

Standard Charge Terms
The Toronto-Dominion Bank
Filing No. 201814
Land Registration Reform Act

The following set of Standard Charge Terms will be deemed to be included in every *Mortgage* in which this set of Standard Charge Terms is referred to by its filing number, as provided in Section 9 of the *Land Registration Reform Act*.

While these Standard Charge Terms use common words, some words have a precise, particular meaning. These words are italicized. Definitions of the italicized words that are used in these Standard Charge Terms may be found in Article 7. All other words have their ordinary meanings.

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ARTICLE 1 CHARGE AND PROMISES

1.01 You Give your Property as Security.

In return for the *Bank* agreeing to make a *Loan* to you, you agree as follows:

- (a) if you are the owner of the *Property*, you charge your entire interest in the *Property* to the *Bank*;
- (b) if the *Property* includes *Leased Property*, you charge the *Leased Property* to the *Bank* as security as set out in section 4.02;
- (c) the *Mortgage* is given to secure repayment of all *Debt* under all *Credit Documents* and to secure performance and satisfaction by you of all other *Obligations*.

1.02 Your Promises to the Bank.

You promise and confirm that:

- (a) you will pay all of the *Debt* to the *Bank* and perform all of the other *Obligations* as provided in the *Mortgage* and the *Credit Documents*;
- (b) you are the lawful owner of the *Property* and no other person owns all or part of the *Property* (unless the *Property* is *Leased Property*);
- (c) you have the right to give the *Mortgage* to the *Bank* and charge the *Property* in favour of the *Bank*;
- (d) if you do not pay the *Debt* to the *Bank* or perform your other *Obligations* as provided in the *Mortgage* and the *Credit Documents*, the *Bank* 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 the *Bank* has *Approved*;
- (e) there are no limitations or restrictions to your title to the *Property* except those you have disclosed to the *Bank* in writing and the *Bank* has *Approved*;
- (f) you will, at your expense, sign any other documents and take any further action that the *Bank* requests in order to ensure that your entire interest in the *Property* has been charged to the *Bank* and that the *Debt* is adequately secured by the *Mortgage*; and
- (g) if the *Mortgage* is not a first mortgage on the *Property*, you agree not to increase the principal amount owing under any prior mortgage or to re-borrow any amount repaid under a prior mortgage without the *Approval* of the *Bank* unless the prior mortgage is held by the *Bank*. The *Bank* may withhold its *Approval* for any reason. You promise not to default under any prior mortgage. You consent to the *Bank* giving notice to the holder of the other mortgage of the existence of the *Mortgage* and of all of the terms of the *Mortgage* and the *Credit Documents*.

ARTICLE 2 GENERAL PROVISIONS

2.01 Changes to Debt.

At your request and if the *Bank Approves*, the *Mortgage* will secure *Debt* and other *Obligations* pursuant to more than one *Credit Document*. The *Mortgage* will continue to secure all *Debt* and other *Obligations* and you will continue to be liable for all *Debt*, *Costs* and other *Obligations* even if one or more of the following occurs:

- (a) the *Bank* advances additional money secured by the *Mortgage* or readvances money that you have repaid;
- (b) the amount of the *Debt* increases or decreases, or if the *Debt* is reduced to zero and then increases;
- (c) the documents that evidence the *Debt* change, or are replaced; for example if some *Credit Documents* are replaced by others - even if the new *Credit Documents* given by you have additional persons or fewer persons promising to pay the amount owing;
- (d) the *Bank* increases or reduces the monetary amount of any credit available to you;
- (e) the form of the *Debt* changes in any way;
- (f) the *Mortgage* secures more than one type of *Debt* or *Obligation* contained in a *Credit Document*; or
- (g) the terms applicable to the *Debt* are changed, for example if the *Interest Rate* changes or if the *Debt* or a portion of the *Debt* is renewed or extended.

2.02 Application of Payments.

Subject to sections 6.16 and 6.17, if *you* are in default under any of *your Obligations*, the *Bank* may, subject to the terms of any particular *Credit Document* or any other agreement in writing between you and the *Bank*, apply any payments made by *you* to any one or more *Loans* or other *Debt* outstanding under the *Credit Documents* as the *Bank* may decide in its discretion.

2.03 Place of Payment.

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

2.04 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. Payments received after 2:00 p.m. (Eastern Standard Time or Eastern Daylight Time, as applicable) will be considered to have been made on the next *Business Day* unless the *Bank* is able to process and apply such payments on the same day.

