in Canadian dollars. Your policy must be in a form satisfactory to us and must include extended perils coverage and the Canadian standard mortgage clause satisfactory to us stating that loss under the policy is payable to us. You shall, at our request, transfer to us all insurance policies and receipts of payment you have on the Property and any proceeds from that insurance. Co-insurance is not permitted.

7.03 If, in our opinion, you do not comply with this Section 7 before your insurance expires or is terminated, or if you do not:

- (a) maintain insurance on the Property;
- (b) deliver a copy of any insurance policy and/or receipt of payment to us within five (5) calendar days after we make a request;
- (c) provide us with evidence of any renewal or replacement of the insurance at least thirty (30) calendar days before your insurance expires or is terminated; or
- (d) provide us with a policy that contains an assurance by the insurer to notify us in writing not less than thirty (30) calendar days prior to any material change, cancellation, failure to renew or termination of any policy,

we can, but are not obliged to, insure any of the Property.

7.04 We may take out insurance under an individual policy or the Property may be insured under a blanket insurance policy issued to us. If we take out such insurance, we will insure the Property only for the amount owing under the Obligations Secured.

7.05 If the insurance you obtain is not acceptable to us in our reasonable estimation, we can require you to replace it with insurance which is acceptable to us.

7.06 If the Property includes a condominium unit, you will ensure the full compliance by the Condominium Corporation with its duties and obligations under the *Condominium Property Act* (Alberta) and the declaration and

by-laws of the Condominium Corporation. You will also ensure that the Condominium Corporation will at all times comply with the terms of all insurance policies, the insurance provisions of the Condominium Corporation's 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 7. Furthermore, you will ensure that the Condominium Corporation assigns and delivers to us certificates of insurance or, if required by us, certified copies of each insurance policy, as soon as possible after placing the required insurance.

7.07 If the Property includes a condominium unit, in addition to the insurance which the Condominium Corporation must obtain, you must:

- (a) insure your condominium unit;
- (b) insure all improvements which you or previous owners have made to your condominium unit;
- (c) insure your common or other interest in the Buildings (whether presently existing or built in the future, both during construction and afterwards) which are part of the common property or assets of the Condominium Corporation, if the Condominium Corporation fails to insure the Buildings or assets as required or if we require you to do so; and
- (d) assign your insurance policies to us and (as far as permitted by law) your interest in the policies held by the Condominium Corporation.

7.08 Insurance proceeds may, to the extent permitted by law, in whole or in part and at our sole discretion, be:

- (a) applied to rebuild or repair the Property;
- (b) paid to you or paid to any other Person who owns or did own the Property, as established by the registered title to the Property; or
- (c) applied to reduce any part of the Obligations Secured, whether due or not yet due.

7.09 You will not take or fail to take any action that may jeopardize insurance coverage for the Property without our prior written consent, including without limitation, leaving the Property unoccupied in contravention of any insurance policy applicable to the Property. If you are in default under the Mortgage, the Agreements or the Obligations Secured and if we post a notice on the Property requesting that you contact us and you fail to do so within five (5) calendar days following posting of the notice, you agree that you will be deemed to have left the Property unoccupied for the applicable period and we shall be at liberty to enter or take possession of the Property, at our option, and if we do enter or take possession, that we are not and shall not be deemed to be a mortgagee in possession.

7.10 All policies of insurance must show any loss payable to us and/or to a trustee that we have approved in writing pursuant to an insurance trust agreement approved by us, which agreement may not be altered without our further written approval.

7.11 The Mortgage also charges all insurance proceeds as security for the Obligations Secured. If the Property includes a condominium unit, the Mortgage also charges your interest in any insurance trust and any insurance proceeds relating to the Property held by the trustee.

7.12 If there is any loss or damage to the Property, you must furnish at your own expense all necessary proofs of claims and do all necessary acts to enable us to obtain payment of the insurance proceeds. You also empower us to complete and file any necessary proofs of claims or loss on your behalf. Production of the Mortgage will be sufficient authority for the insurer to pay any loss to us.

SECTION 8 TAXES

8.01 You will promptly pay all taxes, rates, assessments and similar charges on the Property charged by any taxing authority (your "Taxes") as they become due and, upon request, you will send us proof of payment. If you fail to pay

any of your Taxes, we may do so and you will pay to us on demand all such amounts that we pay, and until you do so, those amounts will form a part of the Obligations Secured and will bear interest at the interest rate provided for in the applicable Agreement.

8.02 At any time we may require you to make payments to us on account of your Taxes. We may set the payment according to our estimate of one year's Taxes, and you will send us all notices of your Taxes as soon as you receive them. Failure to do so may result in additional charges, fees or penalties from the taxing authority.

8.03 If we choose to make payments on account of your Taxes, we may estimate your Taxes for the year based on information received from you. We may revise the estimate from time to time. You will pay to us on demand any amount by which your Taxes on your Property exceed our estimate or exceed the amount we have accumulated to pay your Taxes and failure to do so may result in additional charges, fees, or penalties from the taxing authority. You will be responsible for any additional charges, fees or penalties from the taxing authority.

8.04 We are not obliged to pay your Taxes and we may apply the moneys held by us in payment of any other amount due under this Mortgage.

