



STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE

Filing No. 201915 Cote

Filing Date April 12, 2019 Date de Dépôt

Page 1 of 23 Pages

Johanna Lem
DIRECTRICE DES DROITS IMMOBILIERS

Land Registration Reform Act (Ontario)
Set of Standard Charge Terms

Filed by: **Equitable Bank**
Filing Date:
Filing Number:

The following set of standard charge terms is deemed to be included in every Charge/Mortgage of Land in which this set of standard charge terms is referred to by its filing number, as referred to in Section 9 of the *Land Registration Reform Act*.

This document sets out important terms which apply to the reverse mortgage 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" and includes the borrower and co-borrower(s). The definition of "you" also includes "your".

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

ARTICLE 1 DEFINITIONS

1.01 Definitions.

In this set of Standard Charge Terms and in any Mortgage incorporating these Standard Charge Terms, 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 Approved Amount and any agreement to reset the Interest Rate.

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

"Approved Amount" means the amount originally available to you that is indicated in the Credit Documents or as we may change from time to time at our sole discretion.

"Balance Due Date" means the date the Debt 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 including interest and costs, pursuant to 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.

"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*, 1998, 5.0. 1998, c. 19 (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.

"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.

"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.

"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, including the administration and servicing fees set out in the Credit Documents;

- (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 construction lien from title to the Property, obtaining a discharge of a construction lien or defending a construction 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 the Collateral Loan Debt. Credit Documents include any Commitment Letter, loan agreement, Mortgage, Collateral Mortgage, promissory note, line-of-credit agreement interest rate reset agreement, conversion agreement and any other document that we may require, including any amendments of the foregoing.

"Current Principal Amount" means the amount that is outstanding from time to time, not including Interest.

"Debt" means the sum of Collateral Loan Debt, Costs and all other amounts payable by you under the Mortgage or the Credit Documents.

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

"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. The definition of "Equitable" also includes "us", "we" and "our".

"Equitable Bank Reverse Mortgage Prime Rate" means that annual interest rate 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 reverse mortgages made by Equitable in Canada. The Equitable Bank Reverse Mortgage 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.

"Event of Default" means failing to meet any of your Obligations and the occurrence of any of the events set out in Section 7.02.

"Fixed Interest Rate" means the annual fixed rate of interest for a mortgage, compounded semi-annually not in advance, that is indicated in the Credit Documents or Approved by you and Equitable.

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

"Interest" means the interest owing from time to time under the Mortgage and/or the Credit Documents, calculated daily at the applicable Interest Rate. Interest will be charged and calculated daily from the date that funds are advanced and/or Costs are incurred and will be added to the Debt until the Collateral Mortgage is repaid in full. Interest is payable both before and after demand and both before and after default and judgment.

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

"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.

"Interest Rate Reset" means the reset of the Interest Rate on the Interest Rate Reset Date.

"*Interest Rate Reset Agreement*" means an agreement, notice or written letter Approved by Equitable and at least one of you confirming the terms of an Interest Rate Reset.

"*Interest Rate Reset Date*" means the last day of the Interest Rate Term.

"*Interest Rate Term*" means the length of time for which the Interest Rate is valid.

"*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, and any late 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, 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.

"*Mortgage*" means, for the non-electronic paper-based registration system, the mortgage or charge of the Property signed by you in the Form 2 Charge/Mortgage of Land and any schedules attached to it or, for the electronic registration system, the mortgage or charge of the Property given by you to Equitable pursuant to your signed authorization and direction, and prepared in the electronic format and registered electronically pursuant to the provisions of Part III of the *Land Registration Reform Act* of Ontario. "Mortgage" also includes all schedules and Amendments, these Standard Charge Terms and any notice advising you of a change in the Variable Interest Rate.

"*Obligation(s)*" 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.

"*Payment*" means the amount of each payment or the payments indicated in the Mortgage or other payment approved by you and Equitable.

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

"*Planned Advances*" means Recurring Advances and Single Advances.

"*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, 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.

"*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.

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

"Purchaser" has the meaning set out in Section 5.01.

"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.

"Recurring Advances" means regularly scheduled advances in a pre-determined amount and frequency, and subject to any such requirements as Equitable may establish at its sole discretion without notice to you.

"Single Advances" means an advance of funds which is not a Recurring Advance and which is subject to such requirements as Equitable may establish from time to time at its sole discretion without notice to you.

"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.

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

"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. In the definition of "you", "your" has a corresponding meaning.

