

Land Registration Reform Act Filing No. ● filed by – Duo Bank of Canada

SET OF STANDARD CHARGE TERMS

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 Land Registration Reform Act.

**STANDARD CHARGE TERMS
CLAUSES TYPES DE CHARGE**

202017

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1. DEFINITIONS/TERMS YOU NEED TO KNOW

The following are used with particular meanings in this set of Standard Charge Terms:

- (a) **Account** means your Card Account with Duo Bank of Canada.
- (b) **Agreements** mean the Cardholder Agreement and the Commitment Agreement, as they may be amended, modified, supplemented or replaced from time to time.
- (c) **Balance** means the total amount of all transactions, fees, including those set out in the Disclosure Statement, interest, and any other amounts payable under any Agreement, less any payments or other credits that have been posted to your Account.
- (d) **Card** means a credit card issued by Duo Bank of Canada to a Cardholder under your Account.
- (e) **Cardholder** means those persons who have signed the Commitment Agreement, applied for and been approved for a Card.
- (f) **Cardholder Agreement** means the agreement that sets out the terms and conditions of your Account.
- (g) **Cash Advance** means (i) an advance of cash (or equivalents to cash such as electronic funds transfers) including the initial cash advance, if any, requested as part of your application for the Card and set forth in the Commitment Agreement, and (ii) an advance of cash at any automated banking machine (**ABM**), or at a financial institution that is charged to the Account with or in connection with your Card. Cash Advance also includes the use of your Card or Card Account for Cash-like Transactions.
- (h) **Cash-like Transaction** means a transaction involving the purchase of items that are directly convertible to or similar to cash, such as the purchase of money orders, wire transfers, travellers' cheques, foreign currency and gaming transactions (including betting, off-track betting, race track wagers, casino gaming chips, and lottery tickets).
- (i) **Commitment Agreement** means the Commitment Agreement and Disclosure Statement agreed to by each Cardholder that sets out the initial terms, including rates and fees applicable to your Account.
- (j) **Credit Limit** means the maximum amount available to you to charge purchases and Cash Advances, and to cover interest and fees.
- (k) **Debt** means all amounts charged to the Account with or in connection with or arising from the use of the Card and reflected in the Balance, including but not limited to purchases, Cash Advances, interest, service fees, charges, expenses and other debts, liabilities and obligations, amounts owing to us from time to time pursuant to the Agreements which we may charge or which we may incur in respect of the Account or a Card. Other amounts may include our administration and processing fees and the expenses of enforcing our rights as well as paying off any prior charges against the Property in respect of such indebtedness. It also includes, without limitation, all interest and compound interest accrued on all the foregoing amounts.
- (l) **Default** means you have not kept a Promise under the Agreements or the Mortgage.

- (m) **Disclosure Statement** means the summary table and disclosure provided in the Commitment Agreement that describes, among other things, the annual interest rate, fees and other information regarding your Account.
- (n) **Interest Rate** is the interest rate or interest rates identified as the interest rate on each Statement for the Card.
- (o) **Mortgage** means the form of charge or mortgage which references, or appends, the Standard Charge Terms by its filing number or as incorporated therein, and which you sign and is the part of the mortgage or notice of mortgage that is or will be signed and registered electronically against title to the Property and which grants us a security interest in the Property and secures the Debt. It also includes any changes which may be made by an agreement amending or renewing any part of the Mortgage.
- (p) **Personal Information** means any personal information about you or that you provide to us that is subject to regulation by any Privacy Law and that is in our possession or control.
- (q) **Privacy Law** means the federal *Personal Information Protection and Electronic Documents Act* (Canada) and any successor or replacement to that statute and any other legislation or regulation applicable to Duo Bank of Canada concerning the protection of information about identifiable individuals.
- (r) **Promise** means each item you agree to do and each statement you confirm and certify under the Agreements and the Mortgage.
- (s) **Property** means the property that is identified in the Commitment Agreement as the "Subject Property" and is more particularly described on the Mortgage. It includes all buildings, structures and improvements on the land now or added later, as well as anything attached now or later to the land or to any building or structure on the land. It also includes any improvements, substitutions, additions or alterations made to any building, structure or the land. If you lease the Property, the Property means the lease, except for the last day of the term of the lease, and any other interest, right, option or benefit set out in the lease. If the Property is a condominium unit, the Property includes your interest in the common elements and any other interest that you may have in the assets of the condominium corporation. Any references to the Property mean all or any part of the Property.
- (t) **Standard Charge Terms** means this set of standard charge terms and, where applicable, the set of standard charge terms or optional covenants incorporated into the Mortgage, directly or as a schedule thereto, by reference to their filing number or the set of additional charge terms appended to the Mortgage. It also includes any changes which may be made by an agreement amending or renewing any part of the Mortgage.
- (u) **Statement** means, unless otherwise required by law, the statement of Account we will send you for each billing period during which there are any transactions, or other charges, or an outstanding Balance or credit Balance on your Account as of the last day of the statement period.
- (v) **Taxes** means all taxes, including those charges which are deemed by law to be taxes, assessments and levies of any kind and includes any interest and penalties. Examples of taxes include property taxes, local improvement assessments, school taxes, development charges and utilities. Taxes may also include penalties or costs associated with a cleanup following a fire, explosion or other destruction or damage.

