

Land Registration Reform Act, 1984
SET OF STANDARD CHARGE TERMS

Filed by THE CIVIL SERVICE CO-OPERATIVE CREDIT SOCIETY, LIMITED

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The following set of standard charge terms shall be deemed to be included in every charge in which the set is referred to by its filing number, as provided in section 9 of the Act.

The Chargor hereby covenants, represents, warrants and agrees with the Chargee as follows:

Replacement of implied terms:

1. The implied covenants deemed to be included in a Charge under subsection 7(1) of the Land Registration Reform Act, 1984, shall be and are hereby expressly excluded from this Charge and replaced by this set of Standard Charge Terms.

What the Charge secures:

2. The Charge secures an obligation of the Chargor to the Chargee as described in the Charge ("Obligation").

When the charge is discharged or satisfied:

3. The Charge is discharged or satisfied only when:
(a) the Chargor has paid the Obligation;
(b) the Chargor has paid any other amounts that may have become due under the Charge;
(c) the Chargor has fulfilled all obligations under the Charge; and
(d) at a time when each of the foregoing has occurred, the Chargor has delivered a written request for a discharge to the Chargee.

If the Obligation is a revolving liability, the Charge shall not be discharged or satisfied merely by the fact that the said liability is, or become from time to time, nil.

Your general obligations:

4. The Chargor will pay or cause to be paid to the Chargee, the principal amount and interest secured by the Charge in the manner of payment provided by the Charge, without any deduction or abatement, and shall do, observe, perform, fulfill and keep all the covenants, provisions, conditions and obligations contained in the Charge.

Our rights regarding the advance of funds:

5. Neither the preparation, execution, nor registration of the Charge shall bind the Chargee to advance the money hereby secured, nor shall the advance of a part of the monies secured hereby bind the Chargee to advance any unadvanced portion thereof, but nevertheless, the security in the land shall take effect forthwith upon the execution of the Charge, and the expenses of the examination of the title and of the Charge and valuation are to be secured hereby in the event of the whole or any balance of the principal sum not being advanced, the same to be charged hereby upon the lands, and shall be, without demand thereof, payable forthwith with interest at the rate stipulated in the Obligation, and in default the Chargee's power of sale hereby given, and all other remedies hereunder, shall be exercisable.

You warrant that you have a good title:

6. The Chargor has a good title in fee simple to the lands, subject only to any prior registered charge, the continued existence of which has been agreed to in writing by the Chargee. The Chargor has the right to execute and deliver the Charge and has not done, omitted or permitted anything to be done whereby the lands or any part of the lands is or may be charged or encumbered, except as disclosed by the records of the Land Registry Office.

We may require further documents from you:

7. The Chargor will execute such further assurances of the lands as may be requisite.

Your Obligation to insure:

8. The Chargor will insure and keep insured the buildings now erected or which may at any time be erected on the lands to the amount of not less than their full insurable value in dollars of lawful money of Canada. Such insurance shall include not only insurance against loss or damage by fire, but also

insurance against loss or damage by explosion, tempest, tornado, cyclone, lightning and such other risks or hazards as the Chargee may require. Evidence of continuation of all such insurance having been effected shall be produced to the Chargee at least three (3) days before the expiration thereof; otherwise the Chargee may provide therefor and charge the premium paid and interest thereon at the rate stipulated in the Obligation to the Chargor and the same shall be payable forthwith and shall also be a charge upon the lands. The Chargee may at any time require any insurance of the buildings to be cancelled and new insurance effected in a company to be named by the Chargee and the Chargee may of its own accord effect or maintain any insurance herein provided for, and any amount paid by it therefor shall be payable forthwith by the Chargor with interest at the rate stipulated in the Obligation, and shall also be a Charge upon the lands. All policies of insurance shall provide that loss, if any, shall be payable to the Chargee as its interests may appear subject to the standard form of mortgage clause approved by the Insurance Bureau of Canada which shall be attached to the policy of insurance.

You must pay all taxes owing:

9. The Chargor will pay as they fall due, all taxes, rates and assessments, municipal, local, parliamentary and otherwise, which now or at any time hereafter may be imposed, charged or levied upon the lands and any buildings thereon and will provide the Chargee with receipts confirming payment of same at such times as the Chargee may require.

Expenses we may pay:

10. The Chargee may, but shall not be required to, pay any taxes, rates, levies, charges, assessments, premiums of insurance, utility and heating charges in respect to the lands which may at any time fall due and be unpaid and may pay or satisfy any lien, charge or encumbrance now or hereafter existing or to arise or to be claimed upon the lands. All such payments made by the Chargee together with all costs, charges, expenses and legal fees (as between solicitor and client) and expenses which may be incurred in taking, recovering and keeping possession of the lands and of negotiating the Charge, investigating title, and registering the Charge and any other necessary documents, and all costs, charges, expenses including legal fees (as between solicitor and client), real estate commissions and other agent's charges incurred by the Chargee in taking, recovering, and keeping possession of the lands, in exercising the power of entering, selling and leasing, and generally, in any other proceeding taken in connection with or to realize upon the security given in this Charge, shall be immediately payable by the Chargor to the Chargee. Until they are paid by the Chargor, all such amounts shall be added to the principal amount secured by the Charge and shall be payable forthwith with interest at the rate stipulated in the Obligation, and in default, all sums secured by the Charge shall immediately become due and payable at the option of the Chargee, and all other powers of the Charge shall become exercisable.

We may sell your property if you default:

11. The Chargee, on default of payment for at least fifteen (15) days, may on at least thirty-five (35) days notice, enter on and lease the lands or on default of payment for at least fifteen (15) days, may on at least thirty-five (35) days notice, sell the lands. Such notice shall be given to such persons and in such manner and form and within such time as provided in the Mortgages Act, as amended. In the event the giving of such notice shall not be required by law or to the extent that such requirements shall not be applicable, it is agreed that notice may be effectually given by leaving it with a grown-up person on the said lands, if occupied, or by placing it on the said lands if unoccupied, or at the option of the Chargee, by mailing it in a registered letter addressed to the Chargor at his last known address, or by publishing it once in a newspaper published in the county or district in which the lands are situated; and such notice shall be sufficient although not addressed to any person or persons by name or designation; and notwithstanding that any person to be effected thereby may be unknown, unascertained, or under disability.

In case default be made in the payment of the said principal and interest or any part thereof and such default continue for two (2) months after any payment of either falls due, then the Chargee may exercise the foregoing powers of entering, leasing or selling or any of them, without any notice, it being understood and agreed, however, that if the giving of notice by the Chargee shall be required by law, then notice shall be given to such persons and in such manner and form and within such time as so required by law.

The whole or any part or parts of the lands may be sold by public auction or private contract, or partly one or partly the other; and the proceeds of any sale hereunder may be applied in payment of any costs, charges and expenses incurred in taking, recovering, or keeping possession of the said lands, or by reason of non-payment or procuring payment of monies, secured by the Charge or otherwise, and the Chargee may sell any of the lands on such terms as to credit and otherwise as shall appear to it most advantageous and for such prices as can reasonably be obtained therefor and may make any stipulation as to title or evidence or commencement of title or otherwise which it shall deem proper, and may buy in or rescind, or vary any contract for the sale of the whole or any part of the lands and resell without being answerable for loss occasioned thereby, and in the case of a sale on credit, the Chargee shall be bound to pay the Chargor only such monies as have been actually received from purchasers after the satisfaction of the claims of the Chargee and for any of the said purposes may make and execute all agreements and assurances as it shall think fit. Any purchaser or lessee shall not be bound to see to the propriety or regularity of any sale or lease or be affected by express notice that any sale or lease is improper and no want of notice or publication when required hereby shall invalidate any sale or lease hereunder.

We may seize your personal property if you default:

12. The Chargee may distrain for arrears of interest and may distrain for arrears of principal in the same manner as if the same were arrears of interest.

The balance will become due immediately if you default:

13. In default on the payment of interest secured by the Charge, the principal amount secured by the Charge shall, at the option of the Chargee, immediately become due and payable, and upon default of payment instalments of principal, the balance of the principal and interest secured by the Charge shall, at the option of the Chargee, immediately become due and payable. The Chargee may in writing and any time or times after default, waive such default and any such waiver shall apply only to the particular default waived and shall not operate as a waiver of any other or future default.

We may take possession of the property on default:

14. Upon default in payment of principal or interest under the Charge or in performance of any of the terms and conditions thereof, the Chargee may enter into and take possession of the land free from all manner or form of conveyances, mortgages, charges or encumbrances without the let, suit, hinderance, interruption or denial of the Chargor or any other person whatsoever.

Our right to extend time:

15. No extension of time given by the Chargee to the Chargor or anyone claiming under him, or any other dealing by the Chargee with the owner or owners of the lands or any part thereof, shall in any way affect or prejudice the rights of the Chargee against the Chargor or any other person liable for the payment of the money secured by the Charge.

Our right to give releases:

16. The Chargee may, at its discretion, at any time or times, release any part or parts of the lands or any other security or any surety from payment of all or any part of the monies secured hereby or may release the Chargor or any other person from any covenant or other liability to pay such monies or any part thereof, either with or without any consideration. In such event, the Chargee shall not be accountable for the value thereof or for any monies except those actually received by the Chargee. Any such release by the Chargee shall not constitute or be deemed to be a release of any other part of the land or any other security or any such surety or the covenants herein or therein contained. The land and every such security, surety and covenant, not specifically released by the Chargee, shall stand charged with the whole of the monies hereby secured, notwithstanding such release, or any other act or any omission of the Chargee with respect to any security taken in respect of the monies advanced hereunder, or in respect of the lands, any such other security or any such surety.

