



MORTGAGE / HYPOTHEC INVESTMENT DIRECTION AND INDEMNITY AGREEMENT - STANDARD

Registered Plans and Tax Free Savings Accounts
Registered Plans & TFSA Division

REGISTERED PLANS AND TAX FREE SAVINGS ACCOUNTS

Mortgage/Hypothec Investment Details

Annuitant/Holder/Subscriber/Client (referred to herein as the "undersigned", "I", or "me"): _____

Olympia Account Number (referred to herein as "my Account"): _____

Borrower/Mortgagor/Hypothecary Debtor (the "Borrower"): _____

Face Value of Mortgage/Hypothec: \$ _____ Mortgage/Hypothec Position: _____

Discount Amount: \$ _____ Is this discount amount prepaid interest? _____

Legal Description of Mortgage/Hypothec Lands and Buildings (the "Lands"): _____

Street Address of Lands: _____

Interest Rate: _____ % Term: _____

Blended or Interest Only: _____ Amortization Period (if Blended): _____

Payment Frequency: _____ Payment Amount: \$ _____

First Payment Date: _____ Maturity Date: _____

Solicitor/Notary (name, firm name, and address) to which funds are to be paid In Trust (the "Solicitor/Notary"): _____

The undersigned and Olympia Trust Company ("Olympia") are parties to a Declaration of Trust (the "Trust Agreement") which governs my Account (as identified above). In consideration of Olympia accepting the above Mortgage/Hypothec (the "Mortgage/Hypothec") as an asset of my Account, I hereby agree to the following terms and conditions and I acknowledge that this Agreement shall constitute an addendum to the Trust Agreement as if the following terms and conditions were set out therein:

1. For all Provinces and Territories in Canada except for Quebec, the Mortgage/Hypothec shall be deemed to be a Mortgage and in the Province of Quebec the Mortgage/Hypothec shall be deemed to be a Hypothec.
2. I hereby confirm that I am fully aware of the nature of the Mortgage/Hypothec and its terms and conditions.
3. I acknowledge that I have been advised to seek independent legal, tax, or other professional advice before deciding to invest funds held in my Account in the Mortgage/Hypothec and before signing this Direction and Agreement.
4. I hereby authorize and direct Olympia to invest funds held by my Account in the Mortgage/Hypothec as described above.
5. I acknowledge I am responsible for the preparation and registration of all documents relating to the Mortgage/Hypothec. I will submit all draft documents to Olympia for approval prior to advance of funds and registration. I will instruct my Solicitor to provide Olympia with copies of the registered documents and a letter reporting on the transaction. I acknowledge that my Solicitor and I are responsible for ensuring that the

Client Initials



MORTGAGE / HYPOTHEC INVESTMENT DIRECTION AND INDEMNITY AGREEMENT - STANDARD

Registered Plans and Tax Free Savings Accounts
Registered Plans & TFSA Division

Mortgage/Hypothec is valid and properly registered (or opposable) and I agree that Olympia shall not be liable to me or my Account if the Mortgage/Hypothec is not valid or properly registered (or opposable).