- (w) **we, our or us** means Duo Bank of Canada.
- (x) **you and your** means each person who has signed the Mortgage as a chargor, mortgagor or borrower, including the heirs, executors, successors, assigns, and personal and legal representatives of each person.

2. ABOUT THE MORTGAGE

2.1 The Mortgage is our security on the Property

- (a) By signing the Mortgage, you charge and mortgage your entire interest in the Property to us to secure the Debt. If you are a tenant or a lessee of the Property, you charge and sublease your entire interest in the Property to us for the entire term of the lease (except the last day), including any renewals and any option or right of first refusal to purchase.
- (b) In return, we extend credit to you by way of issuance of the Card, and as may be further advanced to you from time to time.

2.2 Credit Limit

- (a) The initial Credit Limit on your Account is the amount we disclose to you in your Commitment Agreement.
- (b) Your current Credit Limit will be indicated on each Statement.
- (c) We may increase or decrease your Credit Limit from time to time in accordance the Cardholder Agreement. in the Cardholder Agreement.
- (d) The "principal amount" shown on the Mortgage may not be your actual Credit Limit.

2.3 Interest

- (a) The Interest Rate payable by you is the rate established by us from time to time in accordance with the Cardholder Agreement. Interest is calculated in accordance with the Cardholder Agreement, is payable monthly and shown on each Statement you receive from us.
- (b) Further details concerning how interest is calculated and charged is set out in the Cardholder Agreement.

2.4 Promise to Pay

You agree to pay the Balance outstanding on the Account in accordance with the terms of the Cardholder Agreement.

2.5 Continuing Obligation to Pay

- (a) The Mortgage is not satisfied or discharged by any intermediate payment of all or part of the Balance but remains a continuing security for payment of all other and additional Debt you may incur. The Mortgage is not released or reduced by any change in the amount, nature or form of any Debt or any renewal, extension, amendment or replacement of any Agreements. The Mortgage will not cease to operate and will not be extinguished except as provided in subparagraph (b) below.

- (b) After you have paid us the Debt then outstanding and done everything you have promised to do in the Agreements and the Mortgage and you notify us in writing that such payment is in final and permanent payout of all your obligations under the Agreements and the Mortgage, we will sign a discharge. You will give us a reasonable time after payment in which to prepare and issue the discharge. You will pay our usual administration and processing fee for preparing, reviewing and signing any such documents and all legal and other expenses, if applicable and permitted by law and as set out in the Disclosure Statement. You will pay us these fees whether the discharge or assignment is prepared by your lawyer, by our lawyers or by us. If electronic registration is available for the Property and we elect to register, or arrange to register the discharge or assignment, you also agree to pay us the registration fee.

2.6 Who is bound by the Agreements and the Mortgage

- (a) The obligations under the Agreements and the Mortgage are the responsibility of the Cardholder. Each Cardholder is jointly and severally responsible for satisfying all obligations in the Agreements and the Mortgage, including payment in full of all Debt.
- (b) Your legal and personal representatives and anyone else to whom the Property is transferred must also meet the obligations in the Agreements and the Mortgage.
- (c) Our successors and anyone to whom we transfer the Agreements and the Mortgage are also bound by it.

2.7 Amending the Mortgage

- (a) We may, at our option and by agreement with you in writing, or otherwise in accordance with applicable laws, change any part of the Mortgage.
- (b) We do not have to register any such amendment agreement on the title to the Property to retain our rights under the Agreements and the Mortgage with you.

