

IMMOVEABLE HYPOTHEC DEED ON A SPECIFIC GOOD

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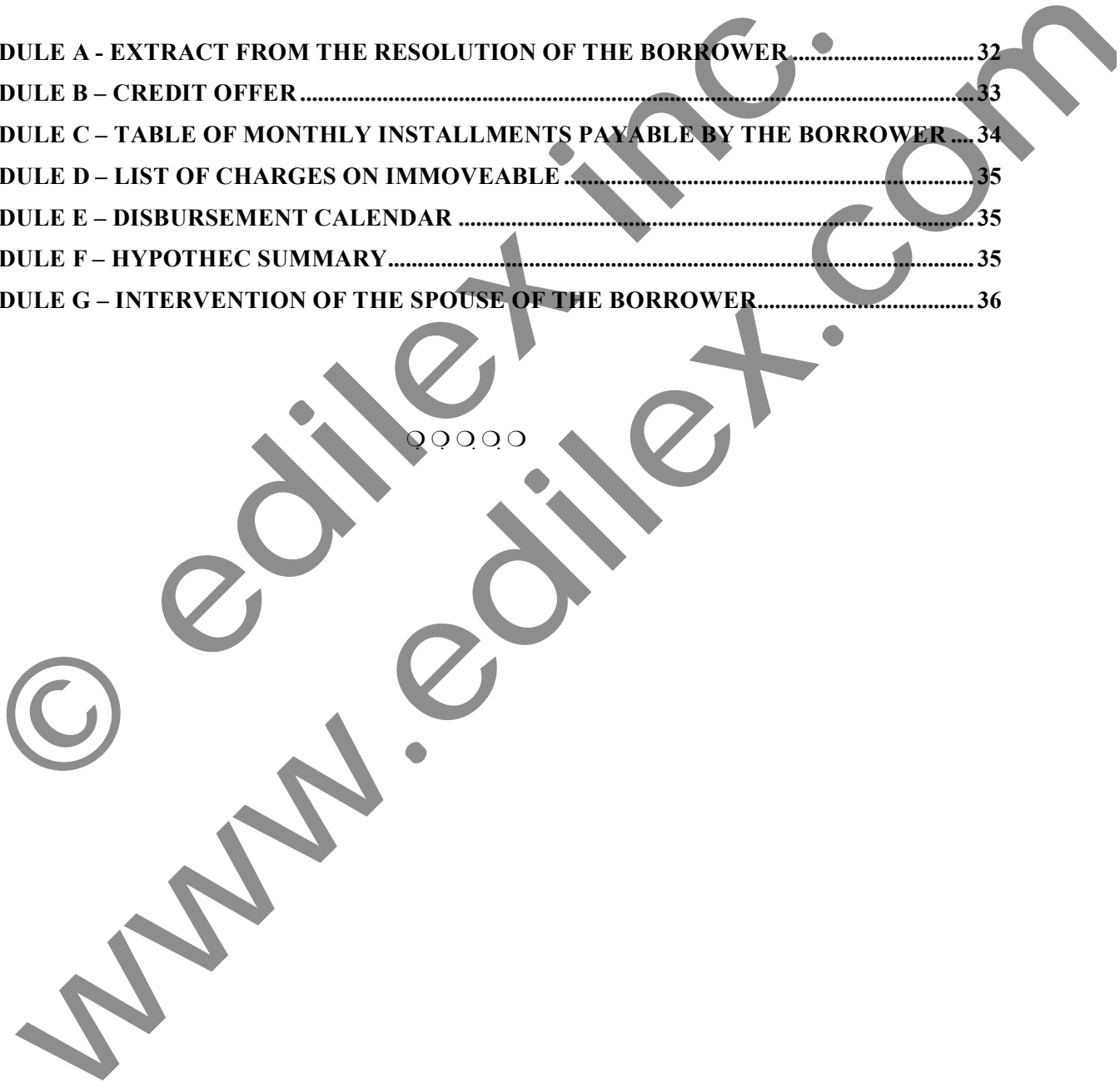
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IMMOVEABLE HYPOTHEC DEED ON A SPECIFIC GOOD entered into at, judicial district of, Province of Quebec, Canada.

