

MORTGAGE POOL TRANSFER AND SERVICING AGREEMENT (QUEBEC)

BETWEEN: _____, a legal person, constituted under the
_____, having its head office at _____ in the City
of _____, Province of _____,
herein acting and represented by _____, its _____,
duly authorized in virtue of a Resolution of its Board of Directors adopted on the _____ day
of _____, (_____)

(hereinafter called the " _____ ")

PARTY OF THE FIRST PART

AND

CANADA MORTGAGE AND HOUSING CORPORATION, a legal person and Crown corporation, incorporated under the *Canada Mortgage and Housing Corporation Act* R.S.C. (1985) Ch. C-7, having its head office at 700 Montreal Road, in the City of Ottawa, Province of Ontario, K1A 0P7, herein acting and represented by _____, its _____, a duly authorized official under the _____ adopted on the _____ day of _____, (_____), at a meeting of the Board of Directors of CANADA MORTGAGE AND HOUSING CORPORATION,

(hereinafter called the "CMHC")

PARTY OF THE SECOND PART

WHEREAS this transfer agreement is pursuant to the Mortgage-Backed Securities Program (the "**MBS Securities Program**") made pursuant to the National Housing Act (Canada), as the same may be amended from time to time (the "Act");

WHEREAS this agreement is in respect of Mortgaged-Backed Securities (the "**MBS Securities**") issued or in the future to be issued from time to time pursuant to the MBS Securities Program;

WHEREAS _____, pursuant to the MBS Securities Program, wishes to transfer and/or shall in the future transfer to CMHC all right, title and interest in and to various hypothecary loans, all hypothecs and other security pertaining thereto (including, without limitation, all hypothecs on rentals and on insurance indemnities payable under insurance contracts), all documents or interests relating or ancillary thereto and all claims, debts, accounts and monies which may be owing thereunder from time to time (collectively the "**Hypothecary Loans**"), which Hypothecary Loans, when pooled together, form the basis for the issuance of the MBS Securities (collectively the "**Mortgage Pools**" or "**Mortgage Pool**");

WHEREAS the parties wish to define their continuing relationship subsequent to the transfer of the Mortgage Pools (and the Hypothecary Loans forming a part thereof), to CMHC

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the approval by CMHC of the Mortgage Pools which form the basis for the issuance of the MBS Securities, the guarantee by CMHC of timely payment by the Issuer of the MBS Securities, and of other mutual covenants and agreements herein contained, the sufficiency of which is hereby mutually acknowledged, the parties to this Agreement agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 All capitalized words and phrases in this Agreement which are not defined herein shall have the meaning ascribed to them in the NHA Mortgage-Backed Securities Program Guide, as amended by CMHC from time to time, which constitutes the contract between CMHC and the Issuer in respect of securities issued by the Issuer in respect of the Mortgage Pools under the MBS Securities Program (the "**Program Guide**").

ARTICLE 2 - PROGRAM GUIDE

2.1 This Agreement is governed by and is subject to the terms and conditions of the Program Guide. In the event of any inconsistency, deviation, discrepancy or ambiguity in or between any of the terms or conditions of this Agreement and the Program Guide, the terms and conditions of the Program Guide shall prevail.

2.2 In the event the Program Guide is amended or changed from time to time, the amended or changed terms and conditions of the Program Guide shall apply, *mutatis mutandis*, to this Agreement, and this Agreement shall be deemed to have been amended to the extent necessary to conform with the terms and conditions of the amended Program Guide.

ARTICLE 3 - TITLE TO MORTGAGE POOLS

3.1 _____ hereby assigns and transfers to CMHC, as absolute owner thereof, all of the rights, title and interest in and to all existing Mortgage Pools (and Hypothecary Loans forming a part thereof) which have been approved by CMHC and which are identified on all applicable Schedules of Pooled Mortgages, it being understood and agreed that _____ shall execute Specific Assignments of Hypothecary Loan in favour of CMHC in accordance with the provisions of Section 6.1 hereof.