SECTION 9 OTHER CHARGES

9.01 You agree to pay any charges, mortgages, liens, common expenses, contributions, levies, assessments, claims and other encumbrances on the Property when they are due. If you do not pay any of these amounts when they are due, we can pay them. We can also, without prior notice to you, pay off any liens, common expenses, contributions, levies, assessments, claims or encumbrances against your Property which we consider to have priority over the Mortgage. If your obligation under the Mortgage is to comply with an obligation to another Person, and the other Person claims that you have not complied, we can do what we choose to cause compliance as if such claim is valid and even if you dispute it. We are entitled to rely on any statement we receive for the purpose of making any payment required to protect our interest in your Property and will not be required to undertake any further investigation. These statements will be considered conclusive evidence of the amount owing.

SECTION 10 USE AND CONDITION OF THE PROPERTY

10.01 You agree to keep the Property in good condition and to make any repairs that are needed. You also agree not to do or fail to do anything, or let anyone else do or fail to do anything, that lowers the value of the Property or negatively affects the marketability of your Property. We can inspect the Property at any reasonable time.

10.02 If you do not keep the Property in good condition or if you or anyone else does or fails to do anything that lowers the value of the Property or negatively affects the marketability of your Property, or fail to comply with this Section 10, we can make any repairs which we consider necessary.

10.03 Despite whether you did or did not obtain the governmental approvals that apply to your Property, you will not make any material Improvements to the Property without providing us with prior written notice.

10.04 You or any party using your Property may not use the Property for illegal purposes or illegal substances.

SECTION 11 LEASEHOLD INTERESTS

11.01 If you are a tenant of the Property, you promise to:

- (a) pay the rents and other amounts due under the lease as they fall due;
- (b) comply with all of the other terms of the lease and not to do or fail to do anything that would cause the lease to be terminated or fall into default;
- (c) not surrender the lease;
- (d) not make any change in the lease without first obtaining our written consent;

- (e) give us a true copy of any notice or request you receive concerning the lease; and
- (f) notify us immediately if your landlord advises you of early termination or takes any steps to effect early termination of the lease.

11.02 We can, but are not obliged to, appoint an agent to assign your lease and the last day of the term of your lease and the last day of any renewal term of your lease on your behalf and in your name. We may appoint an agent to transfer your interest in your Property as required to enforce any of our rights under this Mortgage, including without limitation our right to sell your Property. The agent is to be your agent and not ours and the agent's default is considered to be solely your default.

11.03 We are not obliged to collect any rent or other income from the Property nor to comply with any term of any lease or agreement. If we choose to exercise any of our rights with respect to the rents, then our rights in the rents will take priority over all other parties claiming an interest in the rents.

11.04 We shall have the right to cure any default by you under the lease but are not required to do so.

SECTION 12 APPLYING YOUR PAYMENT

12.01 We may allocate your payments to any Obligations Secured both before and after default.

12.02 Subject to the rights of any third party and to SECTION 13, any money we obtain by enforcing our rights, after paying our Costs and Servicing Fees, will be applied as follows:

- (a) first, to any mortgage loan(s) insured by mortgage default insurance (including without limitation any mortgage default insurance obtained by us after a mortgage loan is advanced);
- (b) second, to any uninsured mortgage loan(s);
- (c) third, to any line(s) of credit;
- (d) fourth, to any term loan(s) other than mortgage loans;
- (e) fifth, to any credit card(s);
- (f) sixth, to any overdraft(s); and
- (g) seventh, to any other loans and credit accounts not listed in items (a) through (f).

12.03 If there is more than one loan in any category listed in Subsection 12.02, the money we obtain will be applied among such loans at our sole discretion.

SECTION 13 NHA PROGRAM

13.01 With respect to any Loan that is insured and/or financed under a NHA Program, each of you and any guarantor hereby acknowledges and agrees that:

- (a) any new or additional advances, increases to principal, or further borrowing or extension 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 referred to in this Section as 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 (i) each additional advance is a new Loan, or (ii) all such additional advances are in the aggregate a new Loan, and in each case of (i) or (ii), the new Loan will be treated as a separate and distinct Loan made to you for all purposes including enforcement, whether or not same continue to be secured by the Mortgage securing the insured

and/or financed Loan, and each of you and any guarantor covenants and agrees to enter into such additional or new security documentation requested by us to evidence the foregoing, including and without limitation a new commitment letter and a new mortgage;

- (b) any references or rights, in favour of us 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 us 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 secure the Loan(s) that are insured and/or financed under a NHA Program and no other indebtedness; and
- (c) any references or rights, in favour of us 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 us 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 (i) any Obligations Secured in respect of any Loan(s) that is/are insured and/or financed by us under an NHA Program shall have priority as to payment, collection and in respect of the Mortgage enforcement over any other Loan made by us to you from time to time pursuant to an Agreement secured or to be secured by the Mortgage that is not insured and/or financed under a NHA Program; (ii) in no event shall we 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 any 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 (iii) 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 Secured, the deficiency in respect of any Obligations Secured other than Obligations Secured in respect of Loans that are insured and/or financed under a NHA Program shall be borne by us and we shall not pursue any judgment in respect of any amount that is greater than such deficiency.

SECTION 14 PREPAYMENT

14.01 Your right, if any, to prepay the Obligations Secured is set out in the Agreements.

14.02 If there is a default under the Mortgage or the Agreements and the entire balance of the Obligations Secured is accelerated and becomes immediately due and payable prior to the maturity date in the applicable Agreement, you shall pay us, in addition to the full balance of the Obligations Secured, such additional amounts as are set out in the Agreements.