6. I shall ensure that the Mortgage/Hypothec is registered in the name of Olympia Trust Company making clear its capacity as trustee of, and as mandatary for, my Account, and that the ranking of the said Mortgage/Hypothec as an encumbrance against the property is correct. The ranking of the Mortgage/Hypothec, as an encumbrance against the Mortgage/Hypothec property, must be in either first, second or third position.
7. In the event that I invest in a qualified Mortgage/Hypothec through my Account, I understand and acknowledge that it is my sole and entire responsibility to verify that:
 - (a) the Mortgage/Hypothec is an "Arms-Length" transaction as defined in the *Income Tax Act (Canada)* (the "Tax Act");
 - (b) the Mortgage/Hypothec is a "qualified investment" and is not a "prohibited investment" (as such terms are defined in the Tax Act);
 - (c) if either of the above conditions cease to be fulfilled, I shall notify Olympia immediately; Olympia may refuse any Mortgage/Hypothec investment and or property substituted therefore, at any time, in its sole discretion and for any reason whatsoever.
8. In the event that I invest in a Mortgage/Hypothec through my Account, I understand and acknowledge that it is my sole and entire responsibility to verify that:
 - (a) the Mortgage/Hypothec is a proper charge against the Land (as specified in the Mortgage/Hypothec) and is fully secured;
 - (b) all payments due on the Mortgage/Hypothec are to be made on the dates specified in the Mortgage/Hypothec and all Mortgage/Hypothec payments are to be paid directly to Olympia;
 - (c) there is adequate fire / property insurance in place for the Lands specified in the Mortgage/Hypothec; and
 - (d) that I will obtain, through my solicitor, all necessary documents and certificates as may be required in the jurisdiction in which the Lands are situated. This may include real property reports or surveys and title insurance policies or opinions as well as other documents as may be necessary to ensure that a valid and binding mortgage/hypothec has been secured and that the Borrower's Lands are not subject to other prior encumbrances, other than minor defects which do not materially affect the marketability of title.
9. I acknowledge that I do not rely and have not relied upon any representation made by Olympia in deciding to invest Account funds in the Mortgage/Hypothec. **Without limiting the generality of the foregoing, I also specifically agree and represent to Olympia that I have not, cannot and will not look to Olympia or any of its employees for advice as to:**
 - (a) whether an interest in the Mortgage/Hypothec constitutes a "qualified investment" for my Account (if applicable);
 - (b) whether the Lands securing the Mortgage/Hypothec are adequate or will be adequate security; and
 - (c) whether the interest in the Mortgage/Hypothec otherwise constitutes a suitable investment for my Account.Further, I understand and acknowledge that Olympia does not authorize its employees or any other person to make such representations or give such advice on its behalf.
10. I understand and acknowledge that I shall be solely and entirely responsible for the collection of all Mortgage/Hypothec payments as well as all arrears as may be payable under the terms of the Mortgage Investment Direction. Without limiting the generality of the foregoing:
 - (a) I shall be solely and entirely responsible for instituting and pursuing any necessary legal proceeding in the event of a default by the Borrower, including all direct and indirect expenses, legal fees, costs (including all fees, costs, expenses and charges of Olympia if any) pertaining to such action;
 - (b) I understand that I require Olympia's authorization before I institute or respond to legal proceedings in connection with the Mortgage/Hypothec. I further understand that Olympia may refuse its authorization, at its sole discretion, and require that the Mortgage/Hypothec be withdrawn from my Account and assigned to another party before commencing legal action;
 - (c) I understand and accept that as a result of Olympia agreeing to be named as a party in any necessary legal proceeding, Olympia as the trustee shall be entitled to intervene, at its sole discretion, in any decision to be made with respect to the conduct of the proceedings (including the choice of legal counsel);
 - (d) Olympia shall deposit all funds received as the result of such proceedings in my Account;

Client Initials

2200, 125 – 9 Avenue SE, Calgary, AB T2G 0P6
Mailing Address – PO Box 2581, STN Central, Calgary, AB T2P 1C8
Phone 403.770.0001 Toll Free 1.877.565.0001 Fax 1.403-261-7523