3. MAKING PAYMENTS

3.1 Payments

Each Account is payable in accordance with the terms of the Cardholder Agreement. Payments will be applied to your Balance in accordance with the terms of the Cardholder Agreement.

4. YOUR PROMISES AND OBLIGATIONS

4.1 The Property and the Mortgage

- (a) You certify that you have the right to give us the Mortgage.
- (b) You certify that there are no encumbrances or limitations affecting title to the Property (such as other charges, or construction, mechanics' or builders' liens), except those that we have agreed to in the Commitment Agreement or other document in writing.
- (c) You agree that, at your expense, you will sign any other document or do what is necessary, in our opinion, to make sure that all of your interest in the Property has been completely charged to us so that our advance of credit to you, and other Debt you incur, are adequately secured.

- (d) You agree that you will take any necessary action to protect your title to the Property and will not interfere in any way with our interest in the Property.
- (e) You agree that the Mortgage is intended to be, and to be effective as, a deed.

4.2 No other charges without consent

Other than those that we have agreed to in the Commitment Agreement, or other document in writing, you will not make another charge on the Property or otherwise encumber the Property and not use the Property as security for any other debt without our prior written approval.

4.3 Owner-occupied properties

- (a) You certify that no part of the Property is rented or occupied by a tenant. You also agree not to rent or lease any part of the Property, or enter into a tenancy agreement of any part of the Property, or renew any lease (unless the renewal is provided for in a lease we have already approved), without first obtaining our written approval. We are under no obligation to approve your request to rent, lease, or enter into a tenancy agreement for any part of the Property, or to approve the renewal of a lease on the Property.
- (b) The Property must not be abandoned or left visibly or consistently unoccupied.

4.4 Property taxes

- (a) You will ensure property taxes are always paid on time.
- (b) Upon request, you must provide us with evidence of payment of your property taxes.
- (c) If you fail to make your tax payments, we may arrange for payment. However, we are not obligated to do this. If we make any payments towards your property taxes, you must repay us immediately.

4.5 Insurance (this section does not apply if the Property is a residential condominium unit)

- (a) You must insure and keep insured all buildings, structures, fixtures and improvements on the Property for not less than full replacement value in Canadian dollars. You must keep this insurance coverage in place at all times until the Debt has been fully paid and the Mortgage discharged. Your insurance must include coverage for loss or damage caused by fire with extended perils coverage. At any time, we may require that you also obtain coverage for additional perils, risks or events. If a steam boiler, pressure vessel, oil or gas burner, coal blower, stoker or sprinkler system or any other comparable equipment is operated on the Property, then you must also have insurance coverage for loss or damage caused to the equipment, or by the equipment, or by the explosion of the equipment.
- (b) All insurance policies must be carried with a company that is satisfactory to us, show us as loss payee and chargee as our interest appears, contain charge clauses approved by the Insurance Bureau of Canada, or by us.
- (c) You must comply with all of the terms of each insurance policy required by us and all requirements of the insurer of each policy. You will not by any action or omission invalidate any policy required to be maintained hereunder or materially increase the premiums on any such policy above the normal premium charged by the insurer.

- (d) You must provide us with evidence of insurance that satisfies the requirements set out in this section 4.5. You must also immediately inform us of any changes in your insurance including any change in insurance company or policy, any change in the amount or perils covered by your insurance and any notice of pending cancellation or cancellation of insurance. At least 15 days before any insurance policy expires, you must provide us with evidence that you have renewed or replaced the policy and paid all premiums.
- (e) If we ask you to, you must provide us with certified copies of all insurance policies.
- (f) If you do not arrange for insurance or if you do not pay the premium for any insurance policy, we may arrange for insurance and pay the premium. However, we are not obligated to do this. Any insurance arranged by us may not cover the full replacement value of the Property.
- (g) If any loss or damage occurs, you must immediately notify us and do everything necessary to enable us to obtain the insurance money payable to us under the Mortgage. You must pay all expenses related to this. If we produce the Mortgage, that will be sufficient authority for the insurance company to pay us any insurance money that is payable because of a loss. By signing this Mortgage, you authorize and direct the insurance company to do so without your further signature or consent. We have the right to decide how to use the insurance money. For example, we may use part or all of the insurance money to repair or rebuild the Property, reduce any part of the Debt, whether it is due or not, including paying any prepayment charges that are payable, or pay you.
- (h) To ensure that we may so apply such insurance monies in the manner herein contemplated, you assign and release to us all of your rights to receive the insurance monies.