ARTICLE 2 CHARGE AND PROMISES

2.01 You give your Property as Security.

In return for Equitable agreeing to loan money to you, you agree as follows:

- (i) if you are the owner of the Property, you charge 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 6.02;
- (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 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 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.

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) the Property will be occupied by you as your principal residence;
- (iv) you will occupy the Property not less than 6 month of every 12 month period;
- (v) you have the right to give the Mortgage to Equitable and charge the Property in favour of Equitable;
- (vi) 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;
- (vii) 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;

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

Filing No. 201915 Cote

- (viii) 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; and
- (ix) 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.

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.

2.05 Periodic Confirmations.

On an annual basis, or any other frequency as we may determine, you will provide confirmations about your circumstances, including, but not limited to, providing the following information:

- (i) confirmation that items including, but not limited to, property taxes, insurance premiums and condominium fees and other expenses are up-to-date;
- (ii) verifications of the condition of the Property;
- (iii) confirmation of occupancy of the Property and your marital status; and
- (iv) any other information as we may require.

2.06 Change in Your Status.

You, your attorney, executor or administrator, as applicable, will notify Equitable immediately on the occurrence of any of the following:

- (i) your death; and
- (ii) the date you move to a long term care facility or retirement residence.

2.07 Individual and Joint Liability.

Each borrower is individually and jointly liable with the other(s) for all amounts owing under the Mortgage and by any other authorized person or signatory. We may rely on instructions from any one of you, or anyone acting on your behalf.

2.08 Powers of Attorney.

We may, in our sole discretion, refuse to accept a validly executed Power of Attorney or allow the attorney to complete the transaction requested, or we may refuse to act on the attorney's instructions. Such circumstances include, but are not limited to, situations where:

- (i) your attorney's instructions do not appear, in our sole discretion, to be in your best interest or we have reasonable grounds to believe the acts or omissions of your attorney expose, or may expose, you, Equitable or the Property to financial, regulatory or reputational risk;
- (ii) we believe the Power of Attorney has been revoked or invalidly granted;
- (iii) your attorney's instructions are in conflict with one or more of our policies or procedures; or
- (iv) we cannot verify the identity of your attorney.

If we accept your Power of Attorney, and your attorney is the executor or the administrator of your estate, he or she must notify us in writing immediately of any of the events specified in Section 2.06.

ARTICLE 3 GENERAL PROVISIONS

3.01 Changes to Your Debt.

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.

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.

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:

- (i) Equitable advances additional money secured by the Mortgage;
- (ii) the amount of the Debt increases or decreases, or if the Debt is reduced to zero and then increases;
- (iii) 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;
- (iv) Equitable increases or reduces the monetary amount of any credit available to you;
- (v) the form of the Debt changes in any way or the Mortgage secures additional Debt;
- (vi) the Mortgage secures more than one type of Debt or more than one type of Collateral Loan Debt;
- (vii) the terms applicable to the Debt are changed, for example if the Interest Rate changes; or
- (viii) any borrower or co-borrower dies.

3.02 Application of Payments.

When Equitable receives a Payment, Equitable will first apply it to Costs, if any. Next Equitable will apply it to Interest. Finally, Equitable may apply any remaining part of the Payment to reduce the Current Principal Amount. Equitable may also decide to apply a 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.

If an Event of Default has occurred, then Equitable may apply a Payment received during the period of any default in whatever order it may elect as between the Costs, Current Principal Amount and any other amounts payable by you under the Mortgage.

Once repaid, any amount advanced as part of the Approved Amount cannot be re-borrowed or re-advanced.

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 2:00 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 an Event of 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 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 Additional Debt.

Equitable may add amounts to your Debt, including but not limited to:

- (i) any Taxes and condominium expenses that are not paid as they fall 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, amendment or registration of the Mortgage or the Credit Documents (including fees for mortgage insurance and title insurance).

3.08 Advances under the Mortgage.

- (i) Equitable may decide, for any reason, that it will not advance all or any part of the Approved Amount even if the Mortgage has been registered and whether or not any part of the Approved Amount has previously been advanced to you. Even if Equitable has not advanced any money, the Mortgage will still secure Costs.
- (ii) If the requested date of an advance is not a Business Day, your advance will be advanced on the Business Day prior to the requested date.
- (iii) Once repaid, any amount advanced as part of the Approved Amount cannot be re-borrowed or re-advanced.

3.09 Holdbacks.

At any time and at our sole discretion, we may hold back any amount from a Planned Advance or the Approved Amount to satisfy items including, but not limited to, Taxes, condominium fees and other expenses. If we are satisfied with the results of our due diligence, we may release all or part of the amount held back.