Balance due in event of sale:

17. In the event of a sale, transfer or gift of the whole or any portion of the lands, then, at the option of the Chargee, the principal sum secured by the Charge together with interest then due and owing shall immediately become due and payable.

Your obligation to maintain and repair buildings:

18. (a) The Chargor will not demolish any building on the land or proceed with any alteration, remodelling or rebuilding of, or addition to any building or any part thereof, without the prior written approval of the Chargee.

(b) The Chargor will keep the lands and buildings, erections and improvements thereon in good condition and repair according to the nature and description thereof respectively, and the Chargee may, whenever it deems necessary, by its agent, enter upon and inspect the lands and make such repairs as it deems necessary, and the reasonable costs of such inspection and repairs with interest at the rate stipulated in the Obligation shall be added to the principal amount and be payable forthwith and be a Charge upon the lands prior to all claims thereon subsequent to the Charge. If the Chargor neglects to keep the premises in good condition and repair, or commits or permits any act of waste on the lands (as to which the Chargee shall be sole judge) or makes default as to any of the covenants, provisos, agreements or conditions contained in the Charge or in any Charge to which this Charge is subject, all monies secured by the Charge shall at the option of the Chargee 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 and all other remedies herein contained may be exercised forthwith.

This mortgage does not affect any other security from you:

19. This Charge is in addition to and not in substitution for any other security held by the Chargee for all or any of the monies secured hereunder. The Chargee may follow its remedies thereunder, hereunder and under any security evidencing the amount advanced under this Charge, concurrently or successively at its option.

You must pay any prior mortgages:

20. If the lands or any part thereof should at any time be subject to any prior charge, agreement for sale, or encumbrance, the Chargor will pay or cause to be paid as they fall due, all payments thereunder, whether for principal, interest, taxes or otherwise, and will observe, perform and comply with all covenants, provisos and agreements therein contained. If the Chargor should fail to observe or perform any covenant, proviso or agreement contained in any charge, agreement or encumbrance to which this Charge is subject, then in such event, all monies hereby secured shall, at the option of the Chargee, immediately become due and be payable. In such event, all the powers conferred upon the Chargee, in and by this Charge, including the power of sale, shall become exercisable without notice, unless the giving of notice is then required by law.

There is no UFFI in any building on the lands:

21. No building, erection, addition or improvement on the lands has been insulated with Urea Formaldehyde Foam Insulation. The Chargor will not insulate or allow any building, erection, addition or improvement on the land to be insulated with that type of insulation. All monies secured by this Charge will immediately become due and payable if it is at any time determined that any building, erection, addition or improvement subject to this Charge contains Urea Formaldehyde Foam Insulation.

You must pay administrative fees we may set:

22. The Chargor agrees to pay to the Chargee forthwith on demand the administrative charges established from time to time by the Chargee in connection with any extensions or renewals or amendments of the Charge, and any other administrative steps which the Chargee is required to take during the currency of the Charge and any renewal thereof.

Effect of any renewal:

23. This Charge may be renewed or amended by an agreement in writing with or without an increased rate of interest notwithstanding that there may be subsequent encumbrancers at the time of such renewal or amendment. It shall not be necessary to register any such agreement to retain priority for this Charge on such altered terms over any instrument registered subsequent to this Charge. Any such agreement shall be effectual and binding on the Chargor and any such subsequent encumbrancer and shall take priority against such subsequent encumbrancer immediately upon execution by the Chargor. The Chargor shall pay all legal and administrative costs of the Chargee incurred in connection with any such agreement. The Chargor acknowledges that the provisions of this paragraph shall not confer any right of renewal on the Chargor.

This mortgage shall not merge in any judgment:

24. The taking of a judgment or judgments on any of the covenants herein shall not operate as a merger of the covenants or effect the Chargee's right to interest at the rate and times provided for in the Obligation; and further that any judgment shall provide that interest thereon shall be computed at the rate stipulated in the Obligation in the same manner as provided in the Charge until the judgment shall have been fully paid and satisfied.

How to discharge this mortgage:

25. If the Charge is discharged or satisfied pursuant to clause 3, the Chargee shall have a reasonable time after receipt of the written request to prepare and execute a discharge. All legal and administrative costs of the Chargee incurred in connection with the preparation, execution and delivery of such discharge shall be borne by the Chargor. The Chargor shall be responsible for registering the discharge and for the costs of registering it.

