

Immovable Hypothec Personal

On this day of _____
Before Mtre. _____, a Notary for
the Province of Quebec, practising in _____

Appeared:

(sometimes referred to in this Deed as the “grantor”
or as “you”. The word “your” also refers to the grantor).

And:

Canadian Imperial Bank Of Commerce a bank constituted under the Bank Act (Canada) having its
head office at Commerce Court West, Toronto ON, M5L 1A2, and its principal place of business at

and represented by

_____, its _____,
who is authorized to act for it, as he/she so declares.

(sometimes referred to in this Deed as the “lender” or as “we” or “us”.
The word “our” also refers to the lender).

Notice of address is registered as follows:

Registration Division

Number

WHO HAVE AGREED TO THE FOLLOWING:

1. Nature of the Secured Obligations

1.1 Secured Obligations

Option 1

You acknowledge that you are now or may be in the future indebted to us under various loans or credits that have been extended to you or may be extended to you in the future. This debt is the result of agreements, promissory or demand notes, guarantees, endorsements, covenants or other obligations, together with any amendments, renewals, restatements and substitutions that you have signed, and includes any agreements described in Schedule 1 of this Deed. Your debt to us may arise from loans by way of advances or overdrafts extended by us to you or to any other debtor in connection with a line of credit, or from guarantees, bills of exchange, letters of credit or other facilities that are payable on demand or at the end of a term.

Option 2

According to _____,
dated _____, that was signed by you and us, you
promised to pay us the amount of _____ Dollars \$ in lawful money
of _____, plus interest at the agreed rate. The terms and
conditions of this agreement are deemed to be an integral part of this Deed as well
as any amendments, extensions, renewals, restatements and substitutions.

Option 3

You acknowledge that you have signed, by private agreement, a guarantee dated
_____ in which you are the guarantor for the debts and
obligations of _____ to us.

The terms and conditions of this guarantee are deemed to be an integral part of this
Deed as well as any amendments, extensions, renewals, restatements and substitutions.

Option 4

You and we signed an agreement on _____
regarding a line of credit.

The terms and conditions of this agreement are deemed to be an integral part of this
Deed as well as any amendments, extensions, renewals, restatements and substitutions.

1.2 Indebtedness

In this Deed, the term "indebtedness" will mean all debts and obligations you have to
us, whether present or future, direct or indirect, liquidated or conditional, incurred
alone or with any other person, and due or not, and regardless of their nature or
origin and include without limitation all debts and obligations resulting from the
selected option in Section 1.1 above. Debts and obligations can arise from contracts,
or agreements between you and us and from contracts or agreements between us
and others where you are or could be indebted to us as either principal debtor or
guarantor. Debt includes principal and interest as well as any other amount that you
may owe us from time to time.

In this Deed, the term "debtor" means any persons for whom you are a guarantor for
their obligations to us and the term "Deed" means this deed and all of its schedules
as well as any amendments, replacements or renewals.

You acknowledge that none of the terms in this Deed can be interpreted as an
obligation by us to offer, extend or to maintain any rights, loans or other credit
facilities to you.

If one of the obligations secured by this Deed is a contract whereby a credit is
extended to you and if at the expiry of such contract, a sum exceeding the amount of
a periodical payment pursuant to such contract remains due, we may only demand
the payment thirty (30) days after having given you a written notice of our intention,
unless you are in default. This paragraph applies only if you have met and performed
all of your obligations under this Deed and if the property consists of four (4) living
units or less, it is not used for commercial, industrial or professional purposes or if
this Deed is not a first ranking hypothec.

2. Hypothec

As security for the complete payment of the indebtedness as well as the complete payment and performance of all obligations, confirmations and declarations, present and future, direct and indirect, under this Deed or any other document entered into with us, you hypothecate in our favour for the following aggregate amount, all of your rights, title and interests in the hypothecated property (as such term is defined below):

- _____ Dollars (\$ _____) in lawful money of Canada (this sum is called the “**principal hypothec**”), with an annual interest rate of twenty-five per cent (25%) to be calculated half-yearly not in advance; plus
- _____ Dollars (\$ _____) in lawful money of Canada being an amount equal to 15% of the principal hypothec, to secure any other amount you may owe us under the terms of this Deed, including costs incurred to recover the principal amount of the indebtedness and all interest and to recover or preserve the hypothecated property.

The “**hypothecated property**” includes all rights, title and interests in the following:

1. the immovable property or properties described in Schedule I, along with all property permanently physically attached or joined to it in order to ensure the utility of it (including the heating and air conditioning apparatus and watertanks) and which become immovable by the effect of law, as well as all rights, title and interests in and to the buildings and improvements located on such immovable property or properties (collectively, the “**property**”);
2. all sums received from you or from an insurer, guarantor, or other person under this Deed, and all sums held for you or on your behalf by any person, whether accumulated for a purpose as provided in this Deed or otherwise, and all proceeds, interest earned on these amounts and all securities and investments of them;
3. all present and future movable property which ensure the utility of the property and which are permanently physically attached or joined to the property without losing their individuality and without being incorporated to it;
4. all present and future rents, revenues and claims that are or will be payable pursuant to all existing and future leases regarding the property, in whole or in part, including amounts payable for any rights or emphyteusis use or occupation;
5. all fruits and revenues emanating from the hypothecated property, including, without limitation, the proceeds of any sale, assignment, lease or other disposition of any of the hypothecated property, any claim resulting from such a sale, assignment, lease or other disposition, as well as any property acquired in replacement of it, with full power and authority to demand, recover, receive and give receipts for all such fruits and revenues;
6. all present and future indemnities from time to time due or payable under insurance contracts with respect to the hypothecated property;

and if the property described at Schedule I is a condominium unit, the following will also form part of the hypothecated property:

7. all interest in the common portions or areas and any other interest in the assets of the syndicate of co-owners;
8. all rights to any fund maintained to meet common costs and expenses, including any contingency fund;
9. all voting rights under the terms and conditions of the declaration of co-ownership; and
10. All rights in the policy or policies of insurance maintained by the syndicate of co-owners and any payments under them.

