

SCHEDULE "A"

The following clauses form part of the Agreement of Purchase and Sale between Royal Bank of Canada under power of sale (the "Vendor") and _____ (the "Purchaser") relating to 329-331 Front Street, Belleville, Ontario (the "Property")

1. The Purchaser acknowledges that the Vendor is selling the lands and premises of the Property to the Purchaser in exercise of the Power of Sale provisions contained in a mortgage the Vendor holds on the Property (the "Mortgage"). The Purchaser agrees to accept title pursuant to the rights of the Vendor under the Mortgage and in accordance with Part III of the *Mortgages Act*, R.S.O. 1990, as amended (the "Act").
2. The Vendor represents herein that there is a default under the terms of the Mortgage as of the date hereof which default entitles the Vendor to exercise its rights of power of sale. The Purchaser agrees that the only evidence of default which the Vendor will supply and which the Purchaser is entitled to shall be a Statutory Declaration of an authorized officer of the Vendor in compliance with the Act, which sets forth the basis upon which the Vendor is entitled to sell under power of sale, the names of persons upon whom the Notice of Sale has been served and the Declaration that default under the Mortgage entitling the Vendor to exercise power of sale has continued up to and including the date of acceptance of this Agreement.
3. (a) The Vendor shall have the right, in its sole discretion, to terminate this Agreement by notice in writing delivered to the Purchaser, the Purchaser's agent or his solicitor at any time prior to closing if the Mortgage has been redeemed either in whole or in part, or, if a request is made by or on behalf of the mortgagor for the purpose of redeeming or refinancing the Mortgage, or if an interim, interlocutory or permanent injunction or other application has been brought, or if notice given of any proceeding by any party seeking an order restraining the sale, or the filing or registration of any document which would restrain, delay, or enjoin the Vendor from completing the herein transaction, or if the Vendor has received payment in full of all principal, interest and other charges owing under the Mortgage.

(b) If the Vendor elects to terminate, the Agreement shall be null and void and the deposit shall be returned to the Purchaser without interest or deduction and the Vendor shall not have any further liability to the Purchaser whatsoever.
4. In the event any issue or requisition is raised with respect to the exercise of the power of sale by the Vendor, the Vendor may at its option extend the closing date for a period or periods of time not exceeding sixty (60) days in total. If the Vendor is unable to resolve any such issue by the expiry of the extension period or periods, the Vendor at its sole option may terminate this Agreement.
5. The Purchaser shall only be entitled to a conveyance by the Vendor in accordance with the Act, together with the declarations in accordance with the Act. The deed shall not contain any covenant (other than the Vendor has the right to convey the Property and that it has done no act to encumber the Property). The Vendor shall not be required to complete the *Planning Act* statements in the deed.
6. The Purchaser acknowledges and agrees that it has relied on its own inspections and investigations and that there are no representations and/or warranties by the Vendor, or the registered owner of the Property, or otherwise, with respect to any matter whatsoever, except as is set out in writing in this Agreement of Purchase and Sale, and without limiting the generality of the foregoing, there are no representations and/or warranties with respect to the fitness, value, title, condition, size and area, zoning or lawful use of the Property and premises therein. The