14.03 Where a default under the Mortgage or the Agreements continues or occurs after the maturity date in the applicable Agreement, you shall still pay us, in addition to the full balance of the amount owing on the Obligations Secured, such additional amounts as are set out in the Agreements.

SECTION 15 CONSTRUCTION MORTGAGES

15.01 If any portion of the Obligations Secured is to finance an Improvement, you must so inform us in writing immediately and before any advances of such portion of the Obligations Secured. You must comply with all of your obligations under the *Builders' Lien Act* (Alberta) including without limitation the obligation to maintain holdbacks. You must also provide us immediately with copies of all contracts and subcontracts relating to the Improvement and any amendments to them. You agree that any Improvement shall be made only with our prior written consent and according to contracts, plans and specifications first approved in writing by us. If we consent, you must complete all such Buildings and/or Improvements as quickly as possible and provide us with proof of payment of all contracts from time to time as we require. If you do not complete the construction of such Improvement, we may complete the construction of such Improvement.

15.02 We will make advances pursuant to the applicable Agreement to you based on the progress of the Improvement, until either completion and occupation, or sale of the Property. We will determine, in our sole and absolute discretion, whether or not any advances will be made, when they will be made and in what amount. You authorize us to provide information about the Mortgage to any Person claiming a builders' lien on the Property.

15.03 We do not assume any responsibility for the construction of any Buildings on your Property or the completion of any Improvements to your Property or for any contractual terms or arrangements made between you and the builder or any contractors/subcontractors. The fact that we have made an advance does not constitute any representation or warranty by us with respect to the condition of the Buildings on your Property or the completion of any Improvements to your Property or any compliance with any contractual terms or arrangements made between you and the builder or any contractor/subcontractor.

SECTION 16 ASSIGNMENT OF LEASES AND RENTS

16.01 As additional and separate security for the Obligations Secured, you assign to us all existing and future leases and rents relating to the Property. In particular you transfer and assign to us as security:

- (a) all leases, lease agreements and their renewals;
- (b) all rents and other money payable under the terms of all such leases and agreements, however, we may allow you to receive such rents so long as there is no default by you in making your payments to us or in complying with your other obligations to us under the Mortgage or any of the Agreements; and
- (c) all of your rights under such leases and agreements.

16.02 In addition you confirm and agree that:

- (a) you must obtain our prior written consent for any future leases of the Property or for the renewal of any lease (other than a renewal provided for in any lease already approved by us);
- (b) nothing we do under this Section 16 shall put us in possession of the Property;
- (c) we are not obliged to collect any rent or other income from the Property nor to comply with any term of any lease or agreement;
- (d) however, if you default under the Mortgage or any of the Agreements we have the right, notwithstanding paragraphs (b) and (c), to enter into, inspect, collect rents or manage the Property; and
- (e) if we choose to exercise any of our rights with respect to the rents, then our rights in the rents will take priority over all other parties claiming an interest in the rents.

SECTION 17 APPOINTING A RECEIVER

17.01 If you do not repay all of the Obligations Secured when they become due and payable in accordance with Section 19 or if any one or more of the events listed in Section 19 occurs, we can, in writing, appoint a receiver (which includes a receiver and manager) to collect any income from the Property and to otherwise exercise its or our rights as set out in this Mortgage. We can also, in writing, appoint a new receiver in place of any receiver appointed by us. The receiver is considered to be your agent and not ours and any of the receiver's defaults are considered to be solely your defaults.

17.02 The receiver has the right but not the obligation to:

- (a) use any available remedy (taken in your name or our name) to collect the income from the Property;

- (b) take possession of the Property or part of it;
 - (c) manage the Property, maintain it in good condition and complete any Improvements if applicable; and
 - (d) lease the Property on whatever terms the Receiver considers appropriate.
- 17.03 From the income collected from your Property, or the proceeds of sale of your Property, the receiver may:
- (a) retain a commission of 5% of the total money received or any higher rate permitted by a judge or other authorized officer;
 - (b) retain enough money to pay disbursements spent on collecting the income;
 - (c) pay all taxes, insurance premiums, expenses of keeping the Property in good condition or completing any Improvements, interest on those payments, and all charges that have priority over the Mortgage and interest on those charges at the interest rate provided for in the applicable Agreement; and
 - (d) pay us all interest that is due and payable under the Obligations Secured and then, at our option, pay us all or part of the Obligations Secured, whether due or not yet due.
- 17.04 Nothing done by the receiver puts us in possession of the Property or makes us accountable for any money except for money actually received by us.

SECTION 18 ENVIRONMENTAL AND OTHER PROTECTIONS

18.01 We (including, in this Section 18, CMHC as NHA Program administrator and the mortgage default insurer, if the Mortgage is insured) may inspect the Property and any Buildings on it when we consider it appropriate. We may do this for any purpose but particularly to conduct environmental testing, site assessments, appraisals, occupancy checks, investigations or studies which we consider appropriate. If we do the things permitted under this Section 18 or any other provision in these Standard Mortgage Terms, we will not be considered to be in possession, management or control of the Property. This also applies to any of our authorized representatives and agents.

18.02 In all cases, you will protect and indemnify us, our directors, officers and employees against all actions, claims, lawsuits, expenses, costs or other demands relating to hazardous or illegal substances on your Property, and any breach of your obligations under this Section 18.