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Any references in this Deed to the property or to the hypothecated property will include all or any part of such property or hypothecated property.

The hypothecs granted under this Deed are security that continues despite any changes in the amount of the indebtedness or obligations secured under this Deed, and whether you have repaid all or part of the indebtedness, until cancelled by us in writing. Therefore, any future obligation secured under this Deed will be considered to be an additional obligation for which you will be deemed to have obligated yourself again under this Deed.

You may borrow from us additional amounts to be secured under this Deed, provided that the total indebtedness outstanding at any time plus any new borrowing never exceeds the amount of the principal hypothec. You agree that we may refuse your request for additional borrowing for any reasons.

The terms and conditions applicable to any additional borrowing will have to be established in a written agreement between you and us.

Any additional amounts borrowed will also be secured under this Deed. The hypothecs securing any additional borrowing will have the same rank and will subsist, despite any reduction in such additional borrowing, until they are cancelled by us in writing.

You agree to sign any document required to give full effect to the hypothecs granted in this Deed and to make sure that they can at all times be set up and rendered opposable against others. In particular, if we demand, you must sign any notice of renewal for the hypothecs granted under this Deed.

3. Declarations

3.1 Certificate of location

You declare that the certificate of location remitted to us describes the present state of the property and no change has been made to the property since the date of the certificate of location.

3.2 Taxes

You certify that no taxes, rates or assessments of any kind on the hypothecated property or that has been levied by any federal, provincial, municipal, ecclesiastical or school authority are unpaid and overdue, consolidated, or paid with subrogation.

In this Deed, "**taxes**" include all taxes, assessments and levies of any kind and includes any interest and penalties, as well as penalties or costs associated with a cleanup following a fire, explosion or other destruction or damage. Examples of taxes include property taxes, whether general, or special taxes, municipal, local improvement assessments, school taxes, water, business and development charges and levies.

3.3 Repairs and alterations

You declare and certify to us that no repairs, alterations, renovations or construction have been carried out on the property within the past six months without being paid in full.

3.4 Equipment and appliances

You declare and certify to us that no equipment or appliance attached to the property is encumbered with any prior claim, hypothec, conditional sale contract, instalment sale contract, sale with right of redemption or resolution, or any other right. This

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includes, in particular, elevators, electric and household appliances, and heating, air-conditioning, ventilation or maintenance systems.

You also declare and certify to us that all equipment and appliances belong outright to you and form an integral part of the property. This means they have lost their individuality and ensure the utility of the property or are permanently attached and physically joined to the property and ensure its utility.

3.5 Title to your property

You declare and certify to us that:

- you have valid title to the property and construction and work of permanent nature erected on the property;
- no rents have been assigned or hypothecated to anyone else;
- the hypothecated property is free of all charges, prior claims, hypothecs, rights or encumbrances, including legal hypothecs of a syndicate of co-owners, except those identified in Schedule I;
- the hypothecated property is not affected by any servitude or illegal view that has not been amended or corrected by a properly registered deed;
- you have all licenses and permits required for the conduct of a business as defined in article 1525 of the Civil Code of Quebec, that all licenses and permits are in good standing, and that the business activities, if any, are conducted according to the law and these licenses and permits; and
- if you have acquired the property, and any construction and works of permanent nature on the property, by deed of sale, the deed of sale contains no resolatory clause of any kind.

3.6 Conflict of obligations

You declare and certify to us that by signing this Deed and performing the obligations under this Deed:

- you will not be violating or defaulting on any terms of any other deed or document securing other debts you may have; and
- this Deed is not in conflict with any other deed or document you may have signed.

3.7 Legal Entity and others

If you are a corporation, partnership or trust, you declare;

- the corporation, partnership or trust is duly constituted and in good standing under the laws of the jurisdiction in which the corporation, partnership or trust is created;
- this hypothec has been approved by resolution or other appropriate measure which may be necessary or required by the corporation, partnership or trust to create legal, valid and binding obligations;
- all persons who have signed this hypothec on behalf of the corporation, partnership or trust are authorized to do so.

3.8 Changes in the contents of declarations

You declare that you will notify us of any changes in the contents of the declarations you have made in this section.

4. Your obligations related to the hypothecated property

4.1 Protecting your title and our interest

You will take any necessary action to protect your title to your property. You also agree not to interfere in any way with our interest in your property.

You will maintain the hypothecated property free of any right, hypothec or security except to those we have agreed to in writing.

You must provide us with any information we might reasonably request about the hypothecated property to verify whether you are meeting your obligations. You must notify us of any fact that might lower the value of the hypothecated property or of any change in your financial situation.

4.2 Use of the property

You must not change the use of the hypothecated property unless we agree to it in writing.

You must not rent the hypothecated property or part of it on terms and conditions lower than those of the market without our prior written consent.

You must not allow the property to remain unoccupied or unused.

4.3 Demolition and alterations

You will not demolish any building or structure, or part of any building or structure, on your property without first obtaining our written approval.

You will not make any substantial alterations, additions or improvements to your property without first obtaining our written approval of your proposed plans for these changes.