We may increase, decrease, amend or cancel a holdback at any time at our sole discretion.

3.10 Repayment.

- (i) You will pay the Collateral Loan Debt to Mortgagee on demand.
- (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.
- (iii) If any payment is late, you will pay Equitable additional Interest as set out in the Credit Documents.

3.11 Prepayment.

The Collateral Loan Debt may be prepaid only as set out in the Credit Documents.

3.12 What the Collateral Loan Debt Covers.

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.

3.13 Other Terms.

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

3.14 Your Right of Conversion if you have a Variable Interest Rate.

You, when never having been in default under the terms of this Mortgage, shall have the option at any time during the Interest Rate Term, of converting a Variable Interest Rate to a Fixed Interest Rate at the then current rates we are offering for a reverse mortgage. The selected Interest Rate Term must have a term equal to or greater than the number of months remaining in your current Interest Rate Term. The Interest Rate will be converted for the remaining Interest Rate Term 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 Interest Rate 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 Interest Rate will take effect on the date specified by us in writing. 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. Unless otherwise specified, an administration fee will apply and will be added to the Debt.

If you are receiving Recurring Advances, you are not eligible to convert to a Fixed Interest Rate unless you stop receiving Recurring Advances. If you convert to a Fixed Interest Rate, any remaining funds allocated to Recurring Advances will be made available as Single Advances.

3.15 Your Right of Conversion if you have a Fixed Interest Rate.

You, when never having been in default under the terms of this Mortgage, shall have the option at any time during the Interest Rate Term, of converting a Fixed Interest Rate to another Fixed Interest Rate at the then current rates we are offering for a reverse mortgage. The selected Interest Rate Term must have a term equal to or greater than the number of months remaining in your current Interest Rate Term. The Interest Rate will be converted for the remaining Interest Rate Term 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. The conversion to a Fixed Rate will take effect on the date specified by us in writing. 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. Unless otherwise specified, an administration fee and conversion differential fee will apply, as set out in the Credit Documents, and such amounts will be added to the Debt.

3.16 Prepayment for Closed Mortgages.

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

3.17 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. 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.

ARTICLE 4 INTEREST RATE RESET PROVISIONS

4.01 General.

You may reset your Interest Rate if Equitable Approves the reset. An Interest Rate Reset Agreement will conclusively establish any reset of the Interest Rate as well as the terms of that Interest Rate Reset. You acknowledge that Equitable is under no obligation to offer a reset to you.

4.02 Interest Rate Reset Services.

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

You agree that if an Interest Rate Reset Agreement is sent to you but you do not, by the applicable date sign and return the Interest Rate Reset Agreement to us, we may, at our option, automatically reset the Interest Rate on the terms contained in the Interest Rate Reset Agreement, and you will be bound by such terms. There may be a fee associated with this automatic reset, and if so, it will be disclosed to you in advance of such reset.

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

4.03 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.

ARTICLE 5 OTHER PROVISIONS AFFECTING YOUR MORTGAGE

5.01 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 Article 3 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 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). You agree to provide Equitable with a copy of the applicable documents, including a registered title change document and you agree that all costs associated with such amendment will be your responsibility.

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.

5.02 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.

5.03 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.

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

5.04 Payments Equitable May Make.

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

5.05 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. You hereby authorize the municipality to release all tax information on the Property to Equitable.

5.06 Bank Account for Receipt of Advances.

By signing the Mortgage you:

- (i) Agree that where there is more than one of you on the mortgage, that Equitable will issue the advance(s) solely in the name of one of you.
- (ii) Agree that should Equitable offer to make funds available to you by direct deposit, you may accept this service by executing any documents as Equitable may require.
- (iii) Acknowledge that any advances you request from Equitable may, at Equitable's discretion, be payable by direct deposit or cheque which will be sent to you by regular mail.
- (iv) Agree to pay to us our processing fees for any actions which we take under this Article.
- (v) Agree that the account to which Equitable will pay the funds will be an account which you control.

5.07 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 without Equitable's prior written consent.
- (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.

5.08 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, cancel any or all Planned Advances, create a holdback and 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.

You are required to provide Equitable with immediate notice should a construction lien be registered against the Property.

5.09 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 5.09(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 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 Declarant

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.

5.10 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.
- (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; and/or
 - (d) you, or any borrower.
- (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 so long as any Debt remains unpaid.
- (viii) No security will be released or discharged except by a written release or discharge executed by Equitable.

5.11 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.

5.12 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 or any other person including your spouse. Each of you hereby acknowledges and agrees that you have 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 so 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 other dealing (provided, for the avoidance of doubt, that the Loan and Obligations shall continue to be subject to the terms hereof).