18.03 You agree that you have made reasonable investigations and enquiries and that no part of your Property now contains, nor has it ever contained, and agree that it will never contain in the future, hazardous or illegal substances, or be used for an illegal purpose.

18.04 If hazardous or illegal substances are found on your Property, regardless of the source or cause, you must, with our prior written consent, immediately carry out all work required to remove the hazardous or illegal substances from your Property and repair the damage to your Property. The plans and proposals for doing the work and repairs must have been prepared in consultation with us and have been approved, in writing, by us in advance. When the work is completed, you must provide us with confirmation in writing that the work is completed. This confirmation must be in a form acceptable to us.

18.05 If we do not consent to your repairing the damage, completing the work or if you fail to meet one or more of your obligations under this Section 18 you agree that we may, at your cost, do all or any part of the work we feel is appropriate. However, we are not obliged to do so.

18.06 The indemnity and other obligations hereunder this Section 18 will survive the discharge of this Mortgage and the payment and satisfaction of the Obligations Secured.

SECTION 19 IMMEDIATE PAYMENT

19.01 You will immediately, at our option, pay to us all of the Obligations Secured if:

- (a) any part of the Obligations Secured is not paid when it is due;
- (b) you do anything or fail to do anything which might interfere with our interest in the Property;
- (c) in our opinion, the Obligations Secured plus the amount of any prior charges and subsequent charges exceeds 80% of our estimate of the value of the Property, unless the Mortgage is insured by mortgage default insurance approved by us;
- (d) you fail to comply with any of your obligations under the Mortgage or under any Agreement;
- (e) you, or any guarantor of the Obligations Secured, becomes insolvent or bankrupt;
- (f) any lien is registered against the Property or we receive written notice of any lien that is created as a result of unpaid property taxes, unpaid condominium maintenance fees, Judgments or builders' liens or other similar encumbrances;
- (g) your Property is abandoned;
- (h) your Property or any part of your Property is expropriated;
- (i) any Buildings being erected or Improvements done on your Property remain unfinished without work being done on them for thirty (30) consecutive calendar days;
- (j) without our prior written consent, you sell, transfer, mortgage, lease, rent out or give up possession of all or part of the Property to any other Person, or if you allow the Property to become subject to any claims or encumbrances except any prior charges approved by us; or
- (k) you, or any party using your Property, uses your Property for illegal purposes.

SECTION 20 DELAY IN ENFORCEMENT

20.01 We can delay enforcing any of our rights under the Mortgage or the Agreements without losing any of those rights, and we can release others from their obligations under the Mortgage or any of the Agreements without releasing any one of you.

20.02 No delay or extension of time granted by us to you or any other Person in exercising the enforcement of any of our rights under the Mortgage and Agreements, nor any Agreement referred to in Section 23 shall affect our rights to:

- (a) receive all payments you are obliged to make to us, when they are due and payable;
- (b) demand that you repay the Obligations Secured and all interest which is due and payable, on any default by you;
- (c) have you comply with all of your obligations to us under the Mortgage and the Agreements; or
- (d) have any other Person comply with the obligations that Person has to us under the Mortgage and the Agreements.

20.03 In some cases, we may not enforce our rights on a particular default. However, by doing so, we are not forgiving any existing default or any other defaults in the future.

20.04 In addition, if in these Standard Mortgage Terms we reserve the right to make a payment or do something on your behalf, we may do so but are not obliged to do so.

SECTION 21 ENFORCING OUR RIGHTS

21.01 We can take immediate possession of your Property if you do not repay all of the Obligations Secured after they become due and payable in accordance with Section 19 of this Mortgage or if any one or more of the events listed in Section 19 occurs. In addition to the foregoing and to our rights set out in Section 17, we may enforce, at our option, any one or more of the following remedies in any order:

- (a) Sue you – We may take such action as is necessary to obtain payment of the Obligations Secured.
- (b) Foreclose – We may commence court proceedings to foreclose your right, title and equity of redemption to all or part of the Property. If we obtain a final order of foreclosure, your Property will by law become our Property. We may also ask the court to order the sale of the Property. If the court makes such an order, it will supervise the sale proceedings. The net proceeds of the sale will be applied to reduce the Obligations Secured. Any balance remaining after all claims have been satisfied will be paid to you in accordance with applicable law. If the amount we receive from the sale of the Property is less than the Obligations Secured, you must pay us the difference.

21.02 If you default in any obligation under the Mortgage or the Agreements (including without limitation any default referred to in this Section 21), we can enforce our rights and we can enter on the Property at any time, without the permission of any Person, and make all arrangements that we consider advisable to:

- (a) inspect, lease, collect rents or manage the Property;
- (b) repair or put in order any Building or Improvement on the Property; or
- (c) complete the construction of any Building or Improvement on the Property,

without entering into possession of the Property.

21.03 We are hereby irrevocably appointed as your attorney for the purpose of making such lease or sale or taking any other action in respect of the Property and for recovering all sums of money that may become or are due or owing to us.

21.04 After we are in a position to sell or lease the Property, we can sell it, by public auction or private sale, or lease it at any time, in any way, and on any terms which we think are reasonable whether in cash or part cash and credit. We may, with or without entering on the Property, lease the Property without notice to you. If we think it is reasonable, we may cancel, terminate, amend or dispute any lease or enter into new leases without being responsible for any resulting loss.