You must advise us of any changes in spousal or matrimonial status or in ownership of the property:

26. The Chargor will notify the Chargee in writing immediately upon any change occurring in the Chargor's spousal status, the qualification of the lands as a matrimonial home within the meaning of the Family Law Act, 1986, as amended, or any successor legislation, or the ownership of the land. The Chargor will advise the Chargee accordingly and furnish the Chargee with full particulars thereof, the intention being that the Chargee shall be kept fully informed of the names and addresses of the owner or owners for the time being of the said lands and of any spouse who is not an owner, but who has the right to possession pursuant to the Family Law Act or any successor legislation. In furtherance of such intention, the Chargor covenants and agrees to furnish the Chargee with such evidence in connection with any of the above as the Chargee may from time to time request.

Our respective rights to quiet possession:

27. The Chargee covenants with the Chargor that until default in payment or default in the observance of performance of any of the provisos, warranties, agreements, or obligations hereunder, the Chargor shall have quiet possession of the lands. The Chargor covenants that where the Chargee enters on and takes possession of the lands on default, the Chargee shall have quiet enjoyment of the lands.

Provisions applicable to a building mortgage:

28. If the Charge is a building charge, the full amount of the monies hereby secured will be advanced from time to time at the Chargee's discretion in accordance with the progress of construction of any building to be erected on the lands or any improvement being made to a building already erected on the lands. The Chargor will diligently carry out the completion of any building or improvements. The Chargee may require that the plans and specifications for any construction be approved in writing by the Chargee prior to the commencement of any construction.

Date of mortgage:

29. The date of the Charge unless otherwise provided shall be the earliest date of signature by a Chargor.

Titles and marginal notes have no legal effect:

30. Titles and marginal notes contained in this Charge have been included for convenience only, and do not form a part of the Charge.

Effect of any partial invalidity:

31. If any term, covenant, agreement, condition or provision of this Charge is or becomes illegal, invalid, unenforceable or inconsistent with any applicable law, then such term or provision shall not apply and shall be construed so as not to apply to the extent that it is illegal, invalid, unenforceable or inconsistent. Provided however, that the remainder of the terms, covenants, agreements, conditions and provisions herein shall remain valid and enforceable.

Interpretation of certain words:

32. In construing this Charge, the words "Chargor" and "Chargee" and the personal pronoun "he", "his" or "him" relating thereto and used therewith, shall be read and construed as "Chargor or Chargors", "Chargee or Chargees" and "he", "she", "it", or "they", "his", "her", "its", or "their", and "him", "her", "it", or "them" respectively, as the number and gender of the party or parties referred to in each case require and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted and that all rights, advantages, privileges, ammunities, powers and things hereby secured to the "Chargor or Chargors", "Chargee or Chargees", shall be equally secured to and exercisable by his, her, its or their heirs, executors, administrators and assigns, or successors and assigns as the case may be. All covenants, liabilities and obligations entered into or imposed hereunder upon the "Chargor or Chargors", "Chargee or Chargees", shall be equally binding on his, her, its or their heirs, executors, administrators and assigns, or successors and assigns as the case may be, and all such covenants, liabilities and obligations shall be made by the Chargors jointly and severally, unless the Charge specifies otherwise and with the Chargees jointly, unless the monies secured are expressly secured to them in several shares or distinct sums. All words appearing in this Charge that are defined in Section 1 of the Land Registration Reform Act, 1984, except the word "successor" shall be read and construed as having the meaning assigned to them by Section 1 of the Land Registration Reform Act, 1984.

Our right to release information regarding you:

33. The Chargee is authorized to provide information about the Chargor or the Charge to any person claiming a construction lien on the property, to credit bureau, another credit grantor, or any other person, as permitted or required by law.

Provisions only for condominiums:

34. If any part of the lands secured by the Charge is a condominium unit, the Chargor will comply with the Condominium Act and the declaration, by-laws and rules of the Corporation, and will provide evidence of such compliance as requested by the Chargee. The Chargor will forward copies of all notices, assessments, by-laws, rules and financial statements of the Corporation and, on request, will provide copies of any other documents and information which the Chargor has received or is entitled to receive from the Corporation. The Chargor will maintain all improvements made to the condominium unit and repair them after damage.

The Chargor will insure all improvements which have been made to the unit and will insure other interests in the building which are a part of the condominium property or assets of the Corporation if the Corporation fails to insure the buildings as required by the Act and the declaration, by-laws and rules of the Corporation. These obligations are in addition to the Chargor's obligations as to insurance under the heading "Your obligation to insure" as far as they apply to a condominium unit.

The Chargee is authorized to exercise the Chargor's rights under the Act to vote and to consent. If the Chargee does not exercise its rights, the Chargor may do so, but will do so according to any instructions received from the Chargee. The Chargee may at any time revoke any arrangement made for the Chargor to vote or to consent. The Chargee is authorized to inspect the records of the Corporation. Nothing in this paragraph puts the Chargee in possession of the property.