4.6 If the Property is a condominium

If the Property is a condominium unit you must also comply with this section in addition to all other provisions of the Mortgage.

In this section, *Condominium Act*, 1998 is called the Act. Expressions used below which are the same as those in the Act have the same meaning as those in the Act, except that the expression condominium property has the same meaning as the word property in the Act.

(a) **Compliance with the Act**

You will comply with all of the requirements of the Act and the declaration, bylaws and rules and regulations of the condominium corporation as they exist from time to time.

(b) **Payment of common expenses and other amounts**

You must pay common expenses and any other amounts charged by the condominium corporation on or before they become due. If we ask, you must give us proof that you have paid all of these amounts.

(c) Notices and demands

You will forward to us copies, on request, of all communications of the condominium corporation related to your condominium unit or the common elements, including notices, assessments, claims or demands for payment, rules or regulations, and requests or demands of us to consent to any matter. You must ensure that we receive these communications at least five days before any claim or demand is payable or, in the case of other communications, within five days of the date you receive them.

(d) Voting rights

- (i) You authorize us, in your name and on your behalf, if you are in Default, to exercise your right to vote at any meeting of the condominium corporation, and to consent to any matter relevant to the management, sale or other dealings with the Property or assets of the condominium corporation or the termination of the application of the Act to the condominium property or to the Property.
- (ii) If we choose to exercise our right to vote, we will notify the condominium corporation.
- (iii) We may decide not to use our rights to vote or consent. If we decide not to use these rights, we may notify the condominium corporation, in which case you may vote or consent yourself. Our decision not to vote or consent can be for a limited time or for a particular meeting or matter. When we do vote or consent for you, we do not become a chargee in possession, nor are we responsible to protect your interests nor for the way we vote or consent. We are also not responsible if we do not vote or consent.

(e) Insurance

In addition to the insurance held by the condominium corporation, you must:

- (i) insure the Property against loss or damage by fire;
- (ii) insure all improvements which at any time have been made to the Property;
- (iii) insure your common or other interests in the buildings that form part of the condominium property/complex;
- (iv) insure against any additional risks as we may require; and
- (v) ensure that the condominium corporation complies with the provisions of their declaration and by-laws regarding insuring the condominium building, any provisions of their insurance policy and it complies with the insurance provisions contained herein.

The insurance company or companies must be approved by us. You and the condominium corporation, in so far as permitted to do so, assign and transfer the policy or policies of insurance and any payments under them to us as our interest appears. If we ask for them, you must give us certified copies of every insurance policy. If you or the condominium corporation fail to keep the buildings and improvements insured or do not provide us with evidence of renewal at least 15 days before the termination of any insurance we may (but are not obligated to) obtain insurance for the buildings or improvements. If any loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance money. We may use all or any part of the proceeds, as permitted by law, to repair

the damage, pay you or reduce any part of the Debt whether or not it is due, including paying any prepayment charges that result.

The obligation to insure may be performed by the condominium corporation and the proceeds of insurance may be payable in accordance with the declaration and by-laws of the condominium corporation.

You Promise that, in the event of loss or damage, you will fully comply with the terms of all insurance policies and with the insurance provisions of the declaration and by-laws of the condominium corporation and that you will insist that the condominium corporation comply with these terms.

4.7 Improvements

If a part of the Debt is used to finance an improvement (which includes any demolition, construction or installation on the Property or any alteration, addition or repair to any building or structure on the Property), you must comply with these requirements:

- (a) You must complete the improvement as quickly as possible.
- (b) You must meet all government requirements and building and zoning standards and by-laws that apply to the Property. If requested, you will provide us, at your expense, with proof that you have met all government requirements and building standards that apply to the Property.
- (c) You must make timely payment for all expenses associated with the improvement and provide us with proof that you have paid all money that is owed in connection with the improvement.
- (d) We may obtain an order removing any construction, mechanics' or builders' lien, and may provide financial guarantees or other security to obtain such an order. You must immediately pay all of our expenses for obtaining this order, including any charges for providing financial guarantees or other security.
- (e) If required by us, prior to commencing the improvement you shall provide a real estate appraiser and/or home inspector approved by us access to your Property for the purpose of completing an appraisal in form and substance satisfactory to us.
- (f) You must retain any required holdbacks under any construction legislation.