BEFORE M^c, the undersigned, notary for the Province of Quebec, exercising his profession at

HAVING APPEARED:, a legal entity, duly incorporated pursuant to the Act, having its head or registered office at, in the City of, judicial district of, Province of Quebec,, and duly registered under number..... (.....) in accordance with *An Act respecting the legal publicity of sole proprietorships, partnerships and legal persons*, represented by, its who is duly authorized to act herein (*address notice registered at under number*);

HEREINAFTER REFERRED TO AS "THE LENDER";

AND:, a legal entity, duly incorporated pursuant to the Act, having its head or registered office at, in the City of, Province of Quebec, and duly authorized to act herein pursuant to bylaw number of the corporation adopted on and pursuant to a resolution of the board of directors adopted at a meeting held on, which are duly attached hereto after having been recognized as accurate and signed for identification purposes by said representative in the presence of the undersigned notary;

HEREINAFTER REFERRED TO AS "THE BORROWER";

AND:, businessman, having his business place at, in the City of, Province of Quebec, represented by, businessman, having its business place at, in the City of, Province of Quebec;

HEREINAFTER REFERRED TO AS "THE INTERVENANT".

THE LENDER	THE BORROWER	THE INTERVENANT

PREAMBLE

THE PARTIES MAKE THE FOLLOWING REPRESENTATIONS:

- A) THE LENDER is a financial institution whose main activity consists of lending money to the public;
- B) THE BORROWER is a business in search of working capital credit;
- C) THE LENDER has submitted on 20... an offer of credit to THE BORROWER, who has accepted it;
- D) Following said acceptance, the parties have intervened on this day to a loan agreement determining the terms of granting credit, the consideration required and the payment of securities relating thereto;
- E) Among all the securities required, THE LENDER requires the creation of a hypothec of POUR CENT (..... %) rank on one of the immoveables, hereinafter described, of THE BORROWER;
- F) THE BORROWER accepts the creation of a hypothec on said immoveable;
- G) The parties agree to conclude an immoveable hypothec deed on a specific good.

THEREFORE, THE PARTIES HAVE AGREED AS FOLLOWS:

0.00

INTERPRETATION

0.01 Terminology

The following words and phrases, when they appear in the Agreement or in any ancillary documents, shall be interpreted or construed according to the definitions set out below, unless there be an implicit or explicit derogation therefrom in the text:

0.01.01 Activities

shall mean (description of the activities of THE BORROWER).

THE LENDER	THE BORROWER	THE INTERVENANT

0.01.02 Closing Date

shall mean the 20..., or any other date fixed by mutual agreement between the parties for the signing of the documentation required to execute the transaction, object of the present deed.

0.01.03 Dangerous Material

shall mean any material that, in its liquid, solid or gaseous state, has a negative impact on the environment or on the health of the persons exposed to it.

0.01.04 Deed

shall mean the present deed of hypothec including its preamble, recitals and schedules, any ancillary documents, as well as any amendments or variations made thereto from time to time by the parties; the terms “herein”, “hereof”, “hereto”, “herewith”, “hereunder”, “hereby” and other similar phrase or expression relating to the present deed.

0.01.05 Environmental Laws

shall mean laws and regulations with respect to the protection of the environment adopted by federal, provincial or municipal authorities.

0.01.06 Essential Stipulations

shall mean, in the opinion of the signatories, parts 1.00, 2.00, 3.00 and 4.00 of the deed.

0.01.07 Events of Default

shall mean, without prejudice to the other causes of default indicated in the present deed or provided by law, one of the following events:

- if THE BORROWER or any holder of the immovable, as said expression is defined herein, is in default in the performance of one of its obligations pursuant hereto;
- if THE BORROWER or any other holder of the immovable, as said expression is defined herein; is in default of performing one of its obligations for the benefit of a creditor holding rights in the immovable as defined herein, whether said rights are prior to or posterior to those of THE LENDER and whether or not the creditor tolerates said default;

THE LENDER	THE BORROWER	THE INTERVENANT