

THIS MORTGAGE dated as of the _____ day of _____, 20____.

The Parties to this mortgage are:

Mortgagor

AND:

_____, whose address is

Mortgagee

AND:

Spouse of the mortgagor (if spouse not a mortgagor)

AND:

Guarantor

1. MORTGAGE

You hereby mortgage to us the property described below to secure the Principal Amount of _____ dollars (\$ _____) (the **Principal Amount**) together with interest thereon as set out in paragraph 2 herein. The property is described as (the **Property**): *

*If space is insufficient to type description of your property in this paragraph, attach Schedule B describing the Property and type in the above space "See attached Schedule B".

Any buildings on the Property and anything now or later attached or fixed to the buildings or the Property including additions, alterations and improvements are covered by this mortgage.

To have and to hold the lands and the appurtenances unto the mortgagee, its successors and assigns.

2. HOW YOU WILL REPAY YOUR LOAN WITH INTEREST

[fixed rate mortgage/delete if not applicable]

You agree to pay to us the Principal Amount with interest thereon as well after as before maturity and both before and after default at the rate of percent (%) per annum calculated semi-annually, not in advance (the "Interest Rate"), computed from the date the Principal Amount, or any part thereof, is advanced on so much of the Principal Amount as shall from time to time remain unpaid until the whole of the Principal Amount is paid. The Principal Amount and interest shall become due and be paid as follows:

- a. Interest shall accrue from the date of advance hereunder and shall be due and payable on the day of the month next following the date of the first advance , (the "Interest Adjustment Date");
- b. Thereafter, the Principal Amount and interest, as aforesaid, shall be payable by equal consecutive monthly instalments of principal and interest of \$, commencing on the day of the month next following the Interest Adjustment Date and thus to continue monthly on the day of each month to and including the day of , ;
- c. The balance, if any, of the Principal Amount and interest thereon, as aforesaid, and any other moneys owing under this Mortgage shall be due and payable on the day of , (the "Balance Due Date");

[adjustable rate mortgage/delete if inapplicable]

You agree to pay to us the Principal Amount with interest thereon as well after as before maturity and both before and after default at the Prime Rate plus/minus [delete inapplicable] percent (%) per annum calculated semi-annually, not in advance (the "Interest Rate"), computed from the date the Principal Amount, or any part thereof, is advanced on so much of the Principal Amount as shall from time to time remain unpaid until the whole of the Principal Amount is paid. The Principal Amount and interest shall become due and be paid as follows:

- a. Interest shall accrue from the date of advance hereunder and shall be due and payable on the day of the month next following the date of the first advance , (the "Interest Adjustment Date");
- b. Thereafter, the Principal Amount and interest, as aforesaid, shall be payable by equal consecutive monthly instalments of principal and interest of \$, commencing on the day of the month next following the Interest Adjustment Date and thus to continue monthly on the day of each month to and including the day of , ;
- c. The balance, if any, of the Principal Amount and interest thereon, as aforesaid, and any other moneys owing under this Mortgage shall be due and payable on the day of , (the "Balance Due Date");

The Interest Rate will change automatically each time there is a change in the Prime Rate. The principal and interest payment will be recalculated every time the Prime Rate changes, based on the new interest rate and remaining amortization. Within a reasonable time after a change in the Interest Rate, we may mail to you, at your last known mailing address according to our records, a notice of the changed interest rate, its effective date, and the applicable change to the payment amount. The Interest Rate and payment amount will vary in accordance with this paragraph even if we fail to send this notice or you fail to receive it.

3. INDEBTEDNESS SECURED BY THE MORTGAGE

You agree the mortgage secures all Indebtedness up to the Principal Amount with interest thereon at the interest rate set out above.

4. ADDITIONAL TERMS AND COVENANTS

The terms, conditions and covenants set out in Schedule "A" appended hereto are incorporated and form part of this mortgage.

5. CONSENT OF SPOUSE

By signing this mortgage each spouse of a mortgagor consents to this mortgage and releases any interest which he or she may have in the Property covered by this mortgage as far as necessary to give effect to our rights under this mortgage.

6. SIGNING THIS MORTGAGE

If you have read this mortgage and you agree to its terms, sign in the space provided for your signatures. Witnesses must sign in the spaces provided for the witnesses' signatures. Necessary legal seals should be added next to your signatures.

SIGNED, SEALED AND DELIVERED

in the presence of :

_____ (Witness)	_____ (Borrower) (seal)
_____ (Witness)	_____ (Borrower) (seal)
_____ (Witness)	_____ (Spouse of Borrower) (seal)
_____ (Witness)	_____ (Guarantor) (seal)
_____ (Witness)	_____ (Guarantor) (seal)

On the _____ day of _____, 20____, personally appeared before me _____ of _____ in _____ County and being sworn, testified that (s)he is a subscribing witness to the within Mortgage and that (s)he was present and did see the same duly executed by the Mortgagors therein named.

COMMISSIONER

C A N A D A
PROVINCE OF
PRINCE EDWARD ISLAND

IN THE MATTER of the Family Law Act, being Statutes of Prince Edward Island, 1995, Chapter 12, as amended;

- and -

IN THE MATTER of the Registry Act, being Revised Statutes of Prince Edward Island, 1988, Chapter R-10, as amended.