If we agree to let you make alterations, additions or improvements to your property, the following conditions apply:

- The work must be completed as quickly as is reasonably possible.
- The work must meet all government requirements and zoning and building by-laws and other standards that apply to your property. If we ask you to, you will give us proof that the work meets all government requirements and building standards.
- You will pay all costs associated with the work, and you will provide us with proof that all amounts that are owed for the work have been paid.
- You must retain all required holdbacks, unless we choose to do so.
- We may obtain a judgment allowing for the substitution of any legal hypothec with such other security approved by the Court. If we think it is necessary, we may provide financial guarantees or other security to obtain this judgment. If we do this, you must pay to us immediately **all** of our charges, costs and expenses related to this. If you do not, we may declare that you are in default under this Deed, or we may add these amounts to the indebtedness, or we may do both.

4.4 Insurance (does NOT apply if your property is a single residential condominium unit)

You must insure and keep insured all buildings, structures, fixtures and improvements on your property for not less than full replacement value in Canadian dollars. You must keep this insurance coverage in place at all times until the indebtedness has been fully paid.

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Your insurance must include coverage for loss or damage caused by theft, fire, vandalism. 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 your 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.

If we ask you to, you must provide us with certified copies of all insurance policies. At least 15 days before any insurance policy expires, you must provide us with evidence that you have renewed the policy. All insurance policies must remain in effect until the indebtedness loan has been fully paid. All insurance policies must:

- be with a company that is satisfactory to us;
- contain clauses approved by the Insurance Bureau of Canada for use in the Province of Québec, or by us, confirming that any loss proceeds will be paid first to us;
- forsake the proportional rule in case of partial loss;
- not contain a co-insurance clause;
- provide that they cannot be cancelled unless the insurer notifies us in writing 30 days in advance; and
- give us the first right to receive and to have a lien on the loss proceeds.

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. If we pay any insurance premium or other amount of money for insurance on your behalf, you must repay us immediately. If you do not, we may declare that you are in default under this Deed, or add the amount to the indebtedness, or do both.

If any loss or damage occurs, you must immediately do everything necessary to enable us to obtain the insurance proceeds payable to us under this Deed. You must pay all expenses related to this. You agree that if we produce copy of this Deed, that will be sufficient authority for the insurance company to pay us any insurance proceeds that is payable because of a loss. By signing this Deed, you authorize and direct the insurance company to do so. We have the right to decide how to use the insurance proceeds. We may use part or all of the insurance proceeds to:

- repair or rebuild your property;
- reduce any part of the indebtedness, whether it is due or not, including paying any prepayment charges that are payable; or
- release same to you.

4.5 Regular Payment and Taxes

You and any guarantor agree to pay the indebtedness as required by the Deed and to meet all of your obligations under this Deed, including all taxes on your hypothecated property. You and any guarantor agree to make all payments required by this Deed in full, without delay, without making any set-off, compensation, abatement, counterclaim or deductions, and without withholding any amounts. You and any guarantor agree not to cancel, offset or reduce any payments that you have made or that you are required to make.

On or before the interest adjustment date, we may withhold from any advance under the hypothecary loan any amount we feel necessary to pay current or future taxes.

After the interest adjustment date, you agree to pay us, on each regular payment date, a tax instalment in an amount based on the estimated annual

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taxes that will be payable for the year following that regular payment date. We have the right to determine the amount of the estimated annual taxes, and the amount of your tax instalments.

You agree to send us all tax bills and other notices or communications related to taxes as soon as you receive them. If you do not, you must repay to us the cost of obtaining these notices. If you do not pay us, we will add these costs to the indebtedness.

If the taxes on your property are more than our estimate, you will immediately pay us the difference when we ask you to.

If the taxes on your property are more than our estimate, or if for any other reason the amount you have paid to us for taxes is less than the amount we have paid for taxes, we will charge you interest on the difference at the interest rate applicable to the indebtedness.

If you want to take advantage of any discount or avoid any penalty or interest in connection with the payment of taxes, you must pay us the appropriate amount in addition to the instalments we calculate.

We do not have to hold any money you send to us to pay property taxes as your mandatary for you and we do not have to pay you interest on the money you send us to pay property taxes. We do not have to pay property taxes more than once a year.

If you do not meet any one or more of your obligations under this Deed or in connection with the indebtedness, we may apply any money that we have received for property taxes to any portion of the indebtedness. You agree to repay to us any costs we incur in paying your property taxes, including amounts charged by the taxing authority for providing information about your property taxes, for sending us your property tax invoices or for accepting property tax payments from us on your behalf. You agree that we may add these amounts to your tax instalments.

We may choose not to require that you pay property taxes to us, in which case you will be responsible for paying all taxes relating to your property. If this is the case, you will provide us with all of the receipted tax bills by the end of each calendar year. If you do not, you must repay to us the cost of obtaining these tax bills. If you do not pay us, we will add these costs to the indebtedness. If, for any reason, you do not pay the taxes when required, then we will require that you pay the property taxes to us as described above.

4.6 Repairs

You must keep your property in good condition and in a good state of repair. This includes any equipment on the property. If any equipment on the hypothecated property is damaged or destroyed, you must immediately repair it or replace it at your expense.

You must carry out all necessary repairs and you must not do anything, or let anyone else do anything, that lowers the value of your property.

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 your property.

You must obtain the consent to a priority or renunciation to a legal hypothec from any person who is likely to register a hypothec because of work that you request or for materials that you request. The consent must be in a form acceptable to us.

You authorize us to enter your property at all reasonable times to inspect and repair your property.

