

THIS DEED OF TRUST AND MORTGAGE made effective the ____ day of _____, _____.

BETWEEN:

«CORPORATION»
(the "Corporation")

- and -

«TRUSTEE»
(the "Trustee")

WHEREAS the Corporation deems it necessary for its corporate purposes to grant the Mortgages described herein;

AND WHEREAS the Corporation under the laws relating to it is duly authorized to grant the Mortgages as hereinafter provided;

AND WHEREAS all things necessary have been done and performed to make the Mortgages, when authenticated by the Trustee, legal, valid and binding obligations of the Corporation with the benefit and subject to the terms of this Trust Deed and to make this Trust Deed a valid and binding deed of trust and mortgage as security for the Mortgages in accordance with its and their terms;

NOW THEREFORE THIS DEED OF TRUST AND MORTGAGE WITNESSES and it is hereby agreed and declared as follows:

ARTICLE 1 - INTERPRETATION

Section 1.1 - Definitions

In this deed of trust and mortgage, unless there is something in the subject matter or context inconsistent therewith:

"Business Day" means a day which is not:

- (a) a Saturday or Sunday; or
- (b) a statutory holiday in _____;

"Certificate of Authentication" means the certificate executed by the Trustee as evidence of issuance of a Mortgage to the Holder thereof, as contemplated in Section 2.6 hereof;

"Co-Owners' Agreement" means the agreement registered against the title to the Mortgaged Property in priority to this Trust Deed which shall govern the relationship of all Holders, the Corporation and the Optionees if and when such Holders, the Corporation and Optionees become co-owners of the Mortgaged Property;

"Default" means any of the events specified in Section 7.1, whether or not any requirement in connection with such event for the giving of notice or the lapse of time or the happening of any other event has been satisfied;

"Event of Default" means any of the events specified in Section 7.1, provided, however, that there has been satisfied any requirement in connection with such event for the giving of notice or the lapse of time or the happening of any other event;

“Extraordinary Resolution” has the meaning attributed thereto in Section 10.12;

“Holders” means the several Persons from time to time in the Register as holders of the Mortgages and Holder means any one of the Holders;

“Holders' Requisition” means any instrument in writing signed by any Holder requiring the Trustee to take such action or proceeding as the Holder may be authorized pursuant to this Trust Deed to so require of the Trustee and containing the indemnity contemplated by Section 11.2 and such evidence of the facts which so authorize the action as the Trustee may reasonably require;

“Corporation” means «CORPORATION» and its successors and assigns;

“Mortgaged Property” means those lands legally described in Schedule “A” attached hereto;

“Mortgages” means the mortgages of the Corporation granted by the Corporation and authenticated by the Trustee and secured pursuant to this Trust Deed substantially in the form attached hereto as Schedule “B” and “Mortgage” means any one of the Mortgages;

“Original Principal Amount” means the amount of indebtedness secured under each Mortgage being \$_____ at the time that each Mortgage is first granted;

“Option” means any one of a maximum of _____ Options granted, or to be granted, by the Corporation for the purchase of an undivided 1/ _____th interests in the Mortgaged Property and authenticated by the Trustee pursuant to a Trust Declaration registered against the Mortgaged Property and “Options” means all of such Options and “Optionee” means a Persons who is the holder from time to time of any one of the Options;

“Permitted Encumbrances” means:

- (a) reservations, limitations, provisos and conditions expressed in any original grant from the Crown and statutory exceptions to title;
- (b) liens for Property Taxes not yet due;
- (c) easements, utility rights-of-way, public ways, or similar grants which do not in the aggregate materially and adversely impair the Mortgaged Property;
- (d) defects or irregularities of title affecting the Mortgaged Property which are of a minor nature and, in the aggregate, do not materially impair the use of the property concerned for the purposes for which it is held by the Corporation or materially impair the security for the Mortgages or which the Trustee is willing to accept as not being materially or adversely prejudicial to the interests of the Mortgagees;
- (e) any lease of the Mortgaged Property (provided however that the term of any such lease shall not extend beyond _____, _____);
- (f) the Co-Owners' Agreement;
- (g) the Deed of Trust and Mortgage; and
- (h) the Trust Declaration.