AFFIDAVIT OF SPOUSAL STATUS OR INTEREST

We, _____ and _____,
both of _____, _____ County, Province of Prince Edward Island,

MAKE OATH AND SAY AS FOLLOWS:

1. THAT we are the Mortgagors in the annexed Indenture and are of the full age of eighteen (18) years.
2. THAT we are/we are not [delete inapplicable] residents of Canada within the meaning of the Income Tax Act (Canada).
3. THAT for the purpose of this Affidavit, "**Act**" means the Family Law Act, S.P.E.I. 1995, c.12; "**family home**," as set out in s. 19 of the Act, means (i) every property in which a married person has an interest and that is or, if the spouses are living separate and apart, was at the time of separation ordinarily occupied by the person and his or her spouse as their family residence, (ii) the ownership of a share or shares, or of an interest in a share or shares, of a corporation entitling the owner to occupy a housing unit owned by the corporation shall be deemed to be an interest in the unit for the purposes of section 19, subsection (1), of the Act, (iii) if property that includes a family home is normally used for a purpose other than residential, the family home is only the part of the property that may reasonably be regarded as necessary to the use and enjoyment of the residence; "**property**" means the lands described in the Schedule to the annexed Indenture; and "**spouse**" means either of a man and woman who: (i) are married to each other; or (ii) have together entered into a marriage that is voidable or void, in good faith on the part of the person asserting a right under the Act.
4. THAT the property is not now the subject of a Court Order, interim or otherwise, made pursuant to the Act.
5. THAT neither of us have a former spouse with a right to possession or other interest in the property by reason of an Order of the Court or a domestic contract pursuant to the Act.
6. THAT as of the date hereof, we are spouses of one another, and we have no other spouse.

SWORN TO before me at the _____ of _____)
 _____, in _____ County,)
 Province of Prince Edward Island,)
 this _____ day of _____, 20____.)
 _____)
 _____)

A COMMISSIONER FOR TAKING
AFFIDAVITS IN THE SUPREME COURT.

CANADA
PROVINCE OF
PRINCE EDWARD ISLAND

IN THE MATTER of the Family Law Act, being Statutes of Prince Edward Island, 1995, Chapter 12, as amended;

- and -

IN THE MATTER of the Registry Act, being Revised Statutes of Prince Edward Island, 1988, Chapter R-10, as amended.

AFFIDAVIT OF SPOUSAL STATUS OR INTEREST

I, _____, of _____, _____ County, Province of Prince Edward Island,

MAKE OATH AND SAY AS FOLLOWS:

1. THAT I am the Mortgagor in the annexed Indenture and am of the full age of eighteen (18) years.
2. THAT I am/am not [delete inapplicable] a resident of Canada within the meaning of the Income Tax Act (Canada).
3. THAT for the purpose of this Affidavit, "**Act**" means the Family Law Act, S.P.E.I. 1995, c.12; "**family home**," as set out in s. 19 of the Act, means (i) every property in which a married person has an interest and that is or, if the spouses are living separate and apart, was at the time of separation ordinarily occupied by the person and his or her spouse as their family residence, (ii) the ownership of a share or shares, or of an interest in a share or shares, of a corporation entitling the owner to occupy a housing unit owned by the corporation shall be deemed to be an interest in the unit for the purposes of section 19, subsection (1), of the Act, (iii) if property that includes a family home is normally used for a purpose other than residential, the family home is only the part of the property that may reasonably be regarded as necessary to the use and enjoyment of the residence; "**property**" means the lands described in the Schedule to the annexed Indenture; and "**spouse**" means either of a man and woman who: (i) are married to each other; or (ii) have together entered into a marriage that is voidable or void, in good faith on the part of the person asserting a right under the Act.
4. THAT the property is not now the subject of a Court Order, interim or otherwise, made pursuant to the Act.
5. THAT I have no former spouse with a right to possession or other interest in the property by reason of an Order of the Court or a domestic contract pursuant to the Act.
6. THAT as of the date hereof, we are spouses of one another, and we have no other spouses.
7. THAT I am not a spouse, and at the time of making the disposition or encumbrance evidenced by the annexed mortgage, I was not a spouse.
8. THAT the property which I am mortgaging, described in Schedule "B" annexed hereto, is not a family home within the meaning of the Act.
9. THAT I am/am not living separate and apart from my spouse and the property has never been occupied by me and my spouse as our family residence.
10. THAT my spouse, _____, has released all rights to the property acquired pursuant to Part II of the Act by a Separation Agreement made between us dated _____.
11. THAT the property is not designated by both me and my spouse as a family home and an Instrument designating another property as a family home of me and my spouse is registered and has not been revoked.

SWORN TO before me at the _____ of _____)
 _____, in _____ County,)
 Province of Prince Edward Island,)
 this _____ day of _____, 20____.)
 _____)

A COMMISSIONER FOR TAKING
AFFIDAVITS IN THE SUPREME COURT.