MORTGAGE / HYPOTHEC INVESTMENT DIRECTION AND INDEMNITY AGREEMENT - STANDARD

Registered Plans and Tax Free Savings Accounts
Registered Plans & TFSA Division

- (e) Olympia shall forward to me and/or my duly authorized agent(s) by mail, facsimile or email copies of any legal proceeding received from a third party which relate to the Mortgage/Hypothec; and
- (f) I shall be solely and entirely responsible for any tax consequences resulting from such proceedings or from my decision not to institute any proceeding.
11. For Quebec Hypothecs only, I irrevocably authorize and consent to the execution of any documents by assigning and appointing Olympia and any Notary practicing in the Province of Quebec as the undersigned's attorney with full power and authority in my name and on my behalf, without further notice to me, or approval by me for the purpose of the Hypothec and the Lands charged by the Hypothec.
12. In addition to all indemnities and other provisions benefiting Olympia that I have agreed to in the Trust Agreement, I agree to indemnify and save harmless Olympia and their respective officers, directors, and employees from and against all claims, demands, actions, suits, or other proceedings by whomsoever brought, and from all losses, costs, fines, levies, damages, expenses (including any legal fees and disbursements on a solicitor and client basis and any costs incurred in connection with the enforcement of this indemnity), taxes, penalties, and other liabilities whatsoever, directly or indirectly arising from or in connection with: (i) Olympia acting in accordance with the instructions set out herein; (ii) the investment of funds from my Account in the Mortgage/Hypothec; or (iii) any breach of any representation, warranty or covenant made by me in the Trust Agreement or this Agreement. This indemnity shall survive the termination of or transfer out of my Account; the termination of the investment in the Mortgage/Hypothec; and the resignation or revocation of the trusteeship of my Account by Olympia.
13. Olympia's obligation to me is limited to accounting to me from time to time for the actual amounts received by Olympia in respect of the Mortgage/Hypothec. I agree that for each and every payment remitted to Olympia by the Borrower which is not honored for any reason, a charge (in accordance with the current fee schedule) shall be payable by me.
14. I acknowledge that the Mortgage/Hypothec fees charged by Olympia are set out in Olympia's fee schedule, a copy which has been provided to me. Further, I acknowledge that the Mortgage/Hypothec fees charged by Olympia are not pro-rated and are not based on the amount of activity, value, quality or standing of a Mortgage/Hypothec. Any fees associated with this Mortgage/Hypothec shall be paid from my Account, which compensation is in addition to any fees and or charges agreed to between me and any broker, agent, etc. involved in the sourcing and or management of the Mortgage/Hypothec investments.
15. I am NOT a non-resident of Canada for the purposes of the Tax Act or any treaty or convention that Canada may have with another country. Further, I undertake to immediately advise Olympia if my status as a Canadian taxpayer and resident changes.
16. I acknowledge that I have sought and obtained independent financial, investment, tax, and legal advice and carried out such due diligence and made other such enquiries to the extent that I deem necessary and appropriate in making this investment for my Account to determine the suitability of the investment in light of my personal circumstances.
17. I will provide at my expense in the event that I invest in a qualified Mortgage/Hypothec through my Account, at any time as Olympia may require, such independent information or opinions as deemed necessary by Olympia with respect to the continued status of the Mortgage/Hypothec as a "qualified investment" and as not being a "prohibited investment" (as such terms are defined in the Tax Act). In the event that I fail to satisfy any of the requirements set forth above, Olympia is fully entitled to deem that the Mortgage/Hypothec is not a "qualified investment", or is a "prohibited investment", and to effect whatever actions and reporting is, in Olympia's opinion, required for the purposes of the Tax Act. I understand and agree that in such event, adverse tax consequences may be suffered and I confirm that I will assume full responsibility for such tax consequences.
18. I acknowledge that my Solicitor/Notary may obtain a lender's policy of Title Insurance for the amount of the Mortgage/Hypothec for the following reasons:
- (a) to meet the survey requirements;
- (b) to advance funds in provinces where there is a gap between the closing date/possession date and the Mortgage/Hypothec registration/title transfer date; and

Client Initials



**MORTGAGE / HYPOTHEC INVESTMENT DIRECTION
AND INDEMNITY AGREEMENT - STANDARD**

Registered Plans and Tax Free Savings Accounts
Registered Plans & TFSA Division

(c) to meet the Solicitor requirements to provide report on outstanding documents as set forth in the funding letter within 45 days.

19. I hereby confirm and fully acknowledge that I have read the Instructions to the Solicitor's/Notary's form and I am satisfied with its content. I also confirm that I will forward these Instructions to the Solicitor/Notary handling this Mortgage/Hypothec.

In accordance with the above and the Trust Agreement, I hereby direct Olympia to advance \$_____ to the specified Solicitor/Notary in accordance with this Agreement in order to facilitate my investment in the Mortgage/Hypothec.