2.05 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* other *Obligations* when required, then, at the *Bank's* option, all of the *Debt* will immediately become payable. If *you* default under any prior mortgage (as mentioned in section 1.02(g)), that default will be a default under the *Mortgage*.

2.06 Costs.

All *Costs* incurred by the *Bank* will be immediately payable by *you*, bear *Interest* at the highest *Interest Rate* and form part of the *Debt*. See Article 7 for the definition of *Costs*.

2.07 Advances under the Mortgage.

The *Bank* may decide, for any reason, that it will not advance *Debt* up to the *Principal Amount* even if the *Mortgage* has been registered and whether or not any *Debt* has previously been advanced to *you*. Even though the *Bank* has not advanced any money, the *Mortgage* will still secure *Costs*.

2.08 Repayment.

- (a) *You* will pay to the *Bank* the *Debt* and *Interest* on the *Debt* as set out in the *Credit Documents*.
- (b) If any payment is late, *you* will pay the *Bank* additional *Interest* as set out in the *Credit Documents*.

2.09 Prepayment.

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

2.10 Other Terms.

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

ARTICLE 3 OTHER PROVISIONS AFFECTING THE MORTGAGE

3.01 Sale or Transfer of Property.

If *you* Convey the *Property* or any interest in the *Property* to anyone (in this section a "*Purchaser*"), and the *Purchaser* has not:

- a) applied for and received the *Bank's Approval* to assume the *Mortgage* and the *Credit Documents*; and
- b) signed an assumption agreement and any other documents *Approved* by the *Bank*;

then the *Bank* may demand repayment of the *Debt* by notice in writing, upon which the *Debt* will become immediately payable. The applicable prepayment provisions in the *Credit Documents* will continue to apply to any repayment by a *Purchaser*. No change in the ownership of the *Property* or any agreement between the *Bank* and a *Purchaser* will in any way affect or prejudice the *Bank's* rights against you or any other person liable for payment of the *Debt*. The *Bank* may enter into agreements with a *Purchaser* without notice to *you* and without *your Approval*. Except with the *Bank's Approval*, *you* will not be released from *your Obligations*, even if the *Bank* accepts money from a *Purchaser* or a *Purchaser* agrees with the *Bank*, with or without notice to *you*, to assume, renew, extend or amend the *Credit Documents*.

3.02 Assignment of Leases.

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

3.03 Assignment of Rents.

You agree with the *Bank* as follows:

- (a) For the purposes of this section the term "leases" includes agreements to lease, tenancy agreements, licenses and occupancy agreements.
- (b) *You* hereby assign to the *Bank* 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 the *Bank* the benefit of all other tenants' obligations under those leases.
- (c) As soon as *you* enter into any lease of the *Property* *you* will, if requested by the *Bank*, execute and deliver to the *Bank* an assignment in the *Bank'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 the *Bank* any other documents that the *Bank* determines are necessary to make the assignment effective.
- (d) Nothing in the *Mortgage*, or in the assignments referred to in this section, will make the *Bank* responsible for the collection of rents payable under any lease of the *Property* or for the performance of any other obligations in any lease.
- (e) The *Bank* will not be considered a mortgagee in possession or landlord of the *Property* because of any assignment referred to in this Article.
- (f) The *Bank* only has to account for rent that the *Bank* actually receives (less reasonable collection charges) and the *Bank* may apply those rents to repayment of the *Debt* in any manner that the *Bank* in its discretion determines.

3.04 Payments the Bank may Make.

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

3.05 Taxes.

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

3.06 Repair and Maintenance of the Property.

You agree as follows:

- (a) *You* will keep the *Property* in good condition and repair and *you* will not do anything that will diminish the value of the *Property*.
- (b) *You* will not change the use of the *Property*.
- (c) The *Bank*, any insurer of the *Mortgage* or *Authorized Entity* may, whenever they deem it necessary, enter and inspect the *Property* and conduct any environmental testing, site assessment, investigation or study that they think is necessary. *You* will pay the *Bank* on demand the reasonable *Costs* of those inspections, investigations, assessments, studies and testing.
- (d) *You* will promptly, at *your* own cost, comply with all *Law* concerning the *Property*. At *your* own cost *you* will make all improvements or alterations to the *Property* that may be required at any time by any *Law*.

