

## TERMS AND CONDITIONS (the "Terms and Conditions")

1. **OWNERSHIP** – The Debtor promises to the Lender that the Collateral is the Debtor's property.
2. **NO OTHER CHARGES** – The Debtor promises to the Lender that the Collateral is free and clear of all other charges and security interests and the Debtor will keep the Collateral free and clear of all other charges and security interests.
3. **TAXES** – The Debtor will pay all taxes and licence fees on the Collateral. If the Collateral is a manufactured home (or other property on which taxes are payable annually), the Debtor will give the Lender proof of payment of taxes on or before December 31 of each year.
4. **WILL NOT SELL, ETC.** – The Debtor will not sell, lease or otherwise transfer or dispose of, or give possession of the Collateral to anyone else without the Lender's written consent.
5. **ACCESSIONS** – The Debtor will not permit any of the Collateral to become an accession to (that is, become a part of) any other property other than other Collateral.
6. **WILL NOT ATTACH TO LAND** – The Debtor will not attach the Collateral to land or any building without the Lender's written consent.
7. **LOSS OR DAMAGE** – The Debtor will immediately inform the Lender of any loss of, or damage to, the Collateral.
8. **PROVIDE INFORMATION** – The Debtor will promptly provide the Lender with all information requested by the Lender concerning the Collateral and will, without the Lender having to request it, promptly advise the Lender of any change of the Debtor's name, of any sale of any of the Collateral and of the serial number, year, make and model of all serial numbered goods at any time included in the Collateral.
9. **WILL REPAIR** – The Debtor will keep the Collateral in good repair and if the Debtor does not, the Lender may make repairs and either charge the Debtor for them or add the cost to the Obligations.
10. **WILL NOT REMOVE** – The Debtor promises to the Lender that the Collateral is located at the Debtor's address shown in this Collateral Security Agreement and the Debtor will not permanently remove the Collateral from that address and will not temporarily remove the Collateral from the province in which the Debtor's address noted on page 1 is situated without the Lender's consent. If the Debtor moves the Collateral the Debtor will immediately advise the Lender of the new location.
11. **INSURANCE** –
  - a) The Debtor will keep the Collateral insured to its full replacement value against loss and damage by fire and theft and, if required by the Lender, such other perils customarily provided in the standard insurance policy.
  - b) If the Collateral includes a motor vehicle, the Debtor will keep it insured to its full replacement value against loss or damage by fire, theft and collision and will insure it against third party liability and property damage to limits established by the Lender and, if not so established, to reasonable limits.
  - c) The Debtor will designate the Lender as an additional insured and loss payee of the insurance.
  - d) The Debtor will deliver, on request, the policies of insurance to the Lender and will pay all premiums necessary to keep the insurance policies in good standing.
  - e) If the Collateral is damaged, the insurance proceeds will be used to repair the Collateral.
  - f) If any of the Collateral is lost, stolen or destroyed, the Lender will have the right to decide if the insurance proceeds will be used to replace the Collateral or to pay the Obligations.
12. **PAY COSTS OF PREPARATION AND ENFORCEMENT** – The Debtor will pay all of the Lender's costs and expenses (including legal fees and expenses) in connection with preparing and registering notice of this Collateral Security Agreement and in connection with the enforcement of the Lender's rights and remedies under this Collateral Security Agreement.
13. **PAYING REPAIRS, LIENS, INSURANCE, ETC.** – If any lien or charge is created against the Collateral or if the Debtor fails to make the repairs or maintain the insurance required by these Terms and Conditions, the Lender may pay the necessary amount, and any amounts so paid will be added to the Obligations and will bear interest at the highest interest rate being borne by any of the other Obligations and will be repayable by the Debtor to the Lender immediately.
14. **EVENTS OF DEFAULT** – If the Debtor fails to comply with any term of this Collateral Security Agreement or any of the following events occurs, the full amount of unpaid Obligations will, at the Lender's option and without notice to the Debtor, become immediately due and payable:
  - a) if the Debtor breaks any promise contained in this Collateral Security Agreement or under any document to which this Collateral Security Agreement is Collateral or if any promise made is untrue;
  - b) if the Debtor commits or threatens to commit any act of bankruptcy or becomes insolvent or makes an assignment or is the subject of a receiving order under the *Bankruptcy and Insolvency Act* or makes a general assignment in favour of the Debtor's creditors or sells the Debtor's assets or if a bankruptcy petition is filed or presented against the Debtor;
  - c) if the Debtor dies, or

d) if the Lender considers the Obligations to be insecure or the Collateral or the Debtor's ability to repay the Obligations to be in jeopardy.

15. **REMEDIES** – The Lender may enforce its right to collect the Obligations by exercising any one or more of the remedies provided for in the *Personal Property Security Act* of the Province where the branch of the Lender set out on page 1 of this Collateral Security Agreement is located (the "PPSA") for enforcement of a Collateral Security Agreement containing a security interest in consumer goods, including, without limitation:
  - a) seizing or repossessing and disposing of (by sale or lease) the Collateral;
  - b) retaining the Collateral in satisfaction of the Obligations;
  - c) accepting a surrender and disposing of (by sale or lease) the Collateral; or
  - d) suing the Debtor for the Obligations.
16. **PROCEEDS OF DISPOSITION** – The proceeds of disposing of the Collateral will be dealt with as provided in the PPSA and in the order provided in the PPSA.