Name of Annuitant/Holder/Subscriber/Client *(Please print)*

Signature of Annuitant/Holder/Subscriber/Client

Account Number

Date



OLYMPIA
TRUST COMPANY

REGISTERED PLANS AND TAX FREE SAVINGS ACCOUNTS

You, _____ (name law firm/solicitor/notary) as solicitor/notary of the client, understand that Olympia will, upon receipt of an executed Mortgage/Hypothec Investment Direction and Indemnity Agreement (the "MID") from the client, advance funds to you, in trust, from the client(s) self-directed account. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the MID. Further instruction to you with respect to the Mortgage/Hypothec are as follows:

1. **POWER OF ATTORNEY:** You must obtain our prior written consent prior to the use or acceptance of a Power of Attorney on behalf of the Borrower or any other party with an interest in the property. Where we consent to the use of a Power of Attorney, the following instructions apply: (i) you must confirm that the identity of the grantor was properly verified when the Power of Attorney was granted, that the Power of Attorney is enforceable and does not negatively impact Olympia's remedies in the event of default, and that the Power of Attorney has been registered, where permitted by law; and (ii) you must also confirm the identity of the attorney through two forms of identification, of which at least one is photo ID; and (iii) you must also obtain the attorney's response to the following Anti-Money Laundering (AML) question, "is this loan being taken for the benefit of someone other than the Borrower?" if the response to the AML question is yes, you must contact Olympia for additional instructions.
2. **SEARCHES:** We require that you make all relevant searches normally undertaken to protect our and the client's interests, including with respect to the Lands.
3. **CONDOMINIUM/STRATA MORTGAGES OR HYPOTHECS:** For Mortgages/Hypothecs on condominium/strata units/divided co-ownership (Québec), you are to review the condominium documentation on our behalf to ensure that it contains no restrictions regarding occupancy, use or resale of the unit or any unusual provisions that will impair our security or protection under the insurance policies applicable to the condominium/strata corporation or the syndicate of co-owners (Quebec). You are to identify all requirements applicable to us (including notice provisions) which are to be set out in your Solicitor's Final Report. Any parking spaces and/or storage lockers intended to be used in conjunction with the subject unit shall form part of our security. You may not proceed with the Mortgage/Hypothec if title is a co-operative, fractional or time-share ownership interest, or if the property is part of a rental pool. If the property is in all or in part of rental building that has been converted to a condominium/strata /divided co-ownership (Québec) title, you must confirm that, as at the closing date, the unit is not occupied by a tenant who was resident in the unit at the time of conversion. You must also; (i) obtain an Estoppel Certificate or equivalent status certificate or certificates in the usual form (certificate(s) must note the property address, indicate that there are no arrears of common fees outstanding and that there are no pending litigations, special or general assessments or other major issues); and (ii) ensure that all steps necessary to confirm our right to receive notices from the condominium/strata corporation the syndicate of co-owners (Quebec) and to exercise the voting rights attached to the unit have been taken. For existing condominium/strata units/divided co-ownership (Québec), you must also confirm that the most recent Reserve Fund Study or equivalent financial status document, where such documentation is required by law, has been reviewed and that the existing cash reserves correlate with the cash reserves stated in the Reserve Fund Study.
4. **CORPORATE BORROWERS:** If the Borrower is a corporation, you are responsible for verifying that the corporation is authorized to grant a Mortgage/Hypothec over any of its property, and that the person(s) signing for the corporation are the person(s) authorized, and the combination of those person(s) required, to give instructions, verifications and approvals on behalf of the corporation and to grant a Mortgage/Hypothec over the property of the corporation.
5. **TITLE INSURANCE:** You may obtain a lender's policy of title insurance if requested by the client for the amount of the Mortgage/Hypothec. In provinces where the Mortgage/Hypothec amount is not registered please contact us for the title insurance coverage amount. You must contact us immediately if there are any exclusions to coverage recorded on the title insurer's confirmation of insurance that negatively impact our Mortgage/Hypothec security. Title insurance is obtained for any or all of the following reasons:
 - (a) to meet the survey requirements;
 - (b) to advance funds in provinces where there is a gap between the closing date/possession date and the Mortgage/Hypothec registration/title transfer date. You must have submitted the Mortgage/Hypothec documents to the applicable Land Titles/Registry Office for registration, and you must have advised the Borrower that he/she is responsible for the cost of Title Insurance and for interest on the Mortgage/Hypothec from the date of closing/possession rather than from the date of registration/title transfer and the Borrower has agreed;
 - (c) to meet the requirements of the funding letter by reporting to us within 45 days of the advance date and enclosing the title insurer's confirmation of insurance, any other relevant documents provided to you by the title insurer and other required documents.