3.07 The Bank's Rights During Construction.

- (a) Before commencing any construction on the *Property* *you* will have all plans and specifications *Approved* by the *Bank*.
- (b) 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 the *Bank*;
 - 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 the *Bank* may, without becoming a mortgagee in possession, enter the *Property* and do all work necessary to protect the *Property* from deterioration or otherwise diminishing in value. The *Bank* may complete any construction on the *Property* in accordance with plans and specifications that have been *Approved* by the *Bank* or otherwise as the *Bank* in its discretion determines. In completing construction the *Bank* may use and have exclusive possession of all materials and equipment on the *Property* without any interference from *you*. The *Bank* may also pay the amount required to remove from title to the *Property* or otherwise satisfy any construction lien and add that amount to the *Debt*.

3.08 Insurance.

- (a) As long as any *Obligations* are outstanding, *you* will, at *your* expense, take out and keep in force insurance on the *Property*. *You* will keep the *Property* insured against loss or damage in an amount equal to not less than the full replacement value of the *Property* pursuant to a mortgage endorsement 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 the *Bank* may from time to time require. *You* will ensure that the *Bank* is sent copies of all notices sent to *you* about this insurance. If the *Property* is a condominium unit, *you* will ensure that the *Condominium Corporation* takes out and keeps this insurance in force.
- (b) As long as any *Obligations* are 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*.
- (c) All insurance policies must provide that any loss will be payable to the *Bank* as its interest may appear and must contain a standard mortgage clause *Approved* by the *Bank*.
- (d) The *Bank* may require any insurance on the *Property* to be cancelled and new insurance taken out with an insurance company *Approved* by the *Bank* (and *approved* by the landlord under the Lease if the *Property* is a *Leased Property* and if required by the *Lease*). The *Bank* may, without consulting *you*, take out any insurance on the *Property* if the *Bank* has not received proof of coverage satisfactory to it.
- (e) *You* agree that *you* will deliver to the *Bank* certificates of insurance or, if required by the *Bank*, certified copies of insurance policies as soon as possible after placing the required insurance.
- (f) All policies must contain an undertaking by the insurer to notify the *Bank* in writing not less than fifteen (15) days prior to any material change, cancellation, failure to renew or termination of any policy.
- (g) If *you* fail to take out or to keep in force any insurance policy, or if any insurance policy is not *Approved* by the *Bank*, and if *you* do not rectify the situation within seven (7) days after written notice from the *Bank*, or if *you* have failed to meet any of *your* other *Obligations*, the *Bank* may take out insurance under an individual policy or the *Property* may be insured under a blanket insurance policy issued to the *Bank*. In each case, the cost of such insurance will be *your* expense. The *Bank* is under no obligation to insure the *Property* or to insure the *Property* for more than the *Debt*.
- (h) If the *Bank* pays any premiums for insuring the *Property*, the amount of any such payments will be added to the *Debt*, will bear Interest and will be payable immediately.
- (i) When the *Bank* requests it, *you* will provide the *Bank* 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 the *Bank* with satisfactory evidence of the renewal of all insurance policies at least fifteen (15) days before the expiry of each policy.
- (j) The *Bank* in its discretion may require that all insurance proceeds be paid to the *Bank*, to *you* or to any other person appearing by the records of the Land Registry Office to be or to have been the owner of the *Property*. The proceeds may also be paid partly in one way and partly in another, or they may be applied, in the *Bank's* sole discretion, in whole or in part to repay the *Debt* even if the *Debt* is not yet due. The *Bank*, in its discretion, instead, may require that the insurance proceeds be applied to rebuilding or repairing the *Property*. If the *Property* is a *Leased Property*, the insurance proceeds will be applied to rebuilding or repairing the *Property*, if required by the *Lease*.
- (k) All policies of insurance must show any loss payable (i) to the *Bank*, (ii) to a trustee *Approved* by the *Bank* pursuant to an insurance trust agreement *Approved* by the *Bank* or (iii) to both (if the *Property* is a condominium unit). The terms of any insurance trust agreement, once *Approved* by the *Bank*, may not be altered without the *Bank's* further *Approval*.
- (l) The *Mortgage* also charges all insurance proceeds as security for the *Obligations*. If the *Property* is a condominium unit, the *Mortgage* also charges *your* interest in the insurance trust mentioned in subsection 3.08(k) and any insurance proceeds relating to the *Property* held by the trustee.
- (m) If the *Property* is a condominium unit, *you* will ensure that the *Condominium Corporation* will at all times comply with the terms of all insurance policies, the insurance provisions of the *Declaration* and any insurance trust agreement. *You* will also ensure that the insurance taken out by the *Condominium Corporation* complies with the *Obligations* of this section. Finally, *you* will ensure that the *Condominium Corporation* assigns and delivers to the *Bank* certificates of insurance or, if required by the *Bank*, certified copies of each insurance policy, as soon as possible after placing the required insurance.
- (n) If there is any loss or damage, *you* must furnish at *your* own expense all necessary proofs and do all necessary acts to enable the *Bank* to obtain payment of the insurance proceeds. Production of the *Mortgage* will be sufficient authority for the insurer to pay any loss to the *Bank*.