21.05 We may apply the net proceeds of the sale or lease to reduce any part of the Obligations Secured, after paying all expenses and Costs and Servicing Fees. We will only be accountable for the money remaining after payment of all our expenses and Costs and Servicing Fees when we actually receive it. If the money remaining, after paying all expenses and Costs and Servicing Fees, does not satisfy the Obligations Secured in full, you must pay us the difference.

21.06 You will not interfere with our actions while we are enforcing our rights, nor with the possession of anyone to whom your Property is sold or leased.

21.07 You agree not to make any claims concerning the Property against anyone who buys it or leases it from us, or anyone who buys or leases the Property after that time. If you do have any claims concerning the Property, you agree to make them only against us and only for money damages.

21.08 If we obtain a court order or judgment (a “**Judgment**”) against you for your failure to comply with any of your obligations to us under the Mortgage or any of the Agreements, the Judgment will not result in a merger of the terms of the Judgment with our other remedies or rights to enforce your other obligations under the Mortgage or the Agreements. We will continue to be entitled to receive interest on the Obligations Secured in the manner established and at the interest rate provided for in the applicable Agreement. The rate of interest payable on any Judgment shall be calculated and payable in the same way as interest is calculated in the applicable Agreement and at the same rate that interest is payable in the applicable Agreement until the Judgment has been paid in full.

21.09 If you have not removed your personal belongings from the Property before we lease, sell or take other action with the Property, you authorize us to remove and dispose of your belongings in any manner that we, in our absolute discretion, deem appropriate, without notice to you. We have no obligation to move, dispose or store your personal belongings and we shall have no liability for, and you hereby release us from such liability, for any damages, losses, claims or expenses whatsoever arising out of our handling of your personal property, whether negligent or otherwise, including but not limited to moving or not moving, disposing or storing those belongings.

21.10 If we enforce our rights under the Mortgage or the Agreements, we will not be considered to have taken possession, management or control of the Property.

21.11 When the Mortgage or Agreements go into default as a result of an event that is outside your control, you are in default of the Mortgage and the Agreements.

21.12 If there is more than one of you, a default is yours even if the default applies only to one of you or was caused by only one of you.

21.13 For the purpose of this SECTION 21 , we, our, and us, includes the insurer if the Mortgage is insured.

SECTION 22 DEALING WITH THE PROPERTY

22.01 In the event of:

- (a) a sale, conveyance, mortgage, hypothecate, charge or other encumbrance, lease or transfer of the Property; and/or
- (b) a claim, a lien, execution, court order, restraint order, injunction, or certificate of pending litigation, whether we are or are not a party, is registered, filed or obtained against the Property,

then, at our option, we may declare that you are in default and all of the Obligations Secured shall forthwith become due and payable. We can do this even if one or more of the Agreements do not contemplate immediate payment. If we do not require you to repay the Obligations Secured, our rights under the Mortgage or against anyone who has guaranteed the Obligations Secured are not affected.

SECTION 23 AMENDMENTS AND RENEWALS

23.01 We may, from time to time, enter into one or more written agreements with you to amend the Agreements or the Mortgage by extending the time for payment, renewing for further periods of time, changing the interest rate, increasing the balance or otherwise altering the provisions of the Agreements or the Mortgage. You will be required to meet all of our credit and other requirements at that time. You may also be required to pay additional fees and premiums related to mortgage default insurance. It will not be necessary to register any Agreements on title in order to retain priority of the Mortgage for the full amount of the Obligations Secured. Any reference in this set of Standard Mortgage Terms to the Mortgage will mean this Mortgage, as amended by any such Agreements. Any renewals and/or amendments are at our sole discretion.

23.02 You agree to pay all money owing under any mortgage loan or other term loan forming part of the Obligations Secured on the maturity date(s) set out in the applicable Agreement(s) or, if we have offered to renew such mortgage loan or other term loan, to enter into a renewal agreement with us on or before the maturity date(s) set out in the applicable Agreement(s).

23.03 If there are any executions, encumbrances or other claims or interests registered, filed or obtained against your Property in addition to this Mortgage, we may require them to be discharged, withdrawn or formally postponed. This is required in order to preserve the priority of the Mortgage.

SECTION 24 GIVING NOTICE

24.01 Any written notice under the Mortgage or the Agreements may be given to you and is considered to have been received where notice has been given to you by one or more of the following means:

- (a) personal service at your last known address;
- (b) regular mail at your last known address;
- (c) electronic communication including, without limitation, by electronic mail, text message or message sent via an online banking platform;
- (d) publication in a newspaper published in the county, town, city or district where your Property is located;
- (e) leaving it with an adult on your Property; or
- (f) posting it on your Property.

24.02 Where notice is given by any of the above methods we consider you to have received the notice on the same date it is given or published or, if we send it by mail, we consider you to have received the notice within five (5) calendar days of the date of mailing. We are not required to provide notice to you at an alternate address unless you have, in writing, designated the alternate address to receive the notice.

24.03 Written notice shall be considered to have been received by us when it is received at our address indicated on the Mortgage and any other address as we may notify you in writing.

24.04 If there is more than one of you:

- (a) written notice to any one of you shall be considered to be notice to all of you; and
- (b) any one of you can provide instructions to us (including without limitation in connection with any renewal of a mortgage loan or term loan) or designate an alternate address for service that will be binding on all of you.