4.8 Repairs

- (a) You must keep the Property in good condition and in a good state of repair. You must carry out all necessary repairs and you must not do anything, or let anyone else do anything, that lowers the value of the Property.
- (b) You must also comply with every present and future law, by-law, ordinance, regulation and order that affects the condition, repair, use or occupation of the Property.
- (c) If you do not keep the Property in good condition and a good state of repair or if you do not carry out all necessary repairs, or if you do anything, or you allow anything to happen, that lowers the value of the Property, or if you do not comply with all present and future laws, by-laws, ordinances, regulations and orders that affect the condition, repair, use or occupation of the Property, we can make any repairs we think are necessary.

- (d) You authorize us or any mortgage insurer to enter the Property at all reasonable times to inspect and repair the Property. By entering the Property to inspect it or do repairs, we and any mortgage insurer do not become a chargee in possession of the Property.
- (e) You are responsible for the costs of any repairs and any inspections done by us or on our behalf. You must pay us these costs immediately.

4.9 Hazardous and illegal substances

- (a) You certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, no part of the Property or any land next to the Property is, or has been, or will be, used to manufacture, refine, handle, treat, store, dispose of or in any other way deal with any substances, except as allowed by laws, regulations and orders; *provided* that any growing, manufacturing, refining, handling, treating, storing or disposition of marijuana on the Property is strictly prohibited whether permitted by law or otherwise. You also certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, no part of the Property contains, nor has it ever contained, nor will it contain in the future, any underground or aboveground storage tanks, any hazardous, illegal substance or any substance in a quantity or concentration greater than that permitted by law or greater than the concentration specified in provincial laws which apply to the specific permitted use being made of the Property, including without limitation, any quantity or concentration that may negatively alter the value of the Property or negatively affect the marketability of the Property.
- (b) You certify that if there is an underground or aboveground storage tank on the Property it, and the operation of such a tank, is in full compliance with all laws, regulations, by-laws, orders and other legally binding requirements relating to underground and aboveground storage tanks, the protection of the environment, hazardous materials or public health and safety.
- (c) You certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, you are not aware of any environmental condition affecting any of the Property which would constitute a material breach of any environmental laws or which would negatively alter the value of the Property.
- (d) The Property may not be used to grow, manufacture, refine, handle, treat, store, dispose of or in any other way deal with any hazardous material or illegal substances or marijuana (whether legal or not), as allowed by laws, regulations and orders, unless you have first notified us in writing that you intend to do so, and you have received our written approval.
- (e) We may require you to obtain a Phase I and/or a Phase II environmental site assessment, satisfactory to us at our sole discretion, of all or any part of the Property. However, we do not have to do so. If we do, you are responsible for all of the costs associated with conducting any environmental site assessment. Any environmental site assessment will not relieve you from your obligations under the Mortgage. We can require as many environmental site assessments as we think necessary.

- (f) If hazardous or illegal substances, or any substance in a quantity or concentration greater than that permitted by law or greater than the concentration specified in provincial laws which apply to the specific permitted use being made of the Property, including without limitation, any quantity or concentration that may negatively alter the value of the Property or negatively affect the marketability of the Property are found on the Property, regardless of the source or cause, we may require you to immediately carry out all work required to remove such hazardous materials, illegal substances or other substances from the Property and repair the damage to the Property. The plans and proposals for doing the work and repairs must be prepared in consultation with us and must be approved, in writing, by us in advance. When the work is completed, you must provide us with confirmation in writing that the work is completed. This confirmation must be in a form acceptable to us. You are responsible for all of the costs associated with this work, including providing evidence that the work has been completed.
- (g) In all cases, you will protect and indemnify us against all actions, claims, lawsuits, costs or other demands relating to hazardous substances, illegal substances or any substance in a quantity or concentration greater than that permitted by law or greater than the concentration specified in provincial laws which apply to the specific permitted use being made of the Property, including without limitation, any quantity or concentration that may negatively alter the value of the Property or negatively affect the marketability of the Property which are found on the Property, and any breach of your obligations under this section.
- (h) Notwithstanding any repairs that we may undertake on your behalf, we may still deem the Mortgage to be in default.