We can make any repairs we think are necessary if, in our opinion:

- you do not keep your property in good condition and a good state of repair;
- you do not carry out all necessary repairs, or you do anything, or you allow anything to happen, that lowers the value of your property; or
- 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 your property.

You are responsible for the costs of any repairs and any inspections. You must pay us these costs immediately. If you do not pay these costs immediately, we may declare that you are in default under this Deed, or add the costs to the indebtedness, or do both.

4.7 Hazardous or illegal substances, environmental regulations, and illegal activities

In this Deed, the expression “**hazardous or illegal substances**” means:

- any pollutant or contaminant within the meaning of the *Environment Quality Act* (Québec); and
- any toxic substance within the meaning of the *Canadian Environmental Protection Act* (Canada).

You certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, no part of your property (or any land next to your property) is, or has ever been, or will in the future be, used to manufacture, refine, handle, treat, store, dispose of or in any other way deal with any hazardous or illegal substances, except as allowed by laws, regulations and orders. You may not use your property to manufacture, refine, handle, treat, store, dispose of or in any other way deal with any hazardous or illegal substances 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.

You also certify that you have made reasonable investigations and enquiries and that, to the best of your knowledge, no part of your property now contains, nor has it ever contained, nor will it contain in the future, any hazardous or illegal substance that may lower the value of your property or negatively affect the marketability of your property.

You certify that no part of your property is or will be used for any illegal purpose, including without limitation, as a brothel, a gaming house, or for the cultivation or processing of marijuana or other illegal substances.

At any time we may require you to obtain an environmental audit of all or any part of your property. However, we do not have to do so. If we do, you are responsible for all of the costs associated with conducting the environmental audit. The audit must be satisfactory to us. Any environmental audit will not relieve you from your obligations under this section. We can require as many environmental audits as we think necessary.

We, or our agents or mandataries, may enter and inspect your 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, including interest at your interest rate. You must pay us these costs, including interest, immediately and there will be a charge on the property.

If hazardous or illegal substances are found on your property, regardless of the source or cause, you must immediately carry out all work required to remove the hazardous or illegal substances from your property and repair the damage to your property. The plans and proposals for doing the work and repairs must have been

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prepared in consultation with us and must have been 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.

If you fail to meet one or more of your obligations under this section, you agree that we may do all or any part of the work we feel is necessary. However, we are not obligated to do so. If we do, you will be responsible for **all** of the costs associated with this.

In all cases, you will protect and indemnify us against all actions, claims, lawsuits, costs or other demands relating to hazardous substances or illegal substances on your property, and any breach of your obligations under this section.

4.8 Notice of violations

You agree to deliver to us within two days any notice, notice of non-compliance, mise en demeure, complaint and other claims from any person arising under and related to a violation, non-compliance or liability with any law, by-law or order.

4.9 Access by us to the property

You must allow us, at any reasonable time, access to the hypothecated property to examine, inspect or evaluate the hypothecated property.

4.10 Books and Accounts

You must keep the books and accounts that a prudent administrator would keep in relation to the rents and allow us to examine the books and accounts and obtain copies of the books and accounts.

5. Condominium (applies ONLY when the hypothec charges a fraction of a property that is a residential condominium unit)

5.1 Declaration

You declare that the hypothecated property described in Schedule I is one of the private portions of an immovable property held in divided co-ownership according to the Civil Code of Québec, article 1038 and following.

5.2 Obligations

You agree to comply with all the requirements of the law regarding divided co-ownership, the declaration of co-ownership registered against the property, as same may be amended from time to time (the “**declaration of co-ownership**”), and the management regulations, by-laws, owners resolutions and conditions applicable to the hypothecated property.

5.3 Payment of amounts and common expenses

You will pay all contributions to the charges resulting from the co-ownership and operation of the building and any contribution to the contingency fund. If we ask, you must give us proof that you have paid all of these amounts.

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If you do not pay any amounts that you are obligated to pay, we may do so on your behalf. If we do, you must reimburse us immediately for these payments. If you do not, we may declare that you are in default under this Deed, or add these amounts to the indebtedness, or do both.

As provided in Section 2, you hypothecate to us all your rights to any fund maintained to meet common costs and expenses, including any contingency fund. You also agree to sign any document required by us to assign your rights to these funds to us.

5.4 Notices and demands

You will mail to us by prepaid registered mail, or deliver to us, copies of all communications related to your unit or the common portions of the syndicate of co-owners, means:

- notices
- assessments;
- claims, mise en demeure or demands for payment;
- new rules or regulations;
- requests or demands of us to consent to any matter; and
- every other communication relating to your unit or to the common portions of the syndicate of co-owners.

You must ensure that we receive these communications at least 5 days before any claim or demand is payable or, in the case of other communications, within 5 days of the date you receive them.

5.5 Voting rights

As provided in Section 2, you hypothecate to us to all voting rights which you are entitled to under the terms and conditions of the declaration of co-ownership. You also agree to sign any document required by us to assign your voting rights to us.

You also agree to inform the syndicate that you have hypothecated these voting rights to us.

Until such time as a default under this Deed has occurred, you are entitled to exercise all voting rights but only to the extent that no vote will be cast or consent, waiver or ratification given or action taken which would be prejudicial to our interests or which would have the effect of reducing the value of the property or the condominium or imposing any restriction on the transferability of any of the voting rights. Immediately upon the occurrence of any default under this Deed, all your rights to vote and give consents, waivers and ratifications will cease and we alone will be entitled to exercise all these voting rights and give all consents, waivers and ratifications.