SECTION 25 EFFECT ON OTHER AGREEMENTS, OBLIGATIONS AND SECURITY

25.01 The Mortgage does not change or release you from any of your obligations under the Agreements with us. Also, the Mortgage does not affect any other security we hold for the repayment of the Obligations Secured or any other rights we may have to enforce repayment of the Obligations Secured.

SECTION 26 CONDOMINIUM PROVISIONS

26.01 In this Section 26, the *Condominium Property Act* (Alberta) is called the "Act".

26.02 You will perform and observe all of your obligations under the Act and the regulations thereto and with the by-laws and rules of the Condominium Corporation relating to the Property, in effect from time to time, and will provide us with proof that you have performed and observed all such obligations from time to time as we may request.

26.03 Without limiting your obligations under Subsection 26.02, you will pay, when due, all condominium fees, special levies, assessments and other amounts payable to the Condominium Corporation, and will deliver to us, within

ten (10) calendar days of our request, an estoppel certificate from the Condominium Corporation confirming that you do not owe any money to the Condominium Corporation. If you do not pay any and all amounts when due, we may do so and you will pay to us on demand all amounts that we pay, and until you do so, those amounts will be added to the Obligations Secured and will bear interest at the interest rate provided for in the applicable Agreement.

26.04 You irrevocably authorize us to exercise your rights as owner of the Property in all matters concerning the Act and the common property including without limitation all voting and rights of consent which you may have as an owner of the common property. If we do not exercise your rights, you may do so according to any instructions we may give you.

26.05 We are not liable for any action we may take in doing what you have authorized us to do or for any failure to act and any action we may take will not put us in possession of the Property.

26.06 You authorize us to inspect the Condominium Corporation's records and remedy any failure of yours to comply with the Act, by-laws and rules of the Condominium Corporation. You will forward to us, if we require, any notices, assessments, by-laws, rules and financial statements of the Condominium Corporation you receive (or are entitled to receive) from the Condominium Corporation.

26.07 The Obligations Secured will become payable immediately, at our option, if:

- (a) the Condominium Corporation fails to comply with the Act or the declaration, by-laws or rules of the Condominium Corporation;
- (b) the Condominium Corporation fails to insure all the condominium units and common property according to law and according to any additional requirements of ours or do all that is necessary to collect insurance proceeds;
- (c) the Condominium Corporation makes any substantial modification to the common property or the Condominium Corporation's assets without our prior written approval;
- (d) there has been substantial damage and the owners have voted for termination of the Condominium Corporation;
- (e) a sale of the common property is authorized; or
- (f) the Property ceases to be governed by the Act.

26.08 In addition to any other rights under the Mortgage and the Agreements, you authorize us at any time to be able to enter upon the condominium complex and, if you are in default under the Mortgage or any of the Agreements, enter into the condominium unit.

SECTION 27 DISCHARGE OF MORTGAGE

27.01 We may establish, at our sole discretion, the terms for releasing our interest in all or part of the Property; that is, we may discharge or partially discharge the Mortgage from the Property, whether we receive value for our release or not. If we partially discharge the Mortgage from the Property at any time, the rest of the Property will continue to secure the Obligations Secured. We are only accountable for money actually received by us.

27.02 If we discharge all or part of the Property at any time from the Mortgage, we will either prepare, execute and register the discharge document and you or your representative will be provided with confirmation of the full or partial discharge, or, at our sole option, we will prepare and provide you with an executed but unregistered discharge document. You will give us a reasonable time in which to prepare, review, execute and, if applicable, register the discharge document. In the event that we provide you with an executed but unregistered discharge document, you will be responsible for registering the document and for all costs relating to such registration.

27.03 We can release you, any guarantor or any other Person from performing any obligation contained in the Mortgage or any other security document without releasing any part of the Property secured by the Mortgage or any other security document. Any such release shall not release any other party from their obligations under the Mortgage or the Agreements.

27.04 You agree that the Mortgage does not cease to operate if the Obligations Secured are reduced to zero at any time, or from time to time, but it remains in full force and effect.

SECTION 28 ASSIGNMENT OF MORTGAGE

28.01 When our interest in your Property comes to an end and you request that we assign your Mortgage, and we are required by law to assign your Mortgage, we will prepare and execute an assignment of the Mortgage. You will give us a reasonable time in which to prepare, review and execute the assignment of the Mortgage. You will be responsible for registering the assignment of the Mortgage and for all costs and fees relating to such registration. We may, but are not required to, provide you or any other party with any notice of the assignment of the Mortgage. We have no obligation to assign or transfer the Agreements.

28.02 Any assignment or transfer of the Mortgage will be on a non-recourse basis.

SECTION 29 WHO IS BOUND BY THE MORTGAGE

29.01 You agree to observe and be bound by all of the terms and obligations contained in the Mortgage. The Mortgage will also be binding on your heirs, personal representatives and any Person to whom the Property is transferred, and shall benefit us and our successors and assigns. All Persons who sign or who are otherwise bound by the Mortgage are jointly and severally bound to comply with all obligations under the Mortgage.

SECTION 30 HOME WARRANTY PLAN/PROGRAM

30.01 If a home warranty plan/program or any other regulatory program applicable to new homes under a regulatory authority applies to your Property, you agree to meet all of its requirements.