4.10 Property inspection, testing and investigation

- (a) We, or our agents, may enter and inspect the Property and conduct any environmental testing, site assessment, investigation or study that we consider necessary. You are responsible for the costs of this testing, assessment, investigation or study. You must pay us these costs immediately.
- (b) If we enforce our rights under this section, we, or our respective agents, will not be considered to have taken possession, management or control of the Property.

4.11 Illegal activities

You certify that no part of the Property is or will be used for any illegal purpose, including as a brothel or a gaming house. You also certify that no part of the Property is or will be used for the growing, manufacturing, refining, handling, treating, storing or disposition of marijuana or other hazardous, illegal or controlled substances.

4.12 Servicing, Administration and Processing Fees

You will be responsible for payment of all servicing, administration, and processing fees as are set out in the Cardholder Agreement and Disclosure Statement. Such fees and costs shall be the amounts established, disclosed and generally applied by us from time to time and may be ascertained upon inquiry to us.

4.13 Costs

You agree to immediately pay us all amounts we expend and costs we incur in any manner in connection with the Agreements and the Mortgage including, without limitation, expenses in relation to:

- (a) collecting payments under and enforcing and realizing the security of the Mortgage;
- (b) defending or otherwise dealing with any action or proceeding in which we by reason of the Mortgage may be a party or otherwise interested including without limitation any construction, mechanics' or builders' lien or similar matter, any seizure or prosecution by police or other authority (including criminal or civil forfeiture proceedings), any foreclosure, sale (including all reasonable post-charge sale matters), expropriation proceedings, redemption, assessment or other action or proceeding by any other encumbrancer or any certificate of pending litigation or other title matter; and
- (c) performing or complying with any of your obligations under this Mortgage or the Agreements including, without limitation, those relating to insurance, condominium, repair and construction, leases, Taxes, new home warranties, prior encumbrances and environmental matters.

All legal costs and expenses incurred by us in dealing with compliance with any term, in enforcing of the Agreements and the Mortgage, and because of third party proceedings of any kind involving the Property shall be paid by you in full (including legal fees for court proceeding on a full indemnity or a solicitor and client basis). Any amounts not paid when due in full will be added to the Debt secured by the Mortgage and we will charge you interest on these amounts at the Interest Rate, from the date the amounts were due. Furthermore, notwithstanding any payments we may make on your behalf under the Standard Charge Terms, or the Agreements, we may still deem the Mortgage to be in default.

4.14 New home warranties

- (a) If the Property includes a newly or recently constructed house, you agree to meet all of the requirements to obtain and maintain the warranty in the new home warranty program applicable in Ontario.
- (b) You assign us the right to receive and enforce all benefit of such warranty.

4.15 Expropriation

If your entire Property is expropriated, the Debt will immediately become due and payable, together with the interest thereon at the Interest Rate. If only a part of the Property is expropriated, the amount you are awarded for the partial expropriation will be paid to us and we will credit it to the Debt. If, in our opinion, the remainder of the Property does not provide adequate security for the Debt, then the Debt or any part of the Debt as we determine, will immediately become due and payable, together with interest thereon at the Interest Rate.

4.16 Spousal

You certify to us that all information that you give us about the Cardholders when applying for the Card secured by the Mortgage, and the statements made in the Mortgage, are true and accurate under the laws regarding spousal property rights in the province of Ontario. If any change in such status of the qualification of the Property as family property under the laws regarding spousal property should change, you agree to inform us immediately of such changes in writing.

4.17 Withholding taxes

You agree that we must receive interest payments free and clear of any withholding tax. If you are or become a non-resident of Canada for income tax purposes, the country where you reside may charge you withholding tax on the interest portion of your payments to us. You are responsible for paying any withholding tax and providing to us receipts issued by the foreign tax authority as proof that you have paid withholding tax. If you do not pay the withholding tax and the foreign tax authority makes us pay it, you Promise to pay the withholding tax amount to us when we ask for it. We have the right, but not the obligation, to collect and remit the withholding tax on your behalf. If we choose to do this, we will remit the withholding tax to the foreign tax authority from the interest we collect.

5. OUR RIGHTS UNDER THE MORTGAGE

5.1 Releasing the Property from the Mortgage

- (a) We may release our interest in all or part of the Property, whether or not we receive any value. We will be accountable to you only for money that we receive. If we release our interest in only part of the Property, the remainder of the Property will continue to secure the Debt and your obligations under the Mortgage will continue unchanged.
- (b) If the Property is subdivided, each part of the Property will secure payment of the Debt.