6. **SURVEY REQUIREMENTS:** Mandatory for Mortgages/Hypothecs ranking in first position except where a lenders policy of title insurance is obtained. If the property to be charged is a condominium unit a survey is not required unless the property is a bare land condominium unit.
 - (a) A survey or a certificate of survey or a certificate of non-encroachment (Alberta and British Columbia) or a Account and certificate of location (Quebec) (the survey), prepared and signed by a qualified surveyor, showing the position of the building on the land after the foundation is in, is required before any advance can be released. If the property to be charged is an acreage, a building location certificate may be acceptable. If the property to be charged is vacant land, the survey must show the boundaries of the land. If the property to be charged is new construction and the first advance is required before construction has commenced, (i) a survey showing the boundaries of the vacant land is required before the first advance can be released, and (ii) an updated survey showing the position of the building on the land after the foundation is in, is required before any additional advances can be released.
 - (b) With existing buildings where no major addition has been made to the property subsequent to the date of the survey, this survey will be acceptable. You may be satisfied that no major addition has been made by obtaining a Declaration from the Applicant(s) (in Quebec, the borrower(s) must declare in the deed that said survey reflects the hypothecated property in its present physical state). Existing buildings must comply with provincial status's and regulations thereto, municipal zoning and building by laws and regulations. You are to advise Olympia if a problem exists. A copy of the survey must be forwarded to us with your Solicitor's Final Report.
7. **TAXES:** At the time of advance, you are to establish that there are no overdue taxes outstanding against the Lands.
8. **CONFLICT OF INTEREST:** We consent to your acting on behalf the client in this matter notwithstanding that you may also be acting for the mortgagor, and/or guarantor, provided that (i) if applicable, you disclose to the other party or parties for whom you act or wish to act that you act regularly for our client and, accordingly, you have recommended that they obtain independent legal representation and that you are also acting on behalf of our client and obtain their consent (in writing in BC and AB) to your so doing; (ii) you disclose to each party all information you possess or obtain relevant to the transaction; (iii) should any conflict arise you will not act for any party.
9. **INDIAN RESERVE LAND/PARKS & RECREATION LAND/CROWN LAND:** If the parcel(s) being charged is located on Indian Reserve Land, Parks & Recreation Land and Crown Land, you must contact our office to determine eligibility and obtain additional instructions.
10. **MOBILE HOME:** The Trustee will only Mortgage/Hypothec the land that the dwelling is fixed to and not incorporate the mobile home.
11. **SOLICITOR'S FINAL REPORT/TITLE INSURANCE:** You must submit your Solicitor's Final Report to us together with the form provided by the Title Insurance provider if applicable, within 45 days after the advance is made. Evidence of the registered Mortgage/Hypothec or charge for jurisdiction with electronic registration are as follows:
 - British Columbia:** Electronic Filing System Mortgage (all pages) endorsed with registration particulars and the executed Mortgage.
 - New Brunswick:** A duplicate signed Mortgage as required under the Land Titles Act, section 17.2 (3), and a copy of Form 47, the Certificate of Registered Ownership.
 - Nova Scotia:** A duplicate signed Mortgage and a copy of the Statement of Registered and Recorded Interest.
 - Ontario:** Electronic Charge and Acknowledgement and Direction.
 - Quebec:** Electronic Filing System Hypothec (all pages), with the registration particulars, and the true copy of the executed Hypothec.
12. **FEES:** All Solicitor's fees and related costs are to be collected by you from your client and /or the Borrower. Olympia will not pay your fees and related costs.
13. **PRUDENT SOLICITOR:** You will report any unusual circumstances as a reasonable and prudent solicitor would in the circumstances in order to fully protect our interests and those of your client.
14. **IDENTIFICATION:** You are responsible for verifying the identity of the Borrower, the guarantor and your client as may be required by the applicable law society rules of your province.
15. **STATEMENT OF DISCLOSURE:** You are responsible for compliance with any disclosure or fair trading legislation of your province and for having the Borrower sign a Statement of Disclosure in compliance with such legislation.

If you require any additional information, please contact us at (877) 565-0001 or email RRSPMortgageInfo@olympiatrust.com.