**ON THE** SAISIE of SAISIE, SAISIE

**BEFORE** Mtre SAISIE Notary at SAISIE, Province of Québec,

**APPEARED:**

SAISIE

hereinafter called the **"Creditor"**,

**AND**

SAISIE

hereinafter called the **"Debtor"**,

Who have entered into the following declaration and agreement, namely:

1- **DECLARATION**

***LOAN WITHOUT SHARING OF THE RISK*** *(if not applicable, remove the subparagraphs* ***a)****,* ***b)*** *and* ***c)****).*

**a)** The Debtor acknowledges that he owes the Creditor the sum of SAISIE dollars ($ SAISIE), for a loan made to him under the Act respecting La Financière agricole du Québec (R.S.Q., chapter L‑0.1), hereinafter called the "Act", as a result of the deed of loan, hereinafter called the "loan", dated SAISIE received before Mtre SAISIE notary, bearing No. SAISIE of his minutes, La Financière agricole du Québec being hereinafter called "La Financière agricole";

**b)** The parties agree that the guarantees granted below shall remain collateral securities, constant and continuous. They shall have full effect until the entire loan and every loan made to the Debtor according to the paragraph entitled "CONSTANT AND ON-GOING HYPOTHEC" hereinafter, have been paid back as much in capital, interest, costs as in accessories;

**c)** To secure repayment of the loan, the Debtor provides the Creditor with the following guarantees.

***LOAN WITH RISK SHARING*** *using more than one loan which only one is granted by La Financière agricole (if not applicable, remove the subparagraphs a), b) and c)).*

*N.B.: If, according to the loan certificate, the risk sharing must be done only with one loan partly granted by La Financière agricole, you must use the unit "****LOAN******WITHOUT RISK SHARING****"**above.*

**a)** The Debtor acknowledges that he owes the Creditor the total sum of SAISIE dollars ($ SAISIE), according to the following deeds of loan, hereinafter called the "loan":

- loan made to him under the Act respecting La Financière agricole du Québec (R.S.Q., chapter L‑0.1), hereinafter called the "Act", as a result of the deed of loan, dated SAISIE, received before Mtre SAISIE, notary, bearing No. SAISIE of his minutes, La Financière agricole du Québec being hereinafter called "La Financière agricole";

- loan made to him as a result of the deed of loan dated SAISIE, received before Mtre SAISIE, notary, bearing No. SAISIE of his minutes;

**b)** The parties agree that the guarantees granted below shall remain collateral securities, constant and continuous. They shall have full effect until the entire loan and every loan made to the Debtor according to the paragraph entitled "CONSTANT AND ON-GOING HYPOTHEC" hereinafter, have been paid back as much in capital, interest, costs as in accessories;

**c)** To secure repayment of the loan, the Debtor provides the Creditor with the following guarantees.

2- **GUARANTEES**

To secure repayment of the loan in principal, interest, costs and accessories, as well as the execution of all the obligations entered into under this agreement and the loan agreement, the Debtor hypothecates up to the amount of the loan, that is the sum of SAISIE dollars ($ SAISIE), bearing interest at the annual rate of twenty-five percent (25 %), in favour of the Creditor, the following property:

**DESCRIPTION OF CLAIMS**

The amounts receivable by the Debtor arising from SAISIE up to the sum of SAISIE dollars ($ SAISIE) SAISIE wich will be paid by SAISIE.

**HYPOTHEC IN CASE OF INDIVISION**

If the Debtor is only an undivided co-owner of all or part of the property securing the loan, the Debtor states to hypothecate not only the undivided part of the property but also any part of it that he acquires in the future from any partition, voluntary disposal or otherwise.

**ADDITIONAL HYPOTHEC**

To secure repayment of all sums payable to the Creditor under the loan agreement, in excess of the amount of the above hypothec, the Debtor specifically hypothecates up to an additional sum fixed at twenty percent (20 %) of the amount of the loan the property designated above.