- (o) The provisions of this section apply to all buildings, structures and improvements on the *Property* whenever built and during construction.

3.09 Subdivision, Release and Replacement of Property.

You agree as follows:

- (a) The *Mortgage* charges every part or lot into which the *Property* is or may be divided for all of the *Debt*, *Costs* and other *Obligations*. No person will have any right to require the *Debt*, *Costs* or other *Obligations* to be apportioned with respect to any part or lot.
- (b) At any time before or after the *Mortgage* is registered, the *Bank* may take other security, take evidence of indebtedness or obtain additional promises of payment. None of these actions will affect the *Bank's* rights under the *Mortgage* or limit the liability of any person who is liable under the *Mortgage* or the liability of any *Guarantor*.
- (c) The *Bank* may from time to time release or discharge the *Property*, any part of the *Property*, any other security the *Bank* has taken, or any *Guarantor*, on any terms that the *Bank* thinks proper. At any time, without notice to any person or without the consent of any person, the *Bank* may make a settlement, extension or variation in the terms of any *Obligation*. No release, discharge, settlement, extension or variation in terms, nor any carelessness or neglect by the *Bank* in asserting its rights, the loss by operation of *Law* of any right the *Bank* has against *you* or any other person, or the loss or destruction of any security, will in any way release, diminish or prejudice its security against any undischarged *Property*. Similarly, no such action will release or prejudice any of the *Obligations* or release or diminish *your* liability or the liability of any *Guarantor* so long as any *Obligation* remains unpaid. No security or *Guarantor* will be released or discharged except by a written release or discharge executed by the *Bank*.

3.10 Change of Control.

If *you* are a corporation and *you* Convey any interest in *your* issued and outstanding shares so that there is a change in *your* effective voting control without the *Bank's* Approval, then the *Bank* may exercise any of the remedies set out in Article 5. The *Bank's* Approval may be withheld in its unqualified subjective discretion.

3.11 Servicing Fees.

The *Bank* 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*.

3.12 Repayment of Payments Made by the Bank.

Any payments made by the *Bank* under this Article will be added to the *Debt*, are payable by *you* immediately and will bear *Interest* until repaid in full.

ARTICLE 4 PROVISIONS FOR SPECIFIC TYPES OF PROPERTIES

4.01 Additional Promises for Leased Property.

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

- (a) *you* own *your* leasehold interest in the *Property*;
- (b) *you* have the right to mortgage or charge the *Lease* and sublet the *Leased Property* to the *Bank* and, if required under the *Lease*, *you* have obtained the landlord's consent to the *Mortgage*;
- (c) neither *you* nor any other person has mortgaged or otherwise encumbered the *Lease* or *your* rights under the *Lease*;
- (d) the *Lease* is a valid, existing lease and has not been amended except as *you* have advised the *Bank* in writing; *you* have paid the rent and performed *your* obligations under the *Lease* up to the date *you* signed the *Mortgage* and there is no default under the *Lease*;
- (e) *you* will not amend, surrender or terminate the *Lease* without the *Bank's* prior Approval;
- (f) *you* will pay the rent under the *Lease* and perform *your* obligations under the *Lease* as long as any *Obligations* are outstanding;
- (g) *you* will provide the *Bank* with any notice of default under the *Lease* that *you* receive; and
- (h) *you* will indemnify the *Bank* from all actions, claims and demands relating to defaults under the *Lease*;

4.02 Additional Provisions for Leased Property.

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

- (a) *You* charge the *Leased Property* to the *Bank* as security only and not as an assignment in whole or in part of *your* interest. *You* sublease the *Leased Property* to the *Bank* 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). *You* hold all other rights under the *Lease* in trust for the *Bank*, including the last day of the term, and any right of renewal or right to purchase.

- (b) *You* hereby irrevocably appoint the *Bank* as *your* agent. If there is default under the *Mortgage*, the *Bank* may, as *your* agent, assign the *Lease* and the last day of the term of the *Lease* as the *Bank* may determine in its discretion. If the *Bank* sells the *Leased Property* pursuant to Article 5, the *Bank* may assign *your* interest in the *Lease* to a purchaser. The *Bank* may, at any time, remove *you* or any other person from being a trustee of the *Lease* under the trust set out in subsection 4.02(a) and appoint a new trustee in *your* place.
- (c) At the *Bank's* request, but at *your* cost, *you* will assign to the *Bank* the last day of the term of the *Lease* or any renewal or substituted term.
- (d) If *you* neglect or refuse to renew the *Lease*, then the *Bank* may renew the *Lease* in its own name so that the *Lease* will continue to be security for the *Mortgage*.
- (e) If *you* have not performed *your* *Obligations* for fifteen (15) days, the *Bank* may, on at least thirty-five (35) days written notice to *you* as required by Part III of the *Mortgages Act*, assign the *Lease*. Any assignment may be on the terms set out in subsection 5.01(h) of these Standard Charge Terms.
- (f) No sale or other dealing by *you* with the *Lease* or the *Leased Property* and no extension of time given by the *Bank* to *you*, or anyone claiming under *you*, or any dealing by the *Bank* with the landlord or the *Lease*, will in any way affect or prejudice the *Bank's* rights against *you* or any other person liable to repay the *Debt*.
- (g) If *you* acquire any additional interest in the *Leased Property*, then, by the *Mortgage*, *you* charge that additional interest to the *Bank* without *you* or the *Bank* having to do anything further.

4.03 Additional Promises if the Property is a Condominium Unit.

- (a) *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*.
 - ii *You* will provide the *Bank* immediately on request with satisfactory evidence that all *Common Expenses* have been paid.
 - iii The *Bank* may deduct from any advance of the *Debt* the amount of *Common Expenses* that are payable and unpaid at the date of that advance.
 - iv If the *Bank* requests, *you* will give the *Bank* 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 the *Bank* gives *you* notice, *you* will pay the amount necessary to pay *Common Expenses* to the *Bank*. The *Bank* will remit all sums to the *Condominium Corporation* on *your* behalf.
- (b) *You* irrevocably authorize the *Bank* to exercise *your* right to vote or to consent in all matters relating to the affairs of the *Condominium Corporation*, provided that:
 - i the *Bank* will only exercise *your* right to vote or consent if the *Bank* has given *you* and the *Condominium Corporation* the notice required by the *Condominium Act* that the *Bank* intends to exercise this right;
 - ii the *Bank* is not under any obligation to vote or consent;
 - iii in voting or consenting the *Bank* is not obligated to protect *your* interests, but may vote or consent as the *Bank* in its discretion determines; and
 - iv if the *Bank* votes or consents the *Bank* is not a mortgagee in possession.

4.04 National Housing Act

If an *Insured Debt* is insured by *CMHC*, then the *Mortgage* is made pursuant to the *National Housing Act*.

ARTICLE 5 ENFORCEMENT

5.01 Enforcing the Bank's Rights.

If *you* are in default of any *Obligation*, the *Bank* may exercise any one or more of the remedies listed below in any order that the *Bank* chooses:

- (a) **Immediate Payment.**
The *Bank* may, at its option and without notice to *you*, require all *Debt* to be paid to the *Bank* immediately.

(b) **Legal Action.**

The *Bank* 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*.

(c) **Personal Property.**

The *Bank* 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*.

(d) **Take Possession of the Property.**

The *Bank* may immediately take and keep possession of the *Property*, collect rents from it and manage or lease the *Property* or any part of it. Before the *Bank* takes possession of the *Property*, the *Bank* can ask *you* to leave the *Property* with all *your* belongings and if *you* do not do so the Courts of Ontario will order *you* to leave. If *you* refuse to do so the Court will have *you* forcibly removed. If *you* have not removed *your* personal belongings from the *Property* before the *Bank* takes possession, *you* authorize the *Bank* to remove and dispose of *your* belongings in any manner that the *Bank*, in its absolute discretion, deems appropriate, without notice to *you*. The *Bank* will have no liability for moving, disposing or storing those belongings. *You* will be responsible for all *Costs* incurred by the *Bank* in dealing with those belongings. These *Costs* will be added to the *Debt*.

(e) **Lease the Property.**

The *Bank* may take possession of the *Property* and lease it on any terms that the *Bank* determines in its discretion without notice to *you*. The *Bank* 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 the *Bank* the difference.