- Purchaser agrees to accept the Property and premises on an “as is” basis on closing and subject to any order or notice affecting the Property regarding its use, and subject to any outstanding work orders or notices of infractions as of the date of closing, including but not limited to work or other orders, as well as any existing municipal, or other governmental by-laws, restrictions or orders affecting its use, including subdivision agreements and easements and any minor encroachment by the subject or nearby buildings or by fences located on the subject or adjacent Property onto adjoining properties or streets as well as any registered or unregistered restrictions, agreements or covenants which run with the land. Without limiting the generality of the foregoing, the Purchaser agrees to accept any minor easements in favour of Bell Canada, Ontario Hydro, local hydro or any other municipal authority and further agrees to accept any municipal subdivision agreements, with the municipality and/or public utility, or any other governmental body registered on title to the Property. The Purchaser acknowledges that the Vendor makes no representations or warranties whatsoever as to the existence or non-existence of urea formaldehyde foam insulation, asbestos, PCB’s, radium, radon, or any other substances, liquids or materials which may be hazardous or toxic.
7. The Purchaser acknowledges that the fixtures and chattels presently on the premises are to be taken by him at his own risk completely, without representation or warranty of any kind from the Vendor as to the ownership or state of repair of any such fixtures and chattels. The Vendor shall not be required to provide or deliver a bill of sale, warranty, contracts or any title documentation to the Purchaser, and there will not be any adjustment or abatement of any kind to the purchase price with respect to chattels or fixtures. The Vendor shall not remove any of the said fixtures and chattels found on the Property on closing and makes no warranty and will provide no title documentation and shall make no further adjustments in the purchase price with respect thereto.
 8. The Purchaser acknowledges that any information supplied to the Purchaser by the Vendor or its agents or representatives is and was supplied without any representation or warranty, and that the responsibility for the verification of any such information shall be wholly the responsibility of the Purchaser.
 9. The Vendor shall provide the Purchaser with only those keys to the premises that are in its possession.
 10. The description of the Property is believed by the Vendor to be correct, but if any statement, error or omission shall be found to or in the particulars thereof, the same shall not nullify the sale nor entitle the Purchaser to be relieved of any obligation hereunder, nor shall any compensation be allowed to either the Vendor or the Purchaser in respect thereof.
 11. The Vendor shall not supply any warranty, statutory declaration or certificate with respect to the subject Property’s status as a used residential property or as to whether this transaction is an exempt supply in accordance with the provisions of the *Excise Tax Act* (Part VII) (“GST”).
 12. The Purchaser covenants to deliver to the Vendor not less than five (5) days before closing, a Statutory Declaration of a senior officer of the Purchaser confirming that the Purchaser is duly registered pursuant to the *Excise Tax Act* (*Canada*), and setting out such registration number, failing which the Purchaser shall remit the applicable Goods and Services Tax to the Vendor as an adjustment on closing and the Vendor shall forthwith remit such amount to the appropriate governmental authority. The Vendor agrees that if the Purchaser provides to the Vendor, satisfactory evidence that it is a GST registrant together with an undertaking to self-assess and indemnify the Vendor from any liability in connection with GST, then the Vendor will not collect GST on closing.
 13. The Vendor makes no representations whatsoever with reference to tenancy or occupancy of the premises on the Property and the Vendor is not required to deliver vacant possession of the Property to the Purchaser.

14. Unless otherwise specifically indicated in the Agreement of Purchase and Sale (and notwithstanding any reference in the pre-printed form of Agreement of Purchase and Sale to which this Schedule forms a part to the Purchaser receiving, at closing, vacant possession of the Property), the Purchaser covenants and agrees to assume the interest of the Vendor, if any, in all tenancies as may exist on closing and to indemnify and save the Vendor harmless from any and all actions, suits, demands, losses, charges, costs, damages, claims and expenses whatsoever suffered or incurred by the Vendor as a result of any action or inaction on the part of the Purchaser from and after the closing date, or for which it may be liable by reason of or arising out of any breach, non-performance or non-observance of the foregoing covenant and agreement or the leases of the Property (which covenant, agreement and indemnity shall survive closing), which covenant shall, at the request of the Vendor, be executed by the Purchaser in a separate document and delivered to the Vendor on or before closing.
15. In the event the Purchaser requires vacant possession and vacant possession cannot be provided by the closing date, the Vendor may at its sole option extend the closing date for any period or periods not exceeding in total 120 days. If vacant possession cannot be provided by the expiry of the extension period or periods, the Purchaser may accept the property with existing occupants or terminate the Agreement without penalty. The Purchaser by executing the Agreement of Purchase and Sale acknowledges and undertakes that the occupation of the property is required by himself, herself, his or her spouse or a child or a parent of his or hers of his or her spouse.
16. The Vendor shall not be required to provide any documentation signed by any tenants confirming the status of the tenancies. The Vendor shall further not be obligated to credit on closing any current or prepaid rental or other adjustments in favour of the Purchaser other than for rent actually received by the Vendor.
17. The Purchaser agrees not to register or cause to be registered on the title to the Property this Agreement or notice thereof or a caution or any reference to this Agreement or a Certificate of Pending Litigation or any other encumbrance whatsoever. Any such registration in contravention of this paragraph shall entitle the Vendor, at its option, to terminate this Agreement and retain the deposit and any interest thereon as its liquidated damages and pursue whatever additional remedies the Vendor may have. This Agreement is personal to the Purchaser and neither it nor any monies paid hereunder shall create any interest in the Property or any part thereof.
18. Acceptance of this Offer by either party, or any notice or notification to be provided or received by either party in accordance with the terms herein, and communication of same by facsimile or any electronic mail transmission shall be binding upon each party as if the documents transmitted were original executed documents.
19. The Purchaser acknowledges that liability for tax under the non-residency provisions of *The Income Tax Act (Canada)*, as amended does not extend to a mortgagee under power of sale. The Purchaser shall not require the delivery of any affidavits with respect to the residency of the Vendor, nor will the Vendor be required to obtain clearance from the Minister of National Revenue.
20. The Vendor shall not be required to provide the covenants deemed to be included in the Transfer/Deed of Land under sections 5(1)(1.)(i), (ii) and (iii) and 5(1)(3.)(ii) of the *Land Registration Reform Act (Ontario)*, as amended, and the Vendor may annex a schedule to the Transfer/Deed of Land expressly excluding such covenants.
21. In the event that there is any conflict, inconsistency or discrepancy between the terms and conditions contained in this Schedule "A" and the terms and conditions contained in the Agreement of Purchase and Sale to which it forms a part, the terms and conditions of this Schedule "A" shall prevail.