3- **COMMITMENTS OF THE DEBTOR**

Until the loan has been repaid in full, the Debtor shall:

a) ensure that the hypothecated property, above, is free at all times from any priority, hypothec or charge that may rank higher than the rights of the Creditor, except, as the case may be, those stated below, and to remit to the Creditor and La Financière agricole du Québec, hereinafter called "La Financière agricole", on request and at his own expense, any waiver, cession of rank, discharge or release that they may deem necessary to maintain the primacy of the rights of the Creditor over the hypothecated property;

b) obtain prior authorization from La Financière agricole to validate the release, with or without consideration, of any security taken for the loan under this agreement, to be granted subsequently by the Creditor;

c) provide the Creditor and La Financière agricole, at the Debtor's expense, with all the information and documents deemed necessary;

d) grant any additional hypothec that La Financière agricole may deem necessary to secure the sufficient protection of the rights of the Creditor;

e) pay the costs incurred by this agreement, any publication costs, if the case may be, and any other costs related to any renewal, notice, hypothec, waiver, cession of rank, discharge or release related to the agreement, the Creditor being authorised to retain, from the amount of the loan, sufficient funds to cover these costs.

4- **DEFAULT**

In addition to the circumstances provided for in the loan, the Debtor shall also be in default:

a) if he does not comply with the obligations resulting from this agreement;

b) if he does not obtain the release from any seizure of the hypothecated property ordered by a court;

c) if he does not obtain the release of any prior notice for the exercice of hypothecary rights or other right emcumbering the hypothecarted property or does not remedy any default under the terms of any other hypothec or charge affecting the hypothecated property;

d) if he makes a false or inaccurate statement in this agreement, or if rights likely to change the declared and accepted situation are discovered.

Time is of the essence and the Debtor shall be in default without the requirement of formal notice. In such a case, the Creditor shall be entitled, without restricting his other rights and remedies, to:

- claim immediate repayment of the entire loan, in principal, interest, cost and accessories;

- perform any obligation not respected by the Debtor in his place and stead, at the Debtor's expense;

- exercise the hypothecary rights recognized by the Civil Code of Québec, after filing and serving a prior notice of the exercise of such rights and having respected the period specified in the notice for the surrender of the property, in accordance with sections 2748 and following of the said Code.

5- **BORROWING COSTS**

The Debtor shall pay the costs and honorary fees incurred by this agreement, any publication, surveying, appraisal and inspection costs, including those related to any renewal, notice, hypothec, waiver, cession of rank, discharge or release related to the agreement. The Creditor shall be authorized to retain, from the amount of the loan, sufficient funds to cover these costs.

6- **DECLARATIONS OF THE DEBTOR**

The Debtor declares that he has full ownership of the hypothecated property and that it is not encumbered by any priority, hypothec or charge orther than :

SAISIE

7- **CONSTANT AND ON-GOING HYPOTHEC**

Notwithstanding all contrary provisions, the parties agree that in spite of the expiration of the above loan and of its reimbursement, the Debtor shall ask the Creditor to grant him a new loan under the Act, as long as the balance of the loans secured by this agreement does not exceed the initial amount of the loan. The Debtor shall also ask for another loan within a shared risk loans agreement between La Financière agricole and the Creditor.

If La Financière agricole and the Creditor agree to it and to the payment of administrative fees required by them, as well as the registration fees for any renewal notice for the foreseen hypothecs in the current agreement, these hypothecs will assure the Creditor of the reimbursement of this or these new loans in capital, interest, costs and accessories, and all the clauses in the present agreement will continue to be applicable.

8- **ELECTION OF DOMICILE**

For the execution of this agreement and in particular for the exercise of the rights resulting from it, the Creditor elects domicile at the address indicated above and the Debtor at the office of the Superior Court for the district of SAISIE, the whole in conformity with section 83 of the Civil Code of Québec.

This agreement was drafted in English at the request of the parties.

SAISIE