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.

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

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 acknowledge that such custodian or agent will have no liability whatsoever to you 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 in place of Equitable, provided that until Equitable gives notice of such appointment to you, you shall continue to deal with Equitable in matters pertaining to the servicing or administration of the Loan.

You and each 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 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.

5.13 Repayment of Payments Made by Equitable.

Any payments made by Equitable under this Article will be added to the Debt.

5.14 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 and sole discretion, refuse to Approve an assumption:

5.15 Inspection.

You agree that:

- (i) if we 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 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 an Event of 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) 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 of our respective authorized representatives or agents shall become a mortgagee in possession, management or control by exercising these rights.

5.16 Transfer of Mortgage.

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

5.17 Short Covenants.

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

- (i) are a natural person;
- (ii) have a good title to the said lands;
- (iii) have the right to mortgage the said lands;
- (iv) have done no act to encumber the said lands;
- (v) will execute such further assurances of the said lands as may be requisite;
- (vi) hold title as joint tenants if more than one borrower is on title;

and that, on an Event of Default, Equitable shall have quiet possession of the said lands free from all encumbrances.

5.18 Payment Guarantee.

We guarantee that as long as you have met your Obligations, the amount you have to pay on the Balance Due Date will not be more than the Fair Market Value ("FMV"), where FMV means the amount that would be paid on the open market, on the applicable date, to buy the Property assuming there are no legal claims against the Property (the "Payment Guarantee"). If you do not agree with our calculation of the FMV, an independent appraiser appointed by us will determine the amount. More than one appraiser/appraisal will be required if you do not agree on the FMV determined by the first appraisal. In such instances, Equitable will appoint three independent appraisers to determine the FMV. The costs for one of the appraisals will be paid directly by you. The appraisers appointed by us will act as experts and not as arbitrators.

The following items are excluded from this Payment Guarantee:

- (i) Costs; and
- (ii) Interest accumulated after the Balance Due Date.

The Fair Market Value that will apply will be the largest of the following amounts:

- (i) the FMV on the Balance Due Date;
- (ii) the gross proceeds of the sale of the Property, which means the total sale price without any deductions for items such as real estate commissions; or
- (iii) the FMV on the date you fully repay the Debt.

5.19 Appraisals.

You will allow Equitable to access the Property to obtain an appraisal if Equitable believes there has been a deterioration in the marketability of the Property.

ARTICLE 6 PROVISIONS FOR SPECIFIC TYPES OF PROPERTIES

6.01 Promises for Leased Property.

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

- (i) own your leasehold interest in the Property;
- (ii) have the right to mortgage or charge the Lease and sublet the Leased Property to Equitable;
- (iii) if required under the Lease, have obtained the landlord's consent to the Mortgage;
- (iv) nor any other person has mortgaged or otherwise encumbered the Lease or your rights under the Lease;
- (v) are party to the Lease and that it is a valid, existing lease and has not been amended except as you have advised Equitable in writing;
- (vi) 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) 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) will pay the rent under the Lease and perform your obligations under the Lease as long as the Debt is outstanding;
- (ix) will provide Equitable with any notice of default under the Lease that you receive;
- (x) will indemnify Equitable from all actions, claims and demands relating to defaults under the Lease; and
- (xi) will assign to Equitable the last day of the term of the Lease, or any renewal term, which you hold in trust for Equitable.

6.02 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.

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

Filing No. **201915** Code

- (v) If Equitable sells the Leased Property pursuant to this Article 6, 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, as required by Part III of the *Mortgages Act* (Ontario) or equivalent legislation applicable in the province the Property is located, assign the Lease.
- (xi) Any assignment may be on the terms set out in these Standard Charge Terms.
- (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.

6.03 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 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 vote 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) 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 Condominium 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 7 ENFORCEMENT

7.01 Due Dates.

Your Debt is due on the earliest of the following events (each a "Due Date"):

- (i) the date the Property, or your interest in the Property, is sold, transferred or otherwise conveyed, whether in whole or in part;
- (ii) 180 days after the death of the last of the borrowers;
- (iii) the first year anniversary of the date the last of the borrowers has moved into a long-term care facility or retirement residence; or
- (iv) the date on which an Event of Default occurs.