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

SECTION 31 MARITAL STATUS

31.01 You certify to us that all information that you have given us about your marital status and the Property when applying for the Mortgage or any of the Agreements, and the statements made in the Mortgage, are true and accurate under the *Dower Act* (Alberta).

SECTION 32 MORTGAGE PRIORITY

32.01 This Mortgage has priority for the Obligations Secured over every interest in the Property created in favour of any other Person after this Mortgage was entered into. This Mortgage has priority even if an Agreement with us for the Obligations Secured is entered into after this Mortgage was entered into, and even if that Agreement is not registered. Our providing a mortgage statement does not constitute consent to any encumbrance or interest.

SECTION 33 FINAL REPORT

33.01 Where you have retained a solicitor and the solicitor is required to submit a report on title in a form that is satisfactory to us, in our sole and absolute discretion, including without limitation originals if requested and with the applicable enclosures, together with the form provided by the title insurance provider if applicable, together with evidence of the registered Mortgage, and the solicitor fails to do so within thirty (30) calendar days after the final advance is made, we are entitled to retain another solicitor or title insurer, if applicable, to satisfy our requirements at your expense.

SECTION 34 CONFLICT

34.01 If there is any conflict between the terms of these Standard Mortgage Terms and the terms of the Agreements, the Agreements will prevail to the extent of such conflict. Notwithstanding the foregoing, if there is any conflict between section 18 of these Standard Mortgage Terms and any terms of the Mortgage or the terms of the Agreements, then section 18 of these Standard Mortgage Terms will prevail.

SECTION 35 CHANGE OF CORPORATE CONTROL OR STATUS

35.01 If you are a corporation, you agree that:

- (a) you will provide us, in a form satisfactory to us, with such information relating to the ownership of your shares as we may from time to time require; and
- (b) you will not transfer, issue or redeem any of your shares or amalgamate, merge or consolidate with any other corporation, without our prior written consent.

SECTION 36 REPRESENTATIONS AND WARRANTIES

36.01 If you are a corporation, you represent and agree on a continuous basis while any Obligations Secured remain outstanding that:

- (a) you are duly organized, validly existing and in good standing under the laws of your governing jurisdiction;
- (b) you have full power, authority and legal right to own your interest in the Property and are duly qualified to do your business and are in good standing in each jurisdiction where qualification is necessary for your business and you have not commenced any dissolution or reorganization proceedings;
- (c) you have full power, authority and legal right to enter into the Mortgage and the Agreements and to do all acts and execute and deliver all other documents as are required to be done, observed or performed by you under the Mortgage and/or the Agreements;
- (d) you have taken all necessary action and proceedings to authorize the execution, delivery and performance of the Mortgage and the Agreements and to observe and perform the provisions of each;
- (e) neither the execution and delivery of the Mortgage and the Agreements, nor compliance with the terms and conditions of any of them,
 - (i) has resulted or will result in a violation of the constating documents governing you, including without limitation any unanimous shareholders' agreement, or any resolution passed by your board of directors or shareholders;
 - (ii) has resulted or will result in a breach of or constitute a default under applicable laws or any agreement or instrument to which you are a party or by which you or the Property or any part of the Property is bound; or

(iii) requires any approval or consent of any Person except such as has already been obtained.

36.02 You further agree that all statements, information or documents which you have given or made to us, or which you give or make to us in the future, in applying for the Obligations Secured, or in any Agreement, including without limitation the Mortgage, are true and accurate. If we discover that any statement, information or document which you have given or made to us, or which you give or make to us in the future, in applying for the Obligations Secured, or in any Agreement, including without limitation the Mortgage, is untrue and/or inaccurate, you will be in default of your obligations under the Mortgage, the Agreements and the Obligations Secured and the entire balance of the Obligations Secured will, at our option, immediately become due and payable, regardless of whether you knew that the statement, information or document was untrue and/or inaccurate at the time it was given or made to us and regardless of whether we relied or did not rely on the truth or accuracy of any such statement, information or document.

36.03 If there is more than one of you and any untrue and/or inaccurate statement, information or document is given or made to us by only one of you, all of you will be considered to be in default of your obligations under the Mortgage, the Agreements and the Obligations Secured, and we will have the right to demand immediate payment of the entire balance of the Obligations Secured from any or all of you, at our option.

SECTION 37 COSTS AND SERVICING FEES

37.01 Costs and Servicing Fees include costs, servicing fees for our time and expenses for all aspects of the administration of the Mortgage and the Agreements including, without limitation, a fee or allowance for:

- (a) generally, any matter connected with the administration of the Mortgage, the Agreements and your Property including, without limitation, inquiring into compliance, dealing with or enforcing any obligation contained in the Mortgage or Agreements and including, without limitation, preparation, processing and administration of legal actions and enforcements, requests by you or third parties, taxes, condominium fees, and condominium matters, insurance, repair and construction, environmental matters, leases and other encumbrances and managing or selling your Property;
- (b) investigating any insurance matters, administering insurance cancellations, paying insurance premiums, dealing with insurance claims or taking out any insurance under an individual or blanket insurance policy issued to us;
- (c) investigating the status of realty tax matters and administering tax payments, if applicable, including without limitation collecting money for and paying your Taxes, amounts charged by the taxing authority for providing information about your Taxes, for sending us invoices or accepting payments from us on your behalf;
- (d) investigating the status and ensuring compliance with respect to any condominium matters, including the payment of any condominium fees, entering the condominium complex, and any costs or servicing fees incurred by us in relation to any by-law, resolution, rule or other matter or the enforcement of our right to have the Condominium Corporation or any owner comply with the *Condominium Property Act* (Alberta), by-laws and rules and our exercising any voting rights we may have;
- (e) investigating the title to the Property;
- (f) collecting any payments not received from you when due;
- (g) paying, on your behalf, any charges, mortgages, liens, claims, or other encumbrances or any common expenses, levies, assessments, and contributions;
- (h) making any repairs which we consider necessary or completing any construction;
- (i) curing any default under a lease referred to in the Mortgage or the Agreements;