22. The Purchaser covenants and agrees to arrange, at its sole expense, for title insurance coverage in regards to the purchase transaction herein, and satisfactory evidence of same will be provided to the Vendor's solicitor on or before closing.
23. The Purchaser acknowledges that the title to the Property may be subject to the following (hereinafter referred to as "the encumbrances"):
- (a) any easements, rights of way or licences in favour of any governmental, municipal or other authority for the supply of utilities, gas, water, cable television and/or road widening, site triangles or for any other purpose whatsoever located on, around, over or upon the Property and required in connection therewith;
 - (b) any site plan agreements, development agreements or subdivision agreements required by any governmental or municipal authority in connection with the Property and the subdivision of same whether registered on title or not;
 - (c) any encroachments by the building located on the Property unto any adjoining property or street and any encroachments by any structure located on adjoining property unto the Property;
 - (d) any by-law infractions, easements, encroachment or rights-of-way which might be revealed by an up-to-date survey of the Property;
 - (e) any lien that may be preserved and perfected pursuant to the *Construction Lien Act (1983)* to the extent of deficiencies in the holdbacks required to be retained by the payor under Part IV of the Act;
 - (f) the reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent;
 - (g) the exceptions, limitations and qualifications of the *Land Titles Act* and/or *Registry Act* and any amendments thereto.

The Purchaser covenants with the Vendor and agrees that he shall complete the transaction notwithstanding the registration of the encumbrances and be bound by and comply with the terms and obligations of such encumbrances. Further, the Purchaser covenants and agrees that he shall not call or requisition the discharge/release/vacating of any encumbrance registered subsequent to the Vendor's mortgage.

24. The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees and agents (collectively, call the Indemnitees") from and against any and all liabilities, obligations, losses, damages, penalties, action, judgments, suits, claims, demands, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed on, incurred by or asserted against the Indemnitees or any of them arising out of or in connection with any order, notices, directives or requirements under or breaches, violations or non-compliance with any Environmental Laws (as hereinafter defined) after the date of completion of the purchase and sale of the Property or as a result of the disposal, storage, release or threat of release or spill on or about the Property of any substance regulated under Environmental Laws both before and after the date of completion of the purchase and sale of the Property. For the purpose of the foregoing, "Environmental Laws" shall mean all requirements under or prescribed by common law and all federal, provincial, regional, municipal, and local laws, rules, statutes, ordinances, regulations, guidelines, directives, notices and orders from time to time with respect to the discharge, generation, removal, transportation, storage or handling of any solid, liquid, gas, odour, radiation, waste or other substance. The obligation of the Purchaser hereunder shall survive the closing of the purchase and sale of the Property.

Schedule "A" to Agreement of Purchase and Sale

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