5.6 Acceleration of repayment of the indebtedness

At our option, the indebtedness will become payable immediately if:

- you do not meet one or more of your obligations under the declaration of co-ownership or any management regulation;
- the declaration of co-ownership is terminated;

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- a vote of the co-owners authorizes the sale of the property or of a part of its common portions;
- the syndicate of co-owners fails to meet the requirements of the declaration of co-ownership, by-laws or rules and regulations;
- the syndicate of co-owners fails, in our opinion, to manage the condominium property and assets in a careful way or to maintain its assets in good repair; or
- the syndicate of co-owners fails to insure all the condominium units and common portions as required by Section 5.7 of this Deed and according to law and any additional requirements we may have, or fails to do all that is necessary to collect insurance proceeds.

5.7 Insurance

The syndicate of co-owners must have appropriate insurance. In addition, you must insure all improvements which at any time have been made to your property against loss or damage by fire and, as well, against additional risks as we may require. The insurance company or companies must be approved by us.

As provided in Section 2, you further hypothecate in our favour all rights you may have in the policy or policies of insurance and any payments under them. If we ask for a copy of them, you must give us certified copies of every insurance policy.

If you or the syndicate of co-owners fail to keep the buildings and improvements insured or do not provide us with evidence of renewal at least fifteen days before the termination of any insurance we may obtain insurance for the buildings or improvements. However, we are not obligated to do this.

If any loss or damage occurs, you will immediately, at your expense, do everything necessary to enable us to obtain the insurance proceeds. We may use all or any part of the proceeds to do any one or more of the following, as permitted by law:

- repair the damage;
- release same to you; or
- reduce any part of the indebtedness whether or not it is due, including paying any prepayment charges that result.

Nothing will prevent us from exercising voting rights associated with the hypothecated property regarding whether the property is to be rebuilt.

The obligation to insure may be performed by the syndicate of co-owners and the proceeds of insurance may be payable in accordance with the declaration of co-ownership and by-laws of the syndicate of co-owners.

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 of co-ownership and by-laws and that, as a member of the syndicate of co-owners, you will insist that the syndicate of co-owners comply with these terms.

6. Additional provisions regarding the hypothec on rents

We may recover rents according to the law. We can do this directly or indirectly through a representative. You agree to cooperate with us or our representative in the collection of rents.

We are not obligated to collect any rent or income from your property. We are also not obligated to comply with any lease or agreement related to your property.

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Moreover, we may exercise the rights related to the rents, in particular without obtaining your approval or giving you a notice thereof and without having to prove that you were negligent or refused to exercise such rights.

We authorize you to collect the rents and other claims arising under leases for the property. You must collect the rents and such other claims in a diligent and proficient manner and will follow all of our instructions in doing so. You must also notify us immediately of any problems in collecting the rents and such other claims. We may withdraw this authorization at any time according to the applicable law.

We may also grant extensions of time, accept or discharge security, grant acquittance and cancellations and deal at our discretion with any questions relating to the rents, without your intervention or consent. We are in no way liable for material damages or injuries which may result through our fault, other than gross or intentional fault, or through the fault of our agents, employees or mandatary in the collection and recovery of the rents or our failure to collect rents. We have no obligation to notify you of any irregularity in the payment of rents by the tenants. If in spite of the authorization being withdrawn as aforesaid, sums payable pursuant to the rents are paid to you, without limiting our rights against the tenants, you will receive such rents as a mandatary or depositary and remit them to us.

You will notify us immediately of any rents present or future, which are or become secured by a hypothec or guaranteed by a third party and will deliver to us the leases or other documents now or hereafter constituting or evidencing the same.

You will deliver to us upon request a copy of all leases affecting the property from time to time and other information respecting the rents on a timely basis.

7. Default

You will be in default under this Deed and we may require you to repay the total indebtedness immediately if:

- you do not make any payment required by this Deed;
- you do not meet one or more of your obligations under this Deed or under any other agreement with us or as required by law;
- we discover that a statement, certification, declaration or representation you made to us or an agreement you made with us in this Deed, or when you applied for the indebtedness, is not true;
- we receive notice of any lien, charge, encumbrance, hypothec or other security registered against the title to your property;
- the hypothecated property or any part of it is subject to any measure of enforcement (including prior notice of exercise of a hypothecary right and withdrawal of authorization to collect claims);
- any buildings being erected on your property, or any additions, alterations or improvements done to your property, remain unfinished without work being done on them for 10 consecutive days;
- you sell or transfer all or part of the hypothecated property without our written consent;
- you become subject to the Bankruptcy and Insolvency Act (Canada) or any other legislation related to bankruptcy or insolvency;
- a major adverse change in your financial situation occurs which, in our opinion, results in a severe deterioration in your financial position and which has not been remedied within 15 days written notice from us;
- your property is abandoned;

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- you default on any loan and the creditor demands immediate repayment of the loan;
- a utility company obtains a judgement against you or begins a petition to obtain rents or other revenues or proceeds for non-payment of your obligations to the utility; or
- any guarantor or surety notifies us of his intention to terminate his guarantee or suretyship.

Each of these events will be considered an event of default, which means that if any one of these circumstances listed above occurs, you are not meeting your obligations under this Deed.

We have the right to waive any particular default by you. However, if we do so, we are not waiving any other default or any default which may occur in the future.

8. Our rights before and in case of default

8.1 We are under no obligation to make advances to you under this Deed

We may, for any reason, decide not to advance you all or any part of the capital, advance or loan secured under this Deed, even if:

- you have signed this Deed;
- this Deed has been registered; or
- we have already given you part of the capital or loan.