5.2 Certain actions we can take

- (a) We can, if we think it is necessary, pay off any encumbrances, claims or liens which have priority over the Mortgage.
- (b) If you are a tenant or a lessee of the Property, we can cure any defaults existing under your lease and you must immediately reimburse us for all payments and expenses that we incur in so doing. If you refuse or neglect to renew your lease when it gives you that right, we can do so. Every renewal will be subject to this Mortgage.
- (c) If you do not meet one or more of your obligations under the Mortgage, we can, but are not obliged to, perform those obligations. You must immediately reimburse us for all payments which we make and costs which we incur in taking these steps.
- (d) Any payments we make under the Mortgage will be added to the Debt. We will charge you interest on these payments from the date we pay them at the Interest Rate.
- (e) If we have not received a solicitor's final report and certificate of title within 60 days of the registration of the Mortgage, we are entitled to retain another solicitor of our choice to provide a final report and certificate of title.

6. OUR RIGHTS IF YOU DEFAULT

6.1 If you Default, we may, with or without declaring the Balance immediately payable, enforce our rights by taking certain actions, which include:

- (a) *Commence Legal Action:* We may take any action that is necessary to recover payment of all or any part of the Debt and to make you perform any of your other obligations under the Agreements or the Mortgage.

- (b) *Foreclosure or sale.* We may take court proceedings to foreclose your right, title and equity of redemption to the Property. If we obtain a final order of foreclosure from the court, the Property will belong to us. We may also ask the court to order the sale of the property under the court's supervision. If the amount we receive from the sale of the Property is less than the Debt, you must pay us the difference.
- (c) *Lease the Property or collect rents.* We may with or without entering on the Property, lease the Property without notice to you. If we think it is reasonable, we may cancel or amend any lease or enter into new leases without being responsible for any resulting loss. We may apply the money collected under or in connection with any lease, after paying all costs and expenses, to any part of the Debt. We will only be accountable for the money remaining after payment of all costs and expenses when we actually receive it. If the money remaining, after paying all costs and expenses, does not pay the Debt in full, you must pay us the difference.
- (d) *Power of sale.* We may, where permitted by law and on the minimum period of written notice to you required by law, sell the Property or any part of the Property. We may sell the Property for cash or on credit, or partly for cash and partly on credit. We may sell the Property by private sale or public auction and on whatever terms we can obtain, as permitted by law. If we think it is reasonable to do so, we may cancel or amend any contract of sale, or postpone any sale, without being responsible for any resulting loss. We may apply the money from any sale, after paying all costs and expenses, to reduce any part of the Debt. We will only be responsible for the money remaining after we pay all costs and expenses when we actually receive it. If the money remaining, after paying all costs and expenses, does not pay the Debt in full, you must pay us the difference.
- (e) *Enter on the Property.* We may enter the Property at any time, without your permission, and make any necessary arrangements to inspect, collect rent, manage, repair or complete construction. We will not be considered to be a chargee in possession of the Property unless we actually take possession of it. While in possession, we will only be accountable for money actually received. We may take possession of the Property without any encumbrances or interference.
- (f) *Appoint a receiver.* We can appoint, in writing, a receiver (which term includes a receiver and manager) to collect any income from the Property. The receiver will be your agent, not ours, and you alone will be responsible for anything the receiver does or fails to do. We are not accountable for any money received by the receiver except for money that we actually receive. The receiver may use every available remedy or action that we have under the Mortgage, the Agreements or other agreements to collect the income from the Property, take possession of part or all of the Property, or to manage the Property and keep it in good condition. From the income collected, the receiver will pay all rents, Taxes, insurance premiums and other expenses required to keep the Property in good condition; its own commission as receiver; all amounts required to keep any encumbrances ranking in priority to the Mortgage in good standing; interest owing under the Agreements and the Mortgage; and all or any part of the Debt, whether it is due or not.
- (g) *Cure any Defaults.* We can cure any Defaults under the Agreements and the Mortgage.
- (h) *Automatic withdrawals.* We can discontinue automatic debits of the regular payments owing under the Mortgage and Agreements.

- (i) *Other action.* We can take any other steps or proceedings against you that are permitted by the laws of the province of Ontario and the laws of Canada applicable therein.