- (j) conducting any inspections or appraisals and engaging any other external experts, appraisers, consultants, service providers or representatives including without limitation, legal representatives;
- (k) conducting any environmental testing, site assessments, appraisals, occupancy checks, investigations or studies;
- (l) consulting on and approving any plans and proposals related to your Property;
- (m) removing, moving, disposing, storing or dealing any hazardous or illegal substances from your Property and repairing any related damage to your Property;
- (n) removing, moving, disposing, storing or dealing with any chattels, fixtures or personal belongings on the Property;
- (o) enforcing or protecting our security or any of our rights under the Mortgage or the Agreements;
- (p) taking or keeping possession of the Property, including an allowance for our time and services utilized in so doing;
- (q) preparing, reviewing, executing, or registering the Mortgage, a discharge of the Mortgage, a partial discharge of the Mortgage, or any other discharge, withdrawal or postponement of the Mortgage;
- (r) preparing, reviewing, and executing the assignment of the Mortgage and any matters in connection with the assignment of the Mortgage;
- (s) meeting your obligations or enforcing your rights under a home warranty plan/program or any other regulatory program applicable to new homes on your behalf; and
- (t) retaining a solicitor, or title insurer, if applicable, with respect to any title matter relating to the Property.

37.02 Our servicing fees shall be the amounts established and generally applied by us from time to time and may be ascertained upon inquiry to us. We have the right to change the fees we charge from time to time without notifying you.

37.03 In addition, costs include, without limitation, legal fees in an amount that represents full indemnity, and all other costs related to enforcing or protecting our security or any of our rights under the Mortgage or any Agreements.

37.04 You will pay our Costs and Servicing Fees under the Mortgage and Agreements immediately. If you do not, we may declare that you are in default or add these amounts to the Obligations Secured, or do both. If we add these amounts to the Obligations Secured, interest will be charged at the interest rate provided for in the applicable Agreement until they are repaid.

37.05 Any of our Costs and Servicing Fees owed by you to us may, at our sole discretion, be deducted from advances.

SECTION 38 ASSIGNABILITY

38.01 We may, at our option, sell, assign or deposit all or any part of the Obligations Secured, any Agreement or the Mortgage to one or more third parties (including without limitation a mortgage default insurer if any mortgage loan secured by the Mortgage is insured, or a title insurer if title insurance has been obtained in connection with the Mortgage), without notice to you or your consent. The Mortgage, any Agreement and any Obligations Secured once sold, assigned or deposited may be repurchased or reacquired by us, whether or not in default, without notice to you or your consent. If any part of the Obligations Secured is so sold, assigned or deposited and we retain any part of the Obligations Secured, we have the right to require you to provide us with another charge to be registered on the Property with respect to the Obligations Secured retained by us.

SECTION 39 CONSENT TO DISCLOSURE

39.01 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 Secured, including any loan under the related Agreement(s), or any interest therein, any of: us, any mortgage loan insurer (including without limitation CMHC and Genworth), any other person having or proposing to acquire any interest in all or any part of the Obligations Secured, including any loan under the related Agreement(s), from time to time (including their respective advisors, agents, lawyers, accountants, 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 Secured, including any loan or related Agreement(s) (referred to in this Section as “**Information Access Persons**”), may as it may determine in its sole discretion in accordance with applicable privacy laws, collect, use and store information and materials (including confidential personal information) provided by you and/or any guarantor hereto, or obtained by or on behalf of, the relevant Information Access Person, without further notice to you or any guarantor, and any such Information Access Person may, as it may determine in its sole discretion in accordance with applicable privacy laws, transfer, assign release, disclose, exchange or share such information and materials (including confidential personal information) to or with:

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

and you and each 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 applicable privacy laws.

SECTION 40 SEVERABILITY

40.01 If any provision of the Mortgage is held to be illegal, invalid, or unenforceable, that provision will be fully severable and the Mortgage will be construed and enforced as if such illegal, invalid or unenforceable provision had never been part of the Mortgage; and the remaining provisions of the Mortgage shall remain in full effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from the Mortgage. In lieu of the illegal, invalid or unenforceable provision there shall be added automatically as part of the Mortgage a provision as similar in terms to the illegal, invalid or unenforceable provision as may be possible to be legal, valid and enforceable.

SECTION 41 HEADINGS

41.01 The headings in the body of the Mortgage form no part of the Mortgage. They are inserted for convenience only. You agree that all of the provisions stated in this set of Standard Mortgage Terms form a part of the Mortgage.

SECTION 42 GOVERNING LAW

42.01 The Mortgage shall be governed by the laws of Alberta and the federal laws of Canada applicable therein, excluding the conflict of law rules of that province. You submit to the jurisdiction of the courts of Alberta with respect to the Mortgage.



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