In this case, you will pay us, when we demand, all of our costs and expenses related to investigating title to your property and for preparing and registering this Deed. These costs will include legal fees and disbursements. You will pay us these costs immediately. If you do not pay them, we may declare you to be in default under this Deed, or add them to the indebtedness, or do both.

8.2 Releasing your property from the hypothec

We may release our interest in all or part of your property, whether or not we receive any value. We will be accountable to you only for money that we actually receive.

If we release our interest in only part of your property, the remainder of your property will continue to secure the indebtedness and the other obligations secured under this Deed. Your obligations under this Deed will continue unchanged.

If your property is subdivided, each part of your property will secure payment of the indebtedness as well as payment and performance of the other obligations secured under this Deed.

8.3 Enforcing our rights

If you are in default under this Deed or if do not make one or more payments when required or if you do not meet one or more of your other obligations under this Deed, we may enforce our rights by taking certain actions. We have the right to take one or more of these actions at the same time or in any order we choose. These actions include all rights and recourses available to us under law and under this Deed, including the hypothecary rights and recourses available to us under the Civil Code of Québec.

In addition, you will lose the benefit of term and we may terminate any obligation to grant credit or advances to you and we may also declare due and payable all the obligations that are not yet due, including the indebtedness, all interest and related costs.

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Whatever the right and recourse we may choose to exercise, the following measures will apply:

- For the purpose of protecting or realizing the value of the hypothecated property, we may, at your expense and without obligation on our part:
 1. dispose of the hypothecated property if it is likely to depreciate rapidly or perish;
 2. continue operating the business;
 3. use the information obtained when exercising our rights;
 4. perform any one of the obligations under this Deed;
 5. exercise any right pertaining to the hypothecated property;
 6. use the premises where your property is located.
- We have no obligation to render accounts to you except in accordance with the commercial practices and within the periods that we usually follow, and we have no obligation to make an inventory, take out insurance or provide any other security.
- We may, directly or indirectly, acquire for ourselves the hypothecated property.
- When exercising our rights, we may waive any right to which you are entitled, even without consideration or compensation.
- If we withdraw our hypothecary or other rights against the hypothecated property surrendered to us, which we may do at our discretion, we may return the hypothecated property, or what remains of it, to you, without express or tacit guarantee or representation, but without prejudice to our other rights or remedies.
- If we decide, at our sole discretion, to exercise the right of taking in payment and if you are entitled to require that we proceed instead with the sale of the hypothecated property on which we are exercising our right, you acknowledge that we will not be obligated to abandon the remedy of taking in payment unless, before the delay granted for surrender expires, we have (i) received security which we deem satisfactory to ensure that the sale will be carried out at a price sufficiently high for our claim to be paid in full, (ii) been reimbursed for the expenses incurred, and (iii) received an advance for the sums necessary for the sale of the hypothecated property.
- The sale of the hypothecated property may be made without legal warranty on our part or, as we may choose, with total or partial exclusion of warranty.

You recognize that your interests are best protected if we act in accordance with our usual financial practices, depending on the circumstances.

We can cure any defaults under this Deed and take any other steps or proceedings against you that are allowed by the laws of Québec and Canada.

If we take possession of the hypothecated property to enforce our rights, you will not interfere with our possession and agree to voluntarily surrender to us the hypothecated property. You agree to diligently sign any documents and deeds of transfer necessary to surrender the hypothecated property to us. You also will not interfere with the possession of your property by us or any other person we may mandate, nor with the possession of your property by any person we have leased or sold your property to. You will not make any claim against any person to whom your property has been leased or sold.

You must pay all of our expenses related to our enforcing our rights. You must pay these amounts immediately when we ask for them. These expenses may include legal fees and disbursements. You must also pay all other costs we have to pay to protect our interests and to enforce any of our rights under this Deed, as well as a

reasonable allowance for the time and services of our employees and those of CIBC, if applicable.

8.4 Delay in enforcing our rights

If we delay enforcing any of our rights, the delay will not constitute a waiver of these rights or affect any of our other rights under this Deed. If we give you or any other person an extension of time, it does not affect any of our rights under this Deed. If we do either of these things, we may still:

- require you to make all payments on time and meet your obligations under this Deed;
- require payment of the indebtedness if you are in default; and
- require any other person who has obligations under this Deed to meet those obligations.

8.5 If we do not enforce our rights on a particular default

In some cases, we may not enforce our rights on a particular default by you. However, by doing so, we are not waiving any other existing default by you, or any other defaults by you in the future.

8.6 Court orders and judgments

If we obtain a court order or judgment against you to enforce our rights, the judgment, unless it extinguishes the debt owing to us, will not prevent us from pursuing our other recourses or rights to enforce your obligations under this Deed, including our right to receive interest as required by this Deed.

8.7 Doctrine of consolidation

The doctrine of consolidation will apply to this Deed and any other hypothec you have granted or will grant to us. This means that if you default under any of your hypothecs to us then we can, as a condition of your repaying any indebtedness secured by such hypothecs, require that you repay all indebtedness secured by all hypothecs.

8.8 Administration and processing fees

In addition to the administration and processing fees outlined elsewhere in this Deed, you also agree to pay to us, when due, our administration and processing fees in connection with:

- the registration, renewal, cancellation, work relating to discharge and release of the hypothecs granted under this Deed;
- processing, inspection, closing, document verification and other costs relating to renewal titles, notice of address, subrogations, appraisals, surveys and obtaining registered copies of summaries of this Deed;
- the preparation of any assumption statement, amending or other agreement, or statements for information purposes;
- failure to have sufficient funds in your account to meet a payment amount, closure of the account from which you authorized us to deduct your payments, or cancellation of your authorization to deduct payments from your account;

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- replacement of cheques if a payment has been refused because of insufficient funds; and
- any other reason related to the administration of your indebtedness.