(f) **Foreclosure.**

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

(g) **Judicial Sale.**

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

(h) **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*, or any other minimum period that may be prescribed by *Law*, the *Bank* 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 the *Bank* determines in its discretion. The *Bank* 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 the *Bank* the difference. The exercise by the *Bank* of its power of sale does not preclude the *Bank* from any further exercise of its power of sale in accordance with this section.

(i) **Cure any Defaults.**

The *Bank* may, but is not obligated to, cure any of *your* defaults under the *Mortgage* at *your* expense, and generally take any other steps or proceedings against *you* as are permitted by *Law*. *You* will immediately pay the *Bank* any money it spends or is obligated to spend in curing any defaults. The *Bank* may add any money it has spent curing *your* defaults to the *Debt*. In order to cure any defaults the *Bank*, any mortgage loan insurer of an *Insured Debt* or any *Authorized Entity* may enter on the *Property* as often as necessary. If the *Bank*, such mortgage loan insurer or any *Authorized Entity* enters the *Property*, it will not be a mortgagee in possession.

5.02 Other Defaults.

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

- (a) if the *Property* is the subject of a restraint order under the *Controlled Drugs and Substances Act* or a similar order under any *Law*;
- (b) if *you* have ever used the *Property* for any purpose that is in violation of the *Controlled Drugs and Substances Act* or any similar *Law*;
- (c) if *you* have made any material misrepresentation to the *Bank* in connection with the *Mortgage* or the *Credit Documents*;
- (d) subject to sections 6.16 and 6.17, if *you* are in default under any one or more than one *Credit Document*, even though *you* are not in default under all of the *Credit Documents*, the default under any one such *Credit Document* is deemed to be a default under all other *Credit Documents*.

5.03 Costs of Proceedings.

The *Costs* of any sale or foreclosure proceedings, whether or not the sale or foreclosure is completed, or any *Costs* that the *Bank* 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.

5.04 Appointment of Receiver.

If *you* are in default of any *Obligation*, the *Bank* may appoint a *Receiver* on any terms (including remuneration) that the *Bank* thinks are reasonable. The *Bank* may also remove any *Receiver* and appoint another *Receiver*. The following provisions apply:

- (a) The *Receiver* will be *your* agent, not the *Bank's*, and you alone will be responsible for any of the *Receiver's* acts or omissions. The *Bank* will not be responsible for any misconduct or negligence of the *Receiver*.
- (b) Any *Receiver* may or may not be the *Bank's* officer or employee.
- (c) Appointing a *Receiver* will not constitute the *Bank* a mortgagee in possession.
- (d) From the income collected from the *Property*, 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.
- (e) The *Bank* is not accountable for any money received by the *Receiver* except to the extent that the *Bank* actually receives that money.
- (f) The *Receiver* may do any one or more of the following:
 - i. use every right or remedy that the *Bank* 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. The *Receiver* may register plans of subdivision and declarations and descriptions for the *Property*. The *Receiver* may also take possession of and use any materials, supplies, plans, tools or equipment on the *Property*; and
 - vi. borrow money on the security of the *Property* in priority to the *Mortgage*.
- (g) The rights and powers in this section are supplemental to any other rights and powers that the *Bank* may have.

5.05 Court Appointed Receiver.

The *Bank* 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.

ARTICLE 6 MISCELLANEOUS PROVISIONS

6.01 Judgments.

If the *Bank* obtains a judgment because of *your* default under any *Obligation*, that judgment will not operate as a merger of any *Obligation* or affect the *Bank'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 *Credit Documents* until the judgment is fully paid.

6.02 Costs of Dishonoured Payments.

If any cheque *you* have given the *Bank* is not honoured, or if any automatic deduction is not processed, *you* must pay the *Bank's* then current standard administration fee for each cheque that is dishonoured or payment that is not processed. The *Bank's* standard administration fee represents a reasonable estimate of the damages the *Bank* will suffer because the cheque is dishonoured or the payment is not processed. Such fee will be added to the *Debt* from the date the cheque is dishonoured or the payment not processed.

6.03 Discharge.

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

6.04 Conflict.

If there is any conflict between the terms of the *Mortgage* and the terms of the *Credit Documents*, the *Credit Documents* will prevail, except for sections 6.16 and 6.17 of this *Mortgage* which will prevail if there is any conflict between either of those sections and the *Credit Documents*.

6.05 Notices by the Bank.

- (a) Unless otherwise stated in a *Credit Document*, if a *Credit Document* allows or requires the *Bank* to make a demand on, give a notice or consent to or make a request of any person (including *you*), the *Bank* may make the demand, give the notice or consent or make the request, in any one or more of the following ways, at the *Bank's* sole discretion:
- i. by delivering it personally to the person (if the person is a corporation, by delivering it personally to a director, officer or employee of the corporation);
 - ii. by transmitting it by facsimile to the person;
 - iii. by transmitting it via e-mail to the person (if the person is a corporation, by transmitting it via e-mail to a director, officer or employee of the corporation);
 - iv. by mailing it by prepaid registered mail addressed to the person at the person's last known address; or
 - v. by transmitting it by any other means as the *Bank Approves* in writing in advance.
- (b) Unless otherwise stated in the a *Credit Document*, any demand, notice, consent or request will be regarded as received by *you*:
- i. when it is personally delivered to the person or to the 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 has been sent to the person or to the director, officer or employee of the corporation;
 - iv. five (5) days after the date of mailing, whether the person receives it or not; or
 - v. on any other date as the *Bank* advises *you* when it advises *you* of an alternative method of notice pursuant to Paragraph 6.05(a)(v).

6.06 Notices by You.

- (a) Any notice that *you* give the *Bank* must be by one of the following methods:
- i. registered mail, postage prepaid to the address on the *Mortgage*;
 - ii. personal delivery to the manager of the branch of the *Bank* that administers the *Mortgage*; or
 - iii. any other method that the *Bank Approves* in advance.
- (b) Unless otherwise agreed to by *you* and the *Bank*, notice will be deemed to be received by the *Bank*:
- i. five (5) days after mailing by registered mail;
 - ii. when personally delivered to the branch manager; or
 - iii. on any other date as the *Bank* advises *you* when it advises *you* of an alternative method of notice.

6.07 Number.

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

6.08 Who is Bound.

The *Mortgage* is binding on *you*, *your* legal and personal representatives, *your* heirs, *your* successors and *your* assigns. The *Mortgage* is binding on the *Bank*, on its successors and on anyone to whom the *Bank* may transfer the *Mortgage*.

6.09 Consents and Disclosure.

- (a) *You* consent to the *Bank* transferring, selling or assigning the *Debt*, the related *Credit Documents*, the benefit of all other *Obligations*, the *Mortgage* and all of its rights under the *Mortgage*.
- (b) *You* acknowledge that the *Bank* may transfer registered and documentary title to the *Mortgage* to any person, including any custodian or nominee at any time without notice to and the consent of *you*.
- (c) If the *Bank* does any of those things described in (a) or (b), then the *Bank*, may disclose information about *you*, the *Mortgage* and the *Obligations* to anyone to whom the *Bank transfers, sells or assigns its rights* or transfers registered and documentary title.
- (d) The *Bank* may also disclose information about *you*, the *Mortgage* and the *Obligations* to an insurer or other third party from whom the *Bank* may obtain benefits that protect its security.
- (e) *You* consent to insurers and other third parties that provide benefits or services to the *Bank* for the *Mortgage* obtaining information about *you* from credit bureaus and other lenders to evaluate *you* and the *Mortgage*.

6.10 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.

6.11 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*).

6.12 Telephone Calls.

You agree that the *Bank* may tape any telephone calls to ensure quality service and to confirm *your* discussions with the *Bank* and any of its employees.

6.13 Governing Law.

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

6.14 Statute References.

A reference in the *Mortgage* to a statute includes the statute and all regulations thereunder, as the same may be amended or replaced.

6.15 Freely Deal.

You agree that the *Bank*, in its sole discretion, may insure a *Debt*, or, if the *Bank* includes an *Insured Debt* in an *NHA Program*, may deal with all or any part of such *Insured Debt* or related *Obligations*, without notice to *you*.

6.16 Insured Debt.

If *Debt* under a *Credit Document* is or becomes *Insured Debt*, then, if there is default and remedial action is taken by the *Bank* pursuant to the *Mortgage*, the *Insured Debt* will have priority as to payment, collection, enforcement and realization over any other *Debt* secured by the *Mortgage*.

6.17 NHA Program.

Notwithstanding any other provisions of this set of Standard Charge Terms and any *Credit Document*, while an *Insured Debt* is included in an *NHA Program*, *you* agree that:

- (a) as against the mortgage loan insurer or *Authorized Entity*, the *Bank* will not exercise its rights under the *Mortgage* for the benefit of any other *Debts* except for the *Insured Debt* (without the *Bank* in any way discharging or releasing the security of the *Mortgage* as against any other persons, including *you* or any other person having or taking an interest in the *Property*); and
- (b) as against the mortgage loan insurer or *Authorized Entity*, the *Bank* will not exercise any available rights of consolidation, cross-collateralization or cross-default that may exist with regard to *Debts* other than the *Insured Debt*.

ARTICLE 7 DEFINITIONS

7.01 Definitions.

In this set of Standard Charge Terms and in any *Mortgage* incorporating these Standard Charge Terms, the following words have the following meanings:

"*Approved*" means agreed to in writing or by another method that the *Bank* may make available. "*Approve*", "*Approves*" and "*Approval*" have corresponding meanings.

"*Authorized Entity*" means *CMHC* as it may be involved if the *Bank* assigns the *Mortgage* into an *NHA Program*.

"*Bank*" means The Toronto-Dominion Bank, the mortgagee or chargee under the *Mortgage*.

"*Business Day*" means a day other than a Saturday, a Sunday or a statutory holiday observed in the Province of Ontario.

"*CMHC*" means Canada Mortgage and Housing Corporation, and its successors.

"*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, S.O. 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* on land of which the *Property* is a part.

"*Convey*" means sell, convey, dispose of, transfer or lease, or enter 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 all of the 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* or a *Credit Document*;
- ii. any amounts the *Bank* is entitled to charge *you* or pay on *your* behalf under the *Mortgage* or a *Credit Document*;
- iii. any expenses that the *Bank* incurs in enforcing any of its remedies under the *Mortgage* or a *Credit Document*;
- iv. any charges of a municipality or other taxing authority for providing the *Bank* with information on *Taxes* or imposed because the *Bank* (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 or certificate of action from title to the *Property*, obtaining a discharge of a construction lien or defending a construction lien action relating to the *Property*;
- xii. any *Property* insurance costs incurred by the *Bank*;
- xiii. any mortgage insurance or title insurance; and
- xiv. all lawyers' fees and disbursements (including those of the *Bank's* in-house lawyers) in any way relating to items (i) through (xii) on a full indemnity basis.

"*Credit Documents*" means documents Approved by you and the *Bank* by which the *Bank* agrees to make a *Loan* to you, which, in the case of the particular document, you have agreed will be secured by the *Mortgage*, and any amendments or renewals of those documents. Each *Loan* made under a *Credit Document*, including the replacement, refinancing or re-advancing of such *Loan*, will, for the purposes of the *Mortgage*, be treated as a separate and distinct *Loan*.

"*Debt*" means those amounts of money owing by *you* to the *Bank*, at any time and from time to time, including unpaid principal, *Interest* and *Costs*, pursuant to a *Credit Document* or pursuant to the *Mortgage*.

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

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

"*Guarantor*" means each person who has signed a document in which that person has agreed to pay or perform all or part of the *Obligations*.

"*Insured Debt*" means any *Loan* insured as to repayment on default by a mortgage loan insurer.

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

"*Interest Rate*" means the interest rate or rates set out in the applicable *Credit Document*.

"*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, or subtenant.

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

"*Loan*" means an amount of money that the *Bank* lends to *you* or an amount of credit that is extended to *you* by the *Bank*.

"*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 the *Bank* pursuant to *your* signed authorization and direction, and prepared in any 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, amendments to the foregoing mortgage or charge and these Standard Charge Terms.

"*Mortgages Act*" means the *Mortgages Act*, R.S.O. 1990, c.M.40, as amended or replaced.

"*National Housing Act*", means the *National Housing Act*, R.S.C., 1985, c. N-11, as amended or replaced.

"*NHA Program*" means a national program for pooling and securitization of housing loans, under which the *Authorized Entity* is the program administrator.

"*Obligations*" means 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*.

"*Principal Amount*" means the principal amount that is indicated in the *Mortgage* to be secured thereby.

"*Property*" means all or any part of (i) the lands described in the *Mortgage*, (ii) any buildings or structures now on those lands or added to those lands at any time, (iii) anything now or later attached or fixed to those lands, buildings or structures, and (iv) all rents and leases pertaining to or arising from such lands and assigned to the *Bank* hereunder.

"*Purchaser*" has the meaning set out in section 3.01.

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

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

"*You*" means each of the persons indicated as chargors or mortgagors in the *Mortgage* and anyone else who is bound by the *Mortgage* under section 6.08. "*Your*" has a corresponding meaning.