“Person” means an individual, a partnership, a corporation, a trust, an unincorporated organization, a government or any department or agency thereof, and the heirs, executors, administrators or other legal representatives of an individual, and words importing persons have a similar meaning,

“Property Taxes” means all present and future taxes, rates, duties, levies and assessments whatsoever, including, without limitation, assessments for local-improvement and sewer charges, whether municipal, regional, provincial or federal, charged upon the whole or any part of the Mortgaged Property or upon the Corporation in respect thereof, other than taxes imposed in respect of the income of the Corporation, including, without limitation, income, profit, capital gain and excess profit taxes;

“Register” means the register of mortgages kept by the Trustee as contemplated in Section 3.1 hereof;

“Trust Declaration” means the Trust Declaration registered against the Lands to evidence the rights and interests in the Lands of the Corporation and the Optionees,

“this Trust Deed”, “these presents”, “herein”, “hereof”, “hereby” and similar expressions mean and refer to this Deed of Trust and Mortgage and include any deed, indenture or instrument which is supplemental or ancillary hereto or in implement hereof or thereof; and the expressions “Article”, “Section”, “Subsection”, “Clause”, “Subclause” or “Schedule” followed by a number mean and refer to the specified Article, Section, Subsection, Clause, Subclause or Schedule of this Trust Deed; and

“Trustee” means «TRUSTEE» and its successors for the time being in the trusts hereby declared and provided for.

Section 1.2 - Interpretation

In this Trust Deed, except as otherwise expressly provided or unless the context otherwise requires:

- (a) the division of this Trust Deed into Articles, Sections, Subsections, Clauses, Subclauses and Schedules, the insertion of headings and the provision of a table of contents are for convenience of reference only and shall not affect the construction or interpretation of this Trust Deed;
- (b) the Schedules are specifically incorporated into and form part of this Trust Deed;
- (c) words importing the singular number include the plural and vice versa;
- (d) words importing gender include the neuter, feminine and masculine genders;
- (e) all references to dollar amounts are expressed in terms of lawful money of Canada; and
- (f) reference to any statute or any provision thereof shall be deemed to be a reference to such statute or provision, as the case may be, as amended, re-enacted or replaced from time to time.

Time shall be of the essence of this Trust Deed.

Section 1.3 - Non-Business Days

Whenever any payment or any action is required to be made or taken hereunder, or under the terms of the Mortgages, on a day which is not a Business Day in the place where such payment or action is to be made or taken, such payment shall be made and such action shall be taken, as the case may be, on the next following Business Day in such place without adjustment or penalty for interest. Any payment which is received after 1:00 p.m. on a Business Day in the place of receipt shall be deemed to have been made on the next following Business Day in such place.

Section 1.4 - Applicable Law

This Trust Deed and the Mortgages shall be governed by and construed in accordance with the laws of _____ and the federal laws of Canada applicable therein and shall be treated in all respects as _____ contracts.

ARTICLE 2 - GRANT OF MORTGAGES

Section 2.1 - Limit of Mortgages

The aggregate principal amount of Mortgages that may be granted hereunder is limited to \$_____ in lawful money of Canada, exclusive of any Mortgages granted upon any transfer or in exchange or substitution for or by way of replacement of any Mortgages previously granted. The total number of Mortgages that may be granted hereunder is limited to _____ Mortgages each in the sum of \$_____ in lawful money of Canada, exclusive of any Mortgages granted upon any transfer or in exchange or substitution for or by way of replacement of any Mortgages previously granted.

Section 2.2 - Terms and Form of Mortgages

The Mortgages shall be designated Pari Passu First Mortgages, shall mature on _____, _____, and shall bear interest at the rate of ____% per annum (after, as well as before, maturity, default and judgment, with interest on overdue interest at the same rate) compounded annually and calculated and payable annually in arrears.

The Mortgages and Certificates of Authentication shall be substantially in the form set out in Schedule "B" attached and shall bear such distinguishing letters and number as the Corporation may determine, subject to the approval of the Trustee.