We will charge you our fees in effect at the time we do the work.

If you do not pay us these fees when they are due, we will add these fees to the indebtedness. We will charge you interest on these fees at the interest rate from the date the fees are incurred.

You also agree to pay us, when due, our fees for providing any services of an administrative or clerical nature requested by you. Examples of these fees include:

- providing copies of documents from your file;
- providing duplicate documents;
- providing an amortization schedule;
- retrieval of your file or information or documents from offsite storage at your request;
- providing a detailed breakdown of your payment history or tax account;
- audit verification;
- courier charges; and
- our fees in effect from time to time for any other special requests by you for similar services of a clerical or administrative nature.

You must pay us these fees immediately. If you do not pay them, we may declare that you are in default under this Deed, or add these fees to the indebtedness, or do both.

We have the right to change the fees we charge from time to time without notifying you. The fees in effect at any particular time are available from any CIBC branch in Canada, or by contacting us.

8.9 Certain actions we can take

We can pay all expenses that we incur in collecting any payment under this Deed that you did not make when due and in enforcing your other obligations. If we do this, you must pay us these amounts immediately. If you do not, we may declare that you are in default under this Deed, or add these amounts to the indebtedness, or do both.

Any payments we make under this Deed will be added to the indebtedness. We will charge you interest on these payments from the date we pay them at the interest rate specified in this Deed. We are entitled to rely on any statement we receive for the purpose of making any payment required to protect our interest in your property. These statements will be considered to be conclusive evidence of the amount owing.

If we have not received a solicitor's final report and confirmation of title within thirty days of the date the funds are advanced under the documents evidencing the indebtedness, we are entitled to retain another solicitor of our choice to provide a final report and confirmation of title. You will be responsible for all costs related to doing this.

8.10 Collection and investment of money

Any money we collect to exercise our rights under this Deed or the law may be retained by us under the hypothecs granted under this Deed or be imputed to

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payment of the indebtedness whether or not it is due. We have the option of imputing any amount without being obligated to follow the rules about imputation of payments.

The effects or sums of money delivered to or held by us in application of this Deed may be invested as we see fit without us being bound by the legal rules respecting the investment of the property of other persons.

8.11 Negligence by us

We are not obligated to use more than reasonable diligence to exercise our rights or the performance of our obligations. We are not liable for material injury that may be caused by us or our employees, other than intentional fault or gross negligence.

9. What happens if your property is sold or transferred

If you sell or transfer the property, we can, at our option, demand that you pay the entire debt immediately. We can do this even if one or more of the agreements do not contemplate immediate payment. If we do not require you to repay the entire debt, our rights under this Deed or against anyone who has guaranteed the indebtedness are not affected.

10. Assumption

This Deed cannot be assigned by you or assumed by any other person.

11. Expropriation

If your entire property is expropriated, the indebtedness will immediately become payable, along with loss of interest, including any prepayment charges, if applicable, as described elsewhere in this Deed or the documents evidencing the indebtedness.

If only a part of your property is expropriated, the amount you are awarded for the partial expropriation will be paid to us and we will credit it to the indebtedness. If, in our opinion, the remainder of your property does not provide adequate security for the indebtedness, then the indebtedness, or any part of the indebtedness as we determine, will immediately become due and payable, plus any loss of interest.

12. Who is obligated by this Deed

The obligations under this Deed are the solidary and indivisible responsibility of each person who signed it. This means that each grantor is responsible for meeting all obligations in this Deed and paying the entire indebtedness, even if others have also signed this Deed.

In addition, your legal and personal representatives and anyone else to whom you transfer your property must meet your obligations in this Deed.

Our successors and anyone to whom we transfer this Deed or the indebtedness will benefit from the rights set forth in this Deed.

You are responsible for performance all the obligations of this Deed, even if all or part of the property is no longer covered by this Deed.

13. Making material changes

Any agreement, whether verbal or in writing, to make material changes to the terms and conditions of the indebtedness will apply not only to those who agree to the terms but

also to every person, including guarantor, who did not receive notice of the change or agree to the change in writing. Examples of material changes include extensions of the time for payments, changes in the interest rate and renewals or extensions of the term of the indebtedness.

14. Civil Status

You certify that your current civil status is correctly described in Schedule I.

If the property is a "family residence" within the meaning of the Civil Code of Québec, you agree that any declaration of family residence within the meaning of the Civil Code of Québec, which may be registered now or in the future against the property, is subject to and will rank after hypothecs created in this Deed and our rights and privileges under this Deed.

Our rights and privileges under this Deed will take priority and be executory against the property as if no such declaration had been registered. You waive all rights stemming from any declaration now or in the future registered against the property.

15. If part of this Deed is not valid

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

16. Reference to laws

Any reference to legislation in this Deed includes amendments and replacements to that legislation in force from time to time.

17. Collecting, using, and disclosing your personal information

During the course of our relationship we may collect financial and related information about you. This information includes:

- information about your indebtedness,
- information about your transactions using our products and services,
- information to identify you or qualify you for products and services, and
- information we need for regulatory purposes.

We may collect this information from a number of different sources including your application for the applicable credit facility or product, references you provide, credit reporting agencies, other financial institutions, service providers, our internal records and from individuals authorized to act on your behalf.