7.02 Event of Default.

Equitable, in its sole discretion, may exercise its remedies under this Section if any one or more of the following occurs (each an "Event of Default"):

- (i) if you have made any material misrepresentation to Equitable;
- (ii) if we suspect that you are using Funds or the Property for illegal purposes;
- (iii) if we reasonably suspect that you are connected to fraud, theft or any other offence;
- (iv) if we have reasonable grounds to believe your actions or omissions expose, or may expose, you, Equitable, or the Property to financial, regulatory or reputational risk;
- (v) if you fail to pay the Debt on the Due Date; and
- (vi) if you do not comply with your Obligations.

7.03 Enforcing Equitable's Rights.

Upon the occurrence of any Event of Default, Equitable may exercise any one or more of the remedies listed below in any order that Equitable chooses:

- (i) Immediate Payment.
Equitable may, at its option without prior notice to you, require all Debt to be paid to Equitable immediately.
- (ii) Suspension or Termination of Planned Advances.
Equitable may, at its option without notice to you, suspend or terminate Planned Advances or refuse any new Planned Advances pursuant to the Credit Documents. If Planned Advances are suspended or terminated, your Obligations will remain in effect until you repay the Debt to Equitable.
- (iii) 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.
- (iv) 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.
- (v) 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 Ontario may order you to leave. If you refuse to do so, the Courts of Ontario 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.
- (vi) 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.
- (vii) Foreclosure.

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE

Filing No. 201915
Cote

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

(viii) 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.

(ix) Power of Sale.

If any default continues for at least fifteen (15) days, on at least thirty-five (35) days' written notice to you as required by Part III of the *Mortgages Act* (Ontario), or any other minimum period that may be prescribed by Law, Equitable may sell the Property or any part of it. 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.

(x) 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.

7.04 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.

7.05 Prepayment After Default.

If we declare the Debt, 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, you agree to compensate us as liquidated damages for costs reasonably incurred by us and not as a penalty (in addition to Costs), 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 or the Fixed Interest Rate as the case may be.


7.06 Payment after Balance Due Date.

Where there is a Default after the Due Date, you may pay the outstanding Debt 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 Debt in lieu of three (3) months' notice.

7.07 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.

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE
201915
Filing No.  Cote

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.

7.08 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.

7.09 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 8 MISCELLANEOUS PROVISIONS

8.01 Judgments.

If Equitable obtains a judgment because of your default in any Obligation, that judgment shall in no event 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.

8.02 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 Standard Charge Terms.

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.

8.03 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:

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

- (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) processing each application for conversion, including any interest rate differential charges;
- (v) investigating, preparing and issuing statements, files, letters, demands or other correspondence in connection with enforcing your obligations under the Mortgage;
- (vi) processing each restructuring or other amendment of the Mortgage or amounts secured by the Mortgage, whether or not completed;
- (vii) investigating the status of any insurance and administering insurance cancellations and paying insurance premiums;
- (viii) processing any assumption or port of the Mortgage which has been Approved by Equitable;
- (ix) investigating the status of realty tax payments and administering tax payments;
- (x) 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;
- (xi) 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);
- (xii) 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
- (xiii) 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.

8.04 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 a reasonable time to prepare and sign the discharge or transfer or to authorize the electronic registration of a 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.

8.05 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. We may, in our exercise of its rights and remedies may proceed to 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.

8.06 Notices by Equitable.

Unless otherwise stated in the Mortgage, 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.

8.07 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.

8.08 Number.

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

8.09 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.

8.10 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, 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 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 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 and any such Information Access Person may, as it may determine in its sole discretion in accordance with Privacy Laws, from time to time

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE

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 hereby irrevocably consent 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 of the 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.

8.11 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.

8.12 Effect of Amendments.

Any agreement to make an Amendment to the Mortgage will apply not only to those who Approve the Amendment but also to any other person who was a party to the Mortgage but did not Approve the Amendment.

8.13 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).

8.14 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.

8.15 Governing Law.

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

8.16 Ontario New Home Warranties Plan Act.

If the Ontario *New Home Warranties Plan Act* applies to your Property, you promise to comply with its 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.

8.17 Chattels Left Behind.

Any and all chattels left on the Property by you following an Event of 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,

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE

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. In addition the storer shall have all the rights and liens available pursuant to the *Repair and Storage Lien Act*, R.S.O. 1990, c.R.25, as amended from time to time, together with any legislation substituted therefor.

8.18 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.

8.19 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 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.

8.20 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 Part II of 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.

8.21 Statute References.

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

8.22 Receipt.

You hereby acknowledge receipt of a true copy of the Mortgage and the foregoing Standard Charge Terms before signing the Mortgage.

DATED the 2nd day of April, 2019

EQUITABLE BANK
By its Solicitors

Per:


MICHAEL LIEBERMAN

STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE