

**THE REAL PROPERTY ACT**

**SET OF STANDARD CHARGE MORTGAGE TERMS**

(COLLATERAL TO PERSONAL LINE OF CREDIT AGREEMENT)

FILED BY BANK OF MONTREAL

FILING DATE: November 10, 2017

SERIAL NUMBER: 4905082/1

The following set of Standard Charge Mortgage Terms shall be deemed to be included in every mortgage in which the set is referred to by its serial number, as provided in section 93 of the Act.

<b>1.</b>	<b>CONTENTS</b>	
	TABLE OF CONTENTS	
1.	CONTENTS .....	1
2.	DEFINITIONS .....	2
3.	OPERATION OF MORTGAGE .....	3
4.	EXPRESS COVENANTS.....	5
	(a) Payment of Principal and Interest .....	5
	(b) Observance and Performance of Terms and Conditions .....	5
	(c) Taxes .....	5
	(d) Good Title and Free from Encumbrances .....	5
	(e) Insurance.....	5
	(f) Payments by Mortgagee .....	6
	(g) Power of Mortgagee to Sell or Lease on Default .....	7
	(h) Quiet Possession.....	9
	(i) Further Assurances .....	9
	(j) Right to Distrain .....	9
	(k) Attornment .....	10
	(l) Release of Part of Mortgaged Land .....	10
	(m) Inspection .....	10
	(n) Acceleration of Principal .....	11
	(o) Judgment and Interest .....	11
	(p) Effect of Sale .....	11
	(q) Waiver.....	11
	(r) Assignment of Rents .....	12
	(s) Successors and Assigns .....	12
	(t) Discharge of Assignment .....	12
	(u) Alterations .....	12
	(v) Other Security .....	12
5.	NOTICE.....	13
6.	TITLES AND MARGINAL NOTES .....	13
7.	DATE OF MORTGAGE.....	13
8.	GOVERNING LAW .....	13
9.	UNAPPROVED MORTGAGE OR ENCUMBRANCE BY MORTGAGOR .....	13
10.	UNAPPROVED SALE BY MORTGAGOR.....	13
11.	RELEASE.....	13

12.	MORTGAGE OF ESTATE .....	14
13.	CONDOMINIUM UNITS.....	14
	(a) Additional Definitions for Condominiums .....	14
	(b) Condominiums and Owner's Insurance.....	14
	(c) Additional Express Covenants and Terms.....	16
	(i) Duties of Condominium Unit Owner.....	16
	(ii) Payment of Common Expenses .....	16
	(iii) Right to Vote or Consent.....	16

**2. DEFINITIONS**

All terms used herein that are defined in the Act shall have the same meanings herein as in the Act except as expressly varied by this set of Standard Charge Mortgage Terms. In this set of Standard Charge Mortgage Terms and in each mortgage:

- (a) "Act" means The Real Property Act, C.C.S.M. Cap. R30 and any amendments thereto in effect at the time of execution of a mortgage.
- (b) "Agreement" means the agreement in writing made between the Mortgagor and the Mortgagee more particularly described in the additional provisions box of the mortgage.
- (c) "Actual Mortgage Rate" means the interest rate per annum specified in the additional provisions box in the mortgage in accordance with the interest Calculation Period specified in the additional provisions box in the mortgage, or if said paragraph does not contain an interest rate, the rate at which interest is chargeable and calculated as provided in the mortgage.
- (d) "mortgage" means the mortgage made pursuant to the Act and the regulations in which this set of Standard Charge Mortgage Terms is included by reference therein to its serial number and includes all Schedules to such mortgage, and for greater certainty includes a mortgage in which one or more of such Standard Charge Mortgage Terms are expressly excluded or are varied in accordance with the Act.
- (e) "Mortgagee" means Bank of Montreal and its successors and assigns.
- (f) "Mortgagor" means the party or parties identified in box 2 on page 1 of the mortgage and, where applicable, further identified in additional provisions to the mortgage and his, her or their successors and assigns.
- (g) "land" means land, messuages, tenements, hereditaments, corporeal and incorporeal, of every kind and description, whatever the estate or interest therein, and whether legal or equitable, together with all paths, passages, ways, watercourses, liberties, privileges, and easements, appertaining thereto, and all trees and timber thereon, and all mines, minerals, and quarries, unless specially excepted, and for greater certainty includes all buildings, plant, machinery, erections and improvements fixed or otherwise, present or future, built, placed or put thereon including, without limitation, all fences, heating, plumbing, antennae, radiators, mirrors, air-conditioning, ventilating, fire alarm and protective systems, lighting and lighting fixtures, furnaces, boilers, oil burners, stokers, water heating equipment, cooking and refrigeration equipment, window blinds, floor coverings, storm windows and doors, window and door screens, shutters and awnings, and all other apparatus and equipment appurtenant thereto, and all other fixtures, accessions and accretions of any kind or nature.
- (h) "mortgaged land" means the land described in box 3 on page 1 of the mortgage and, where applicable, further described in the additional provisions in the mortgage.

- (i) "Indebtedness" means the Sum and interest thereon at the Actual Mortgage Rate and all other present and future indebtedness and liability of the Mortgagor to the Mortgagee whether direct or indirect, absolute or contingent and whether incurred pursuant to the provisions of the mortgage or otherwise, including all interest thereon.
- (j) "interest" means interest payable by the Mortgagor to the Mortgagee at the rate or rates of interest applicable to the Indebtedness or any part or parts thereof from time to time as agreed between the Mortgagor and the Mortgagee from time to time and if no rate of interest has been so agreed upon in respect of any part or parts of the Indebtedness, the highest rate of interest applicable to the other part or parts of the indebtedness and subject to the aforesaid means of determination, the rate of interest, if any, specified in box 5 of the mortgage.
- (k) "Other Claims" is defined in paragraph 4(d) hereof.
- (l) "regulations" means the regulations made under the Act.
- (m) "successor" means an heir, executor, administrator or successor.
- (n) "Sum" means the principal amount in which the Mortgagor is indebted and/or may or will become indebted to the Mortgagee for advances or readvances of money to the Mortgagor pursuant to the Agreement in the amount set out in box 5 of the mortgage.
- (o) "Taxes" means all taxes, rates and assessments, municipal, school, local, parliamentary or otherwise, in regard to the mortgaged land.

### **3. OPERATION OF MORTGAGE**

- (a) In consideration of the premises, other valuable consideration and the sum of two (\$2.00) dollars of lawful money of Canada now paid by the Mortgagee to the Mortgagor, (the receipt and sufficiency of which are hereby acknowledged by the Mortgagor), the Mortgagor hereby charges and mortgages the mortgaged land to and in favour of the Mortgagee as security for payment to the Mortgagee of the Indebtedness including the Sum and interest thereon and as security for the observance and performance of all other obligations of the Mortgagor arising under or pursuant to the mortgage and the Agreement.
- (b) The mortgage is given upon the express condition that if the Mortgagor or the successors or assigns of the Mortgagor shall duly pay or cause to be paid to the Mortgagee the Indebtedness and all promissory notes, bills of exchange, guarantees, other instruments and agreements now or hereafter evidencing the Indebtedness or any part thereof and all renewals and replacements of and substitutions for the same or any of them or any part thereof and all such other sums as the Mortgagee may be entitled to by virtue of the mortgage as and when such Indebtedness, promissory notes, bills of exchange, guarantees, other instruments and agreements, renewals, replacements, substitutions and sums shall respectively become due and payable with interest as well after as before maturity, default or judgment and upon the observance and performance of all terms, agreements, covenants, provisos and conditions set out in the mortgage and Agreement, the mortgage shall be absolutely null and void; provided that the mortgage shall not be null and void while any Indebtedness remains unpaid only because, at some prior time, all Indebtedness, at such time, has been paid in full. The right of foreclosure is thereby expressly given and reserved to and retained by the Mortgagee in the same manner and to the same extent as if the Mortgagor had transferred the mortgaged land to the Mortgagee by way of mortgage subject to a proviso for redemption.

- (c) The Indebtedness, including the Sum, shall be payable by the Mortgagor to the Mortgagee on demand by the Mortgagee.
- (d) The mortgage shall be a continuing security to the Mortgagee for the payment of all Indebtedness, notwithstanding at any time and from time to time there is:
  - (i) any change in the nature, state or form of any account between the Mortgagor and the Mortgagee;
  - (ii) any new advance by the Mortgagee to the Mortgagor, whether by way of loan, discount, the drawing of a cheque against an account of the Mortgagor or otherwise;
  - (iii) any discount or acceptance by the Mortgagee from or for the Mortgagor of any promissory note, bill of exchange or other negotiable instrument or commercial paper;
  - (iv) any credit of any amount to any account of the Mortgagor by reason of deposit of moneys or otherwise; or
  - (v) any renewal, replacement, substitution or alteration of any promissory note, bill of exchange or other negotiable instrument or other commercial paper from time to time held by the Mortgagee or any reduction, satisfaction, payment, release or discharge thereof or of any other security therefor.

No such event or act shall constitute or be deemed to be a payment on account of the Indebtedness or any part thereof or call for or require any application, appropriation or payment on account of the Indebtedness or any part thereof unless such application, appropriation or payment shall have been expressly agreed to in writing by the Mortgagee or until the mortgage shall have been fully released and discharged by the unconditional delivery of a discharge of the mortgage executed by the Mortgagee and the mortgage shall be deemed to be taken as security for the ultimate balance of the Indebtedness. The mortgage and any provision thereof shall not operate so as to create any merger, rebate or discharge of any debt owing to the Mortgagee or of any lien, bond, promissory note, bill of exchange, guarantee, or other security held by or which may hereafter be held by the Mortgagee from the Mortgagor or from any other person or persons whomsoever and the mortgage shall not in any way prejudicially affect any security held or which may hereafter be held by the Mortgagee for the Indebtedness or any part or parts thereof or the liability of any endorser or any other person or persons upon any such lien, bond, promissory note, bill of exchange, guarantee or other security or contract or any renewal or renewals thereof held by the Mortgagee for or on account of the Indebtedness or any part or parts thereof nor shall the remedies of the Mortgagee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of the mortgage.

- (e) Any and all payments made in respect of the Indebtedness and the moneys or other proceeds from any securities held therefor (including the mortgage) may be applied and reapplied notwithstanding any previous application on such part or parts of the Indebtedness as the Mortgagee may see fit and every certificate signed by a manager, acting manager or assistant manager of the branch or banking unit of the Mortgagee where the Mortgagor's account is kept at the time such certificate is signed or any certificate by an executive officer of the Mortgagee or any officer or agent appointed by the Mortgagee for such purpose purporting to show at any particular time the amount of the Indebtedness or the amount due and payable under the mortgage shall be prima facie evidence as against the Mortgagor of the amount of the Indebtedness or the amount due and payable under the mortgage at such time.

#### 4. EXPRESS COVENANTS

The following terms shall be deemed included in the mortgage, except to the extent they are expressly excluded from the mortgage or are varied by setting out the term appropriately amended in the mortgage, and shall be construed and applied as covenants made by the Mortgagor for the Mortgagor and the Mortgagor's successors and assigns to and in favour of the Mortgagee, its successors and assigns, to the same extent as if set out as such in the mortgage executed and delivered by the Mortgagor.

- |  |     |  |
|--|-----|--|
| Payment of Principal and Interest                  | (a) | THAT the Mortgagor shall pay to the Mortgagee the Indebtedness as and when the same falls due, in lawful money of Canada, without deduction or set-off of any kind.  |
| Observance and Performance of Terms and Conditions | (b) | AND THAT the Mortgagor shall duly and punctually observe and perform all the terms and conditions of the mortgage which are to be observed and performed by the Mortgagor.   |
| Taxes  | (c) | AND THAT the Mortgagor shall promptly pay or cause to be paid as they fall due all Taxes already charged or thereafter to be charged by any authority on the mortgaged land as and when they shall fall due and within one (1) month from the date fixed for the payment of the last instalment of Taxes in each year, shall furnish the Mortgagee with receipted tax bills showing all such Taxes for the year paid.  |
| Good Title and Free From Encumbrances              | (d) | AND THAT at the time of execution and delivery of the mortgage, the Mortgagor has a good, absolute and indefeasible title and estate in fee simple to the mortgaged land and appurtenances thereto without any trusts, encumbrances, liens, claims, charges, reservations, limitations, provisos or conditions whatsoever except those contained in the original grant thereof from the Crown; AND that the Mortgagor has good right, full power and lawful and absolute authority to mortgage the mortgaged land and its appurtenances to the Mortgagee in accordance with the provisions of the mortgage; AND the Mortgagor has not done, omitted or permitted anything whereby the mortgaged land or the Mortgagor's estate, right, title or interest therein is or may be alienated, encumbered, liened, charged, impeached or affected; AND that the mortgaged land is free and clear of and from all encumbrances, liens, claims, charges and mortgages including, without limitation, any outstanding statutory liens or charges on the mortgaged land, arrears of Taxes, executions, former mortgages, conveyances and rights (which encumbrances, liens, claims, charges and mortgages are hereinafter collectively called "Other Claims"). |
| Insurance  | (e) | AND THAT the Mortgagor shall forthwith insure and during the continuance of the mortgage keep insured in favour of the Mortgagee against loss or damage by fire, lightning, tornado, cyclone and tempest and such other risks and perils as hereinafter set out, all buildings, plant, machinery, erections and improvements, fixed or otherwise, now or hereafter forming part of the mortgaged land, both during erection and placement and thereafter, and also crops and other personal property or produce of the land which may be charged by the  |

mortgage, to their full insurable value or as required by the Mortgagee, in Canadian funds. Such insurance shall include loss or coverage normally included, in the opinion of the Mortgagee, in an extended coverage endorsement, provided that, if required by the Mortgagee, such insurance shall be "all risks" insurance. The covenant of the Mortgagor to insure shall also include, where appropriate or if required by the Mortgagee, boiler, plate glass, rental and public liability insurance in amounts satisfactory to the Mortgagee. A copy of each policy of insurance obtained shall be delivered forthwith to the Mortgagee, together with proof of payment of premiums. Evidence of continuation of such insurance having been effected shall be produced to the Mortgagee at least fifteen (15) days before the expiration thereof or at least five (5) days prior to the date fixed for cancellation of a policy should notice of cancellation be given, otherwise the Mortgagee may provide therefor and charge to the Mortgagor the premiums paid therefor and the same shall be a part of the indebtedness and shall be secured by the charge upon the mortgaged land and shall be payable forthwith with interest. And in default, the balance of the Indebtedness shall immediately become due and payable and all powers hereby conferred upon the Mortgagee shall become exercisable. The Mortgagee may require any insurance aforesaid to be effected with a company or companies approved by the Mortgagee and may also, of its own accord without reference to the Mortgagor, effect or maintain any insurance herein provided for with such companies as it may see fit and any amount paid by it thereof shall be forthwith payable to it with interest and shall be secured by the charge upon the mortgaged land. The Mortgagee shall be named as beneficiary in all insurance contracts referred to herein and the Mortgagor agrees upon demand to transfer all policies and insurance effected upon the mortgaged land with the Mortgagee's standard mortgage clause attached and the indemnity which may become due there from and the Mortgagee shall have a lien for the payment of the Indebtedness on all insurance effected herein and may elect to have the insurance monies applied in reinstatement or towards payment of the Indebtedness whether due or not but shall not be bound to accept the said moneys in payment of any principal or other part or parts of the Indebtedness not due. The Mortgagor agrees not to do anything which will cause any insurance policies obtained as above specified to be cancelled or varied without the written consent of the Mortgagee.

Payment by  
Mortgagee

- (f) AND THAT the Mortgagee may pay the whole or any part of Other now or hereafter existing in respect of the mortgaged land or in respect of the Indebtedness and such payments together with all costs, charges, expenses, commissions and fees, including fees of solicitors as between a solicitor and his own client), surveyors, inspectors, valuers and agents, which may be incurred in taking, recovering and keeping possession of the mortgaged land and of inspecting the same and of negotiating the mortgage, investigating the title and preparing and registering the mortgage and other instruments and generally in any other proceedings taken in

Power of  
Mortgagee  
to Sell or  
Lease on  
Default

connection with or to realize the Indebtedness shall with interest thereon be a part of the Indebtedness and shall be secured by the charge upon the mortgaged land and shall be payable forthwith with interest and, in default, the balance of the Indebtedness shall immediately become due and payable at the option of the Mortgagee and all powers hereby conferred on the Mortgagee satisfying any Other Claims it shall be entitled to all the equities and securities of the person or persons so paid and to obtain an assignment of any Other Claims so paid and of any right to payment and is hereby authorized to retain any discharge thereof without registration for so long as it may think fit so to do and, in any event, for a longer period than six (6) months if the Mortgagee deems it proper to do so.

(g) AND THAT if default of payment shall be made, in respect of any amount due under the mortgage, whether for principal, interest or otherwise, the Mortgagee on such default of payment continuing for at least one (1) month may enter on and lease the mortgaged land or any part or parts thereof and receive and take the rents, issues and profits thereof or on such default of payment continuing for at least one (1) month may sell the mortgaged land or any part or parts thereof, in accordance with the following provisions:

- (i) notice shall be given to such persons and in such manner and form and within such time as provided under the Act, as amended and supplemented from time to time; provided that in the event that the giving of notice shall not be required by law or to the extent that such requirements shall not be applicable, notice may be effectually given by leaving it with a person on the mortgaged land, if occupied, or by placing the same on some portion thereof, if unoccupied, or at the option of the Mortgagee by mailing it in a registered letter addressed to the Mortgagor at his last known address, or by publishing it once in a newspaper published in the area or region in which the mortgaged land is situate;
- (ii) such notice shall be sufficient although not addressed to any person or persons by name or designation, and notwithstanding that any person to be affected thereby may be unknown, unascertained or under disability;
- (iii) sale of the mortgaged land may be by public auction or private sale or partly by one and partly by the other, for such price as can reasonably be obtained therefor and on such terms as to credit and otherwise and with such conditions of sale and stipulations as to title or evidence or commencement of title or otherwise as the Mortgagee in its discretion shall deem proper;
- (iv) in the event of any sale on credit or for part cash and part credit, the Mortgagee shall not be accountable for or charged with any moneys until actually received;
- (v) the Mortgagee may rescind or vary any contract of sale and may buy in and re-sell the mortgaged land or any

part thereof without being answerable for any loss occasioned thereby;

- (vi) the Mortgagee may sell all or any part of the buildings, fixtures, machinery, crops and standing or fallen trees apart from the mortgaged land and the purchaser shall have all necessary access for severing, cutting and removal;
- (vii) no purchaser or lessee shall be bound to enquire into the legality, regularity or propriety of any sale or lease or be affected by notice of any irregularity or impropriety and no lack of default or want of notice or other requirement or any irregularity or impropriety of any kind shall invalidate any sale or lease hereunder;
- (viii) the Mortgagee may sell or lease without entering into actual possession of the mortgaged land and when it desires to take possession it may break locks and bolts and while in possession shall only be accountable for moneys received by it;
- (ix) subject to compliance with The Planning Act, C.C.S.M. Cap. P80, The City of Winnipeg Charter, S.M. 2002, c. 39, and The Condominium Act, C.C.S.M. Cap. C170, if applicable, as each may be amended and supplemented from time to time, sales may be made from time to time of any part or parts of the mortgaged land to satisfy any of the principal or interest or other indebtedness owing to the Mortgagee under the mortgage, leaving the principal or residue thereof secured with the interest payable under the mortgage on the remainder of the mortgaged land or the Mortgagee may take proceedings to sell and may sell the mortgaged land for part of any sums owing or in arrears subject to the balance of said sums not yet due at the time of the said sale;
- (x) the Mortgagor hereby appoints the Mortgagee the Mortgagor's true and lawful attorney and agent to make application under the said Planning Act and the said City of Winnipeg Charter and to do all things and execute all documents to effectually complete any such sale or lease;
- (xi) the Mortgagee may lease or take sale proceedings notwithstanding that other mortgage proceedings have been taken or are then pending;
- (xii) the proceeds of any sale or lease hereunder shall be applied firstly in payment of any costs, charges including charges on a solicitor and his own client basis, expenses, commissions and fees which may be incurred in taking, recovering or keeping possession of the mortgaged land or in making sales, leases and conveyances as aforesaid or by reason of non-payment or procuring payment of any of the Indebtedness and secondly, to pay and satisfy the Indebtedness which remains due and unsatisfied; and after full payment and satisfaction of the Indebtedness the balance, if any, of



such proceeds shall be paid to the Mortgagor, its successors and assigns, and any encumbrances entitled thereto as their interests may appear;

- (xiii) the Mortgagee shall not be responsible for any loss which may arise by reason of any such leasing or sale as aforesaid unless the same shall happen by its willful neglect or default; and
- (xiv) no sale or other dealing by the Mortgagor with the mortgaged land or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of the moneys secured by the mortgage.

AND WITHOUT PREJUDICE to the powers under the preceding parts of this provision, in case default is made in payment of principal or interest or any part thereof and such default continues for one (1) month after any payment of either falls due, the Mortgagee, without any notice whatsoever (unless lawfully required at such time and then notice shall be given to the extent, in the manner and to the persons as required), may exercise all or any of the powers given under this proviso with or without entry on the mortgaged land and in accordance with the foregoing requirements (save as to notice) which shall apply mutatis mutandis.

AND THE Mortgagee shall not be accountable for any moneys except those actually received by the Mortgagee

AND despite the foregoing power of sale, the Mortgagee shall be entitled to its right of foreclosure of the right of redemption of the Mortgagor as fully as if the power of sale were not contained herein.

Quiet  
Possession

- (h) AND THAT in default of payment of the Indebtedness or in the doing, observing, performing, fulfilling or keeping of one or more of the terms, provisions, agreements or stipulations contained of included in the mortgage, the Mortgagee may peaceably and quietly enter upon and use, occupy, possess and enjoy the mortgaged land free from all Other Claims, without hindrance, interruption or denial of the same by the Mortgagor or by any other person or persons.
- (i) AND THAT the Mortgagor and each and every person having or claiming to have an estate, right, title, interest or trust of, in or to the mortgaged land shall, at any time and from time to time, make, execute and deliver or cause to be made, executed and delivered to the Mortgagee such further and other reasonable acts, deeds, conveyances and assurances as may be required to fully and effectually carry out the true intention and meaning of the mortgage and the terms, conditions, provisions and agreements contained or included in the mortgage and the reasonable cost of such further assurances shall be added to the debt secured by the mortgage.
- (j) AND THAT in default of payment of the Indebtedness, the Mortgagee may distrain for payment of same upon the mortgaged land or any part thereof and all chattels situated thereon and by distress warrant recover, by way of rent reserved from the mortgaged land, so much moneys as shall from time to

time be or remain in arrears and all costs, charges and expenses incurred by or on behalf of the Mortgagee with respect to or in connection therewith as in like cases of distress for rent. The Mortgagor waives the right to claim exceptions and agrees that the Mortgagee shall not be limited in the amount for which it may distrain.

Attornment

(k) AND THAT in regard to the mortgaged land or any part thereof is not residential premises the Mortgagor hereby attorns to and becomes a tenant of such mortgaged land to the Mortgagee from year to year from the day of the execution hereof during the term of the mortgage and any renewal or renewals thereof at a rental equivalent to and applicable in satisfaction of the interest payments forming part of the Indebtedness payable monthly, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor in regard to the mortgaged land. It is agreed that neither the existence of this provision nor anything done by virtue hereof shall render the Mortgagee a mortgagee in possession or accountable for any moneys except those actually received by it and that the Mortgagee may, on default of payment or in breach of any of the covenants contained or included in the mortgage, enter on the mortgaged land and determine the tenancy hereby created without notice.

Release of  
Part of  
Mortgaged  
Land

(l) AND THAT the Mortgagee may at its discretion subject to the provisions of The Planning Act and The City of Winnipeg Charter aforesaid, at all times release any part or parts of the mortgaged land or any other security or any surety for the Indebtedness secured by the mortgage either with or without any sufficient consideration therefor, without responsibility therefor and without thereby releasing any other part of the mortgaged land or any person from the mortgage or from any covenants contained incorporated in the mortgage and without being accountable to the Mortgagor for the value thereof or for any money except that actually received by the Mortgagee, it being expressly agreed that every part or lot into which the mortgaged land is or may hereafter be divided does and shall stand charged with the whole of the Indebtedness secured by the mortgage. AND the Mortgagee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities from and give the same and any and all existing securities up to, may abstain from taking securities from or from perfecting securities of, may accept compositions from, and may otherwise deal with the Mortgagor and all other persons and securities as the Mortgagee may see fit without prejudicing the rights of the Mortgagee under the mortgage.

Inspection

(m) AND THAT the Mortgagee shall keep the buildings, erections and improvements forming part of the mortgaged land in good condition and repair according to the nature and description thereof respectively and the Mortgagee may, whenever it deems necessary, itself or by its agent, enter upon and inspect the same and the reasonable costs of such inspection shall be a part of the Indebtedness and be a charge on the mortgaged

land and the Mortgagee shall not thereby be deemed to be a mortgagee in possession. If the Mortgagor neglects to keep the mortgaged land and, without limitation, the buildings, erections and improvements forming part thereof in good condition and repair or commits or permits any act of waste on the mortgaged land (as to which the Mortgagee shall be the sole judge), the Mortgagee may make such repairs as it deems necessary and the cost thereof shall be payable by the Mortgagor forthwith and shall with interest thereon until paid be a part of the Indebtedness and a charge upon the mortgaged land and, in default, the balance of the Indebtedness shall immediately become due and payable and all powers hereby conferred upon the Mortgagee shall become exercisable.

Acceleration  
of Principal

(n) AND THAT notwithstanding anything contained in any promissory note or other instrument or agreement evidencing or relating to any part of the Indebtedness and without prejudice to any right under the mortgage of the Mortgagee to demand payment of the Indebtedness at any time, if the Mortgagor is in default under any such promissory note, instrument or agreement or under any covenant, agreement or provision of the mortgage or in any mortgage to which the mortgage is subject or upon discovery by the Mortgagee that any covenant or representation contained in the mortgage or in any loan or mortgage application made in connection with the Indebtedness or any part thereof is untrue or upon any judgment being issued against the Mortgagor or upon registration of any builders' lien against the mortgaged land or upon the Mortgagor allowing any buildings forming part of the mortgaged land to remain unfinished without any work being done thereon for ten (10) days, the whole of the Indebtedness shall, at the option of the Mortgagee, forthwith become due and payable and, in default of payment of same with interest as in the case of payment before maturity, the powers of entering upon and leasing or selling hereby given the Mortgagee may be exercised forthwith and all other powers conferred under the mortgage shall become exercisable.

Judgment  
and Interest

(o) AND THAT the taking of a judgment or judgments on any of the covenants in the mortgage contained shall not operate as a merger of the said covenants or affect the Mortgagee's right to interest and the said judgment may provide at the option of the Mortgagee that interest thereon shall be computed and payable until the said judgment shall have been fully paid and satisfied.

Effect of  
Sale

(p) AND THAT no sale or other dealing by the Mortgagor with the mortgaged land or any part thereof shall in any way change the liability of the Mortgagor (save as hereinafter otherwise set out) or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person or persons liable for payment of the Indebtedness or any part thereof.

Waiver

(q) AND THAT no waiver, condonation or excusing by the Mortgagee of any default, breach or other non-performance by

the Mortgagor at any time or times in respect of any covenant, agreement, proviso, stipulation or condition contained or included in the mortgage shall operate as a waiver by the Mortgagee of any subsequent default, breach or non-performance nor so as to defeat or affect in any way the rights of the Mortgagee in respect of any such subsequent default, breach or non-performance.

- |                         |     |   |
|-------------------------|-----|---|
| Assignment of Rents     | (r) | AND THAT as additional and separate security for payment of the Indebtedness, the Mortgagor assigns, transfers and sets over to and unto the Mortgagee, its successors and assigns, all rents, incomes and other profits now or hereafter arising from or out of the mortgaged land or any part thereof or any building, improvement, fixture or part thereof forming part of the mortgaged land.   |
| Successors and Assigns  | (s) | AND THAT all rights, advantages, privileges, immunities, powers and things secured to the Mortgagee shall be equally secured to and exercisable by its successors and assigns. All covenants and liabilities entered into or imposed upon the Mortgagor shall be equally binding upon his or their successors and assigns. All such covenants, liabilities and obligations made or assumed by more than one person shall be joint and several. Where the context so requires, words in the singular shall include the plural, words in the plural shall include the singular and words importing the masculine gender shall include the feminine and neuter genders. Time shall be of the essence of the mortgage. All provisions of the mortgage shall have effect notwithstanding any statute to the contrary. If any provision of the mortgage should be found by a Court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and the mortgage shall remain in full force and effect without such provision. |
| Discharge or Assignment | (t) | AND THAT the Mortgagee shall be entitled to prepare or have its counsel prepare a discharge or assignment of the mortgage and any other document necessary to release or assign any security held by the Mortgagee and shall have a reasonable time after payment of the Indebtedness in full within which to prepare and execute such instruments. All reasonable costs, fees and disbursements of the Mortgagee and the Mortgagee's counsel in connection with the preparation, review, execution and delivery of such instruments shall be borne by the Mortgagor.   |
| Alterations             | (u) | AND THAT the Mortgagor shall not make or permit to be made any alterations or additions to the mortgaged land and buildings thereon without the consent of the Mortgagee and the Mortgagor will not allow the mortgaged land to remain unoccupied or unused.  |
| Other Security          | (v) | AND THAT the mortgage is in addition to and not in substitution for any other security at any time held by the Mortgagee for all or any part of the Indebtedness, and it is understood and agreed that the Mortgagee may pursue its remedies thereunder or under the mortgage concurrently or successively at its option.   |

Any judgment or recovery under the mortgage or under any other security held by the Mortgagee for the Indebtedness shall not affect the right of the Mortgagee to realize upon the mortgage or any other such security.

**5. NOTICE**

Any notice to the Mortgagor referred to in the mortgage may be mailed by prepaid, ordinary registered or certified mail to the Mortgagor at the Mortgagor's last known address as shown by the Mortgagee's records; AND the Mortgagor shall be deemed to have received such notice on the fourth (4th) day after such notice is mailed, by prepaid ordinary, registered or certified mail, even if the Mortgagor does not actually receive it.

**6. TITLES AND MARGINAL NOTES**

Titles and marginal notes in this set of Standard Charge Mortgage Terms are inserted for convenience of reference only and shall not affect or modify the interpretation or construction of the mortgage, this set of Standard Charge Mortgage Terms or any provision hereof or of the mortgage.

**7. DATE OF MORTGAGE**

Unless otherwise specified in the mortgage, the date of the mortgage shall be the date of execution of the mortgage by the Mortgagor and if more than one date is therein specified, the later or latest of such dates.

**8. GOVERNING LAW**

This set of Standard Charge Mortgage Terms and any mortgage in which they are included in whole or in part shall be governed by the law of Manitoba.

**9. UNAPPROVED MORTGAGE OR ENCUMBRANCE BY MORTGAGOR**

THE MORTGAGOR SHALL NOT MORTGAGE OR ENCUMBER THE MORTGAGED LAND OR ANY PART THEREOF OR INTEREST THERE-IN OR PERMIT ANY LIEN OR CHARGE THEREON EXCEPTING A CHARGE FOR CURRENT MUNICIPAL TAXES WITHOUT THE PRIOR WRITTEN PERMISSION OF THE MORTGAGEE.

**10. UNAPPROVED SALE BY MORTGAGOR**

WITHOUT PREJUDICE TO ANY RIGHT OF THE MORTGAGEE TO DEMAND PAYMENT OF THE INDEBTEDNESS AT ANY TIME, THE MORTGAGE AND THE INDEBTEDNESS SHALL, AT THE OPTION OF THE MORTGAGEE, FORTHWITH BECOME DUE AND PAYABLE ON THE SALE, TRANSFER, TRANSMISSION, LEASE OR DISPOSAL IN ANY OTHER MANNER OF THE MORTGAGED LAND OR ANY PART THEREOF OR INTEREST THEREIN (OTHER THAN AS SET OUT IN PARAGRAPH 9 ABOVE).

**11. RELEASE**

Subject to the terms and provisions contained or included in the mortgage, the Mortgagor releases to the Mortgagee all of the Mortgagor's claims upon the mortgaged land.

## 12. MORTGAGE OF ESTATE

For better securing to the Mortgagee the repayment in the manner aforesaid of the Indebtedness, including the Sum and interest and other charges and moneys hereby secured, I the Mortgagor hereby mortgage to the Mortgagee all my estate and interest in the mortgaged land.

## 13. CONDOMINIUM UNITS

If the mortgaged land is or includes a unit of a Condominium Corporation, then the following provisions shall apply to such unit:

- Additional Definitions for Condominiums
- (a) In this section 13 and elsewhere in this set of Standard Charge Mortgage Terms where the following terms appear:
- (i) "Common Expenses" means any expense related to the performance of the Condominium Corporation's mandate, duties and powers and as may be described in the Condominium Act or in the Declaration and includes the Mortgagee's share of the expenses, levies, reserves or contingency fund, assessments and other payments required to be paid by the Mortgagee to the Condominium Corporation.
  - (ii) "Condominium Act" means The Condominium Act, C.C.S.M. Cap. C170, as amended and supplemented from time to time.
  - (iii) "Condominium Corporation" means the Condominium Corporation created or continued under the Condominium Act.
  - (iv) "Declaration" means a declaration registered under Condominium Registrations of the Condominium Act as amended from time to time, and includes a proposed declaration.
  - (v) "unit" means a part of the land designated as a unit on a plan and includes the space enclosed by its boundaries and all the land, buildings, structures and fixtures within that space.
- Condominium and Owner's Insurance
- (b) With respect to insurance, the following terms shall be deemed included in every mortgage of a unit and shall with respect to such unit replace the covenants of the Mortgagor set forth in paragraph 4(e) of this set of Standard Charge Mortgage Terms.

The Mortgagor covenants on behalf of the Mortgagor and the Mortgagor's successors and assigns that:

- (i) The Condominium Corporation has obtained and is maintaining insurance on the buildings and improvements forming part of the condominium property, excluding improvements and betterments made or acquired by unit owners, against fire and such other perils as may be specified in the Declaration, to the replacement cost of such property, and such other insurance, including liability, boiler, machinery and pressure vessel, motor vehicle and other insurance, as it may be required to obtain and maintain by the Condominium Act, the Declaration or the Condominium Corporation by-laws; all such insurance being hereinafter called the "condominium insurance".

- (ii) The Mortgagor has obtained and will maintain insurance on improvements and betterments to the unit made or acquired by him, if any, and in the event of termination of the condominium will to the extent the former condominium property is insurable, obtain insurance on the Mortgagor's interest therein for the full insurable value thereof or if the Mortgagee so requires, the replacement cost thereof, in lawful money of Canada, against loss or damage by fire, lightning, tornado, cyclone and tempest and such other risks as the Mortgagee may require, including risks and perils covered by an all risks policy. In the case of a unit used for commercial purposes, this covenant shall in addition include boiler, plate glass, rental and public liability insurance in amounts and on terms satisfactory to the Mortgagee. All such insurance is hereinafter called the "owner's insurance".
- (iii) Prior to the making of any advance or readvance of any portion of the Indebtedness by the Mortgagee and subsequently, as reasonably required by the Mortgagee, the Mortgagor shall transmit to the Mortgagee evidence satisfactory to the Mortgagee that the condominium insurance is in existence and in good standing. If such evidence is not supplied or if the Condominium Corporation has not insured as so required, the Mortgagee may, but shall not be obliged to, itself obtain insurance against some or all perils which the Condominium Corporation is required to insure against in such amount as the Mortgagee deems necessary to protect its interest in the mortgaged land and the cost of such insurance so obtained by the Mortgagee shall be payable forthwith by the Mortgagor to the Mortgagee on demand and shall be a charge on the mortgaged land and shall bear interest at the Actual Mortgage Rate. And the Mortgagor shall forthwith on the happening of any loss or damage furnish at his own expense all necessary proofs and do all necessary acts to enable the Condominium Corporation or the insurance trustee (if any) to obtain payment of the proceeds of the condominium insurance; and any moneys received or receivable by the Mortgagor are hereby assigned to the Mortgagee on the following terms: namely that they shall be applied in rebuilding or repairing the mortgaged land or, in the event that the mortgaged land is not to be rebuilt or repaired or such moneys are not required for such purpose, the same shall be retained by the Mortgagee as additional or substituted security for the amounts secured by the mortgage, or if the Condominium Act ceases to apply thereto, the said moneys shall be applied on the Indebtedness or any part thereof whether due or not then due.
- (iv) Prior to the making of any advance or readvance of any portion of the Indebtedness by the Mortgagee, if any owner's insurance is then required to be maintained, and any subsequent time when such insurance is required to be maintained, the Mortgagor shall forthwith assign, transfer, and deliver over unto the Mortgagee a certified copy of each policy of insurance and receipts for premiums evidencing such insurance; and at least fifteen (15) days prior to the expiry of a policy of owner's insurance or at least five (5) days prior to the date fixed for cancellation of a policy of owner's insurance, should notice of cancellation be given, the Mortgagor shall deliver to the Mortgagee evidence of renewal or replacement therefor. Every policy of owner's insurance shall contain a standard mortgage clause approved by the Insurance Bureau of Canada and shall be effected in such terms and with such insurers) as may be approved by the Mortgagee. The loss under each policy shall be made payable to the Mortgagee with preference in its favour over any claim of any other person or persons, firm, company, commission or government. Each policy may be retained by the Mortgagee at its option during the currency of the mortgage. Should an insurer at any time cease to have the approval of the Mortgagee, the Mortgagor shall effect such new insurance as the Mortgagee may desire. In the event of failure on the part of the Mortgagor to fulfill any obligation undertaken under this provision, the Mortgagee shall be entitled but shall not be obliged to effect such insurance as it deems proper and the Mortgagor shall promptly repay to the Mortgagee on demand all premiums paid by the Mortgagee which until repayment shall be a charge on the mortgaged land and shall bear interest at the Actual Mortgage Rate. In case of loss or damage, the Mortgagor shall immediately notify the Mortgagee and furnish all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of any insurance moneys. Production of the mortgage and this set of Standard Charge Mortgage Terms shall be sufficient authority for any insurer concerned (and such insurer is hereby so directed) to pay any such loss to the Mortgagee. The Mortgagee shall have the right to the extent permitted by law to apply the funds delivered from owner's insurance wholly or in part in and to any one or more of the following:

- in reduction of the Indebtedness notwithstanding that no amount at such time may be due and payable;
- in meeting costs of repair or reconstruction; and
- in payment to subsequent encumbrancers entitled thereto, the Mortgagor or assigns thereof, as their interests may appear

No damage to property insured by owner's insurance may be repaired nor any reconstruction effected without the prior written approval of the Mortgagee.

Additional  
Express  
Covenants  
and Terms

(c) The following additional covenants and terms shall be deemed included in every mortgage of a unit in the same manner and to the same extent as express covenants and terms set forth therein:

Duties of  
Condomini  
um Unit  
Owner

(i) The Mortgagor shall at all times and from time to time observe and perform all duties and obligations imposed on him by the Condominium Act, the Declaration, the by-laws and the rules of the condominium in effect from time to time. The Mortgagor agrees to transmit to the Mortgagee forthwith upon the demand of the Mortgagee, satisfactory proof that all Common Expenses assessed against the unit have been paid as assessed.

Payment of  
Common  
Expenses

(ii) Without limiting the generality of the preceding provision, the Mortgagor shall pay promptly when due any contributions to Common Expenses required of him as an owner of the mortgaged land, including any amounts added to Common Expenses or otherwise payable by him to the Condominium Corporation and, in the event of his default in doing so, the Mortgagee shall be entitled but shall not be obliged to pay the same whether or not any payment in default has priority over the mortgage or any part of the moneys secured thereby, and the amount thereof shall be without demand, payable forthwith with interest at the Actual Mortgage Rate and shall be secured by the mortgage on the mortgaged land.

Right to  
Vote or  
Consent

(iii) The Mortgagee is hereby irrevocably authorized and empowered to exercise the right of the Mortgagor as an owner of the mortgaged land to vote or to consent in all matters relating to the affairs of the Condominium Corporation or arising under the Condominium Act, the Declaration or the by-laws of the condominium, provided that,

- (x) any case where the Mortgagee is entitled under the Condominium Act to receive and does receive notice of a meeting of owners, the Mortgagee shall notify the Condominium Corporation and the Mortgagor of its intention to exercise the right of the owner to vote or to consent at such meeting at least two (2) days before the date specified in the notice for the meeting, failing which the Mortgagor may exercise such right to vote or consent at that meeting;
- (xx) the Mortgagee shall not by virtue of the assignment to the Mortgagee of the right to vote or consent be under any obligation to vote or consent or to protect the interests of the Mortgagor, and the Mortgagee shall not be responsible for any exercise or failure to exercise or failure to exercise the right to vote or consent; and
- (xxx) nothing herein contained, including the exercise of the right to vote or consent, shall constitute the Mortgagee a mortgagee in possession.