We have the right to take one or more of these actions at the same time or in any order we choose.

- 6.2** If we take possession of the Property to enforce our rights, you will not interfere with our possession or with the possession of the Property by any receiver we appoint or with the possession of the Property by any person we have leased or sold the Property to. You will not make any claim against any person to whom the Property has been leased or sold.
- 6.3** If we take possession of the Property, any equipment (which is not part of the Property) or furniture or household or personal belongings which remain on the Property for a period of more than fifteen (15) days after we take possession of the Property shall be deemed abandoned and we may remove, store, dispose of or otherwise deal with such abandoned goods in such manner as we see fit.
- 6.4** If you have rented the Property without our written approval as required by section 4.3 of the Standard Charge Terms, we will have the same rights and remedies as if you had tried to discourage us from taking possession of the Property if you had defaulted under the Agreements or the Mortgage or adversely affected the value of the Property. We can pay any amount we think is needed to any tenant, to obtain the co-operation of the tenant in selling the Property, showing the Property and obtaining possession of the Property or any part of the Property from the tenant.
- 6.5** If we delay enforcing any of our rights or give you or any other person an extension of time, the delay or extension will not affect any of our other rights under the Agreements and the Mortgage. If we delay or give an extension, we may still require you to make all payments on time and meet your obligations under the Agreements and the Mortgage; require payment of the Debt if you are in Default; and require any other person who has obligations under the Agreements and the Mortgage, including a guarantor, to meet those obligations.
- 6.6** In some cases, we may not enforce our rights on a particular Default. However, by doing so, we are not forgiving any other existing Default, or any other Defaults in the future and are not waiving or estopping any enforcement rights that may be available to us on that particular Default.
- 6.7** If we obtain a court order or judgment against you to enforce our rights, the judgment will not prevent us from pursuing our other remedies or rights to enforce your obligations under the Agreements and the Mortgage.

7. MISCELLANEOUS

7.1 Date of the Mortgage

The date of the Mortgage will be deemed to be the interest adjustment date for the Account for the Mortgage or other agreement or any agreement amending the Mortgage.

7.2 Exclusion of statutory covenants

In the event that there is any inconsistency or conflict between the provisions contained in the Agreements and the covenants implied or incorporated into a Mortgage by statute in the Province of Ontario and the laws of Canada applicable in Ontario, the provisions of the Agreements shall have priority over and shall override such statutory covenants to the extent of the inconsistency or conflict.

7.3 Part of Charge invalid

If any part of the Agreements or the Mortgage is found to be illegal or unenforceable, the validity or enforceability of all other parts of the Agreements or the Mortgage will not be affected.

7.4 Notice

You agree that all correspondence and notices forwarded to you by registered and regular mail to the property address and the most current address we have on file for you are deemed to have been received by you.

7.5 Headings

All section headings are for convenience of reference only and do not form part of the Mortgage.

7.6 Governing law

This Mortgage will be interpreted and governed in accordance with the federal laws of Canada applicable in Ontario and the applicable laws of Ontario. In the event of a dispute, you agree that the courts in Ontario will have exclusive jurisdiction over any dispute arising in connection with the Mortgage. Any reference in the Mortgage to an act or statute includes amendments and replacements to that legislation in force from time to time.

7.7 Further Assurances

You will execute and deliver any further agreements and documents and provide any further assurances as may be reasonably required by us to give effect to your Mortgage.

7.8 Paramountcy

If there is a conflict between any provision of this Mortgage and the Agreements, the relevant provision in the Agreements will prevail to the extent of such conflict.

8. RIGHT TO DEAL WITH ANY LOAN

We may, at our option, and without restriction, consent or notice to you sell, assign, syndicate, securitize or encumber your Mortgage to one or more third party(ies), without notice to you. If we do so, you agree that your Mortgage shall continue to secure all amounts owing under your Mortgage. Once sold or assigned, your Mortgage may be repurchased by us, whether or not it is in Default.

9. COLLECTION, USE AND DISCLOSURE OF YOUR PERSONAL INFORMATION

Details of the collection, use and disclosure of your Personal Information are set out in the Cardholder Agreement.

DATED the 25th day of November, 2020

DUO BANK OF CANADA
by its solicitors
Gowling WLG (Canada) LLP
Per:



Kirsty Strong

FILED: _____, 2020