## GENERAL PROVISIONS

17. **DEFINED TERMS** – Any words that are used in this Collateral Security Agreement that are not defined in this Collateral Security Agreement shall have the meaning set out in the PPSA.
18. **PURCHASE MONEY SECURITY INTEREST** – The security interests created hereby shall be purchase money security interests to the extent that any of the Obligations are monies advanced by the Lender to or for the Debtor to enable the Debtor to purchase any of the Collateral and were so used and a certificate of one of the Lender's officers as to the extent that the Obligations are monies so advanced shall be *prima facie* proof of the purchase money security interests created hereby.
19. **ATTACHMENT** – Attachment of the security interests created hereby will not be postponed.
20. **NO AUTOMATIC DISCHARGE** – This Collateral Security Agreement shall not be, or be deemed to be, discharged only because at any time the Debtor does not owe the Lender any money and there are no other outstanding Obligations.
21. **DISCHARGE** – If at any time all Obligations have been satisfied then at the Debtor's request and upon payment by the Debtor of the Lender's standard discharge fee and all the costs in connection with such discharge the Lender will discharge this Collateral Security Agreement and will deliver to the Debtor all documents to effect such discharge.
22. **GOVERNING LAW** – This Collateral Security Agreement shall be governed by, and construed in accordance with, the laws of the province where the branch office of the Lender set out on page 1 of this Collateral Security Agreement is located.
23. **SERVICE OF NOTICES AND DEMANDS** – Any notice or demand to be given to the Debtor under this Collateral Security Agreement can be given by the Lender
  - a) in person;
  - b) by mail, email, text message;
  - c) by telephone or mobile phone;
  - d) by fax;
  - e) via the Lender's online banking system and/or website; or
  - f) by any other communication method acceptable to the Lenderto the Debtor's respective address, fax number, or email address provided to the Lender in writing.
24. **DEEMED RECEIPT OF NOTICES AND DEMANDS** – Except as provided in Section 25, Labour Disputes, each notice and demand will be deemed to have been received by the person to whom it is addressed
  - a) on the date of receipt if delivered;
  - b) 5 days from the date of mailing if sent by mail;
  - c) the date of transmission if transmitted by email, text message, fax, or via the Lender's online banking system and/or website;Regardless of any other sections of this Collateral Security Agreement, any notice or demand received or otherwise deemed received
  - d) outside the business hours of the branch office of the Lender set out on page 1; or
  - e) on a day that is not a Business Day,will be deemed to have been received on the next Business Day.
25. **LABOUR DISPUTES** – If there is a labour dispute affecting mail delivery in Canada, any notice or demand that is mailed during, or 5 Business Days before, the labour dispute will be considered received when actually received by the person to whom it is addressed.
26. **SECURITY AGREEMENT ACKNOWLEDGEMENT AND FINANCING STATEMENT WAIVER** – The Debtor hereby acknowledges receiving a completed copy of this Collateral Security Agreement and waives all rights to receive from the Lender a copy of any financing statement, financing charge statement, or verification statement filed at any time in respect of this Collateral Security Agreement or any amendments hereto where such waiver is not otherwise prohibited by law.

## TERMS AND CONDITIONS (Continued)

27. **COPIES OF DOCUMENTS AND RECEIPTS** – Upon request, the Debtor will give the Lender documents to verify credit, employment, residence, and other information with respect to the Debtor as may be required by the Lender in connection with the processing, approving, funding, servicing, and administering of the Obligations.
28. **INVALID PROVISIONS** – If any term, covenant, Obligation, or agreement in this Collateral Security Agreement, or the application thereof to any person or circumstance, is found to be invalid or unenforceable for any reason, the remaining provisions of this Collateral Security Agreement will not be affected and will continue to be separately valid and enforceable to the fullest extent permitted by applicable laws.
29. **FURTHER ASSURANCES** – The Debtor covenants that he or she shall execute such further documents and do such other things as may be required in the sole discretion of the Lender to give full effect to and carry out the provisions of the Obligations and this Collateral Security Agreement.
30. **AMENDMENTS IN WRITING** – None of the Terms and Conditions in the Collateral Security Agreement may be amended, supplemented, or otherwise modified except by written instrument executed by the parties hereto.
31. **JOINT & SEVERAL OBLIGATIONS** – If more than one person signs this Collateral Security Agreement as Debtor, all promises and agreements are the joint and several promises and agreements of each of the person(s) comprising the Debtor and will be binding on the heirs, successors and representatives of each of the person(s) comprising the Debtor.
32. **SECURITY AGREEMENT NOT ASSIGNABLE** – The Debtor will not assign the Collateral Security Agreement.
33. **WAIVING A BREACH OR DEFAULT** – The Lender may waive any breach by the Debtor of any of the Terms and Conditions of this Collateral Security Agreement or any default by the Debtor in observance of any promise or conditions required by the Lender. However, no waiver by the Lender will be considered to operate as a waiver of any subsequent breach or default.  
  
Each waiver must be in writing and signed by the Lender to be effective. Any failure by the Lender to exercise, or any delay by the Lender in exercising, any right or remedy under or in respect of this Collateral Security Agreement or any other agreement with the Lender will not operate as a waiver of such right or remedy.
34. **ENGLISH** – It is the express wish of the parties that this Collateral Security Agreement and any related documents be drawn up in English. Les parties aux présentes ont expressément demandé que ce contrat et tous les documents s'y rattachant soient rédigés en anglais.