We may use your personal information to open, process, service, insure, maintain and collect upon your indebtedness, and we may disclose your personal information to credit reporting agencies, including information about this indebtedness. We will also use and disclose your personal information according to CIBC's privacy policies which are outlined in CIBC's brochure, "Your Privacy Is Protected." This privacy policy may be amended, replaced or supplemented from time to time. You can get information on our current privacy policy by contacting any branch of CIBC.

You agree that we may enter into this Deed on behalf of another entity, as an agent, nominee or mandatary, and also that we may assign this Deed to another entity. In these cases, the entity is known as the "beneficial owner." We can do this whether or not the beneficial owner is named in this Deed. You also agree that we may insure this hypothec

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with CMHC or other hypothec insurer approved by us from time to time. We may disclose your personal information to the beneficial owner, its agent, and any person or entity to which the beneficial owner assigns this Deed or the indebtedness and to any hypothec insurer. If the hypothec is insured, the insurer may obtain a credit report and other information about you from any credit bureau, credit reporting agency and/or from us. We may also disclose your personal information to any service provider. A service provider is any person or entity that:

- is involved in the servicing, maintenance, collection or operation of this Deed or the indebtedness; or
- provides services or benefits to you under this Deed or the indebtedness, including loyalty programs.

Your personal information includes all information provided by you or obtained by us in connection with your indebtedness application, and ongoing information and documentation about you and your indebtedness sufficient for us and the beneficial owner, its agent and any assignee, hypothec insurer, our respective agent and service provider to administer this Deed or the indebtedness and exercise their rights under it.

18. Discharge

After you have paid us the debt secured by this Deed and you have met all your obligations under the Deed and the documents evidencing the indebtedness, you may request in writing that we send you a discharge or an assignment of this mortgage.

You will pay our usual administration and processing fee for preparing, reviewing and signing the discharge or assignment and all legal and other expense. You will pay us these fees whether the discharge or assignment is prepared by your lawyer/notary, our lawyer/notary, or by us. It is your responsibility to register the discharge or assignment on the title to your property and to pay the registration fee.

If electronic registration is available for this Deed, we may register the discharge on your behalf, if we choose, and you agree to pay us the registration fee. After we have done so, we will send you or your lawyer confirmation that the discharge has been registered.

19. Notices

All notices sent by us to you will be considered to be valid if sent by regular mail to your address shown in Schedule I.

Any notice, claim or mise en demeure to you may also be addressed to the latest address we have on file for you. If we cannot locate you, we may serve any notice in at the Office of the Clerk of the Superior Court in the Judicial District where is located the property.

20. Novation

This Deed does not constitute novation and the hypothecs granted in this Deed are in addition to any other guarantee, hypothec or security we may have.

21. Time is of essence

You will be deemed "*en demeure*" by the mere lapse of time as regards performance of your obligations under this Deed by the mere lapse of time or the expiry of the term or any other method permitted by law, without any obligation on our part to serve any notice or prior notice to you.

22. Delegation by us

We may delegate to another person the exercise of our rights or performance of our obligations under this Deed; in such cases, we may provide such other person with any information about you or the hypothecated property. You agree to appoint us as your irrevocable mandatary with power of substitution for the purpose of taking any action or signing any writing, proxy or document we deem necessary for the exercise of our rights.

23. Intervention

23.1 Consent of spouse

_____, spouse of the grantor, confirms that his or her civil status and that of the grantor are correctly described in Schedule I and, having read this Deed, agrees with the terms of this Deed and confirms the following:

- the property described in Schedule I is not used as a “family residence” within the meaning of article 404 and following of the Civil Code of Québec; or
- if the property is used as a “family residence” within the meaning of article 404 and following of the Civil Code of Québec, no declaration of family residence has been registered against it; or
- if the property is a “family residence” within the meaning of article 404 and following of the Civil Code of Québec, and a declaration of family residence has been registered against it, the hypothecs, rights, privileges and recourses of the lender under this Deed will take priority and be executory against the property as if no such declaration had been registered and the intervening party waives any rights that might result from any present or future declaration registered against the property.

24. Additional declaration

Each of the grantor and all other parties intervening to this Deed declare having read this Deed and received adequate explanation of the nature and scope of their respective obligations under this Deed. This Deed corresponds to the form usually proposed to our customers.

The grantor assumes all risks of *force majeure*, such that you shall be bound to timely execute each and every one of your obligations under this Deed notwithstanding the existence or occurrence of any event or circumstances constituting *force majeure* within the meaning of Article 1470 of the *Civil code of Quebec*.

25. Governing Law

This Deed and all its terms and conditions will be governed and interpreted under the laws of the Province of Québec.

26. Language

The parties confirm their express wish that this Deed and all documents relating to it, be drawn up in English. *Les parties aux présentes confirment leur volonté expresse de voir le présent Acte et tous les documents s’y rattachant, rédigés en anglais.*

SCHEDULE 1

SECTION I: Agreements entered into with the Lender

SECTION II: Description of the property

Address of the property

SECTION III: Existing charges, if any, other than those in favour or to the benefit of the lender

SECTION IV: Matrimonial status of the grantor

SECTION V: Address of the lender for sending payments and notices:

Address of the grantor for sending notices:

IN WITNESS WHEREOF:

After examining this Deed, the parties have signed in the presence of the undersigned Notary,
in _____, Province of Québec, on the date mentioned above,
and entered it in the record of the undersigned Notary under minute number _____.

GRANTOR

INTERVENING PARTY

(Name and complete address)

(Name and complete address)

CANADIAN IMPERIAL BANK OF COMMERCE

Mtre. _____, Notary