3.2 _____ also hereby assigns and transfers to CMHC, as absolute owner thereof, all of its right, title and interest in and to any new Mortgage Pools created after the date hereof (and the Hypothecary Loans forming a part thereof) (the "New Mortgage Pools"). The New Mortgage Pools shall be identified on Schedules of Pooled Mortgages which Schedules of Pooled Mortgages shall be appended hereto at such time as they are completed. The assignment and transfer by _____ to CMHC of the New Mortgage Pools shall take effect automatically as of the date of approval by CMHC of any New Mortgage Pool and shall be governed by the terms of this Agreement, it being understood

and agreed that the Issuer will execute Specific Assignments of Hypothecary Loan in favour of CMHC in accordance with the provisions of Section 6.1 hereof.

- 3.3** The parties hereto covenant and agree that holds nominal title to Mortgage Pools (and the Hypothecary Loans forming a part thereof) as nominee for CMHC pursuant to the terms of the Program Guide.

ARTICLE 4 - SERVICING OF MORTGAGE POOLS

- 4.1** The parties hereto covenant and agree that the Issuer or its Servicer may service the Mortgage Pools in trust for CMHC and otherwise in accordance with the terms and conditions of the Program Guide.

ARTICLE 5 - REPRESENTATIONS AND WARRANTIES OF THE ENTITY

hereby warrants and represents to CMHC that as at the date hereof, and as of the date of approval by CMHC of each new Mortgage Pool being transferred pursuant to this transfer agreement:

- 5.1** is a trust company validly registered, subsisting and in good standing under the laws of the jurisdiction of its incorporation and all other applicable jurisdictions.
- 5.2** has due capacity, power and authority to enter into this Agreement and to perform its obligations set out herein on its part to be performed.
- 5.3** All assigned right, title and interest in and to such Mortgage Pools has been acquired for due consideration and paid for.
- 5.4** Prior to their assignment to CMHC, the Hypothecary Loans forming part of the Mortgage Pools shall constitute good and valid security, in favour of for the applicable Mortgage Pools.
- 5.5** No default has occurred or is continuing under any of the Hypothecary Loans forming part of the Mortgage Pools.
- 5.6** has not done or committed any act, matter or thing whereby any of the Mortgage Pools (or any Hypothecary Loan forming a part thereof) have been released, discharged, or encumbered, in whole or in part.
- 5.7** has not and shall not transfer, assign, charge, pledge, hypothecate or otherwise create a security interest in any of the Hypothecary Loans or the Mortgage Pools or the proceeds thereof, nor has it created a charge, pledge, hypothec or other security interest which may affect such Hypothecary Loans or Mortgage Pools or the proceeds thereof, nor in any other manner dealt with the whole or any part of the interest held by it in any of such Hypothecary Loans or Mortgage Pools, the whole subject to the absolute assignment of the Hypothecary Loans and the Mortgage Pools to CMHC as provided for herein.
- 5.8** No amendments to any of such Mortgage Pools (or any Hypothecary Loans pursuant thereto) have been made or agreed to or shall be made or agreed to by

ARTICLE 6 - COVENANTS

- 6.1 will from time to time at the request of CMHC, do, perform, make and execute or cause to be done, performed, made, and executed, all such acts, deeds, or assurances as may be required by CMHC for enforcing the covenants and conditions related to such Mortgage Pools, for more effectually and completely vesting in CMHC the rights, title, interests, benefits and obligations hereinbefore set out, and for completing all filings, registrations and publications necessary or appropriate with respect to the transfer of any Hypothecary Loans forming part of any Mortgage Pools. In particular, but without limitation to the foregoing, shall forthwith, upon transfer of any Mortgage Pool, execute in favour of and deliver to CMHC, Specific Assignments of all Hypothecary Loans forming part of any Mortgage Pool ("**Specific Assignments**"), to the extent that such Specific Assignments have not already been executed, the whole to evidence any transfer of Hypothecated Loans contemplated herein and such Specific Assignments shall be in form and content acceptable to CMHC, all at the cost and expense of the Issuer.
- 6.2 will not further assign, pledge, charge, hypothecate or otherwise create a security interest in such Mortgage Pools or the proceeds thereof.

ARTICLE 7 - TERMINATION

- 7.1 The parties hereto agree that upon the termination of:
- (a) any Hypothecary Loan forming part of a Mortgage Pool; or,
 - (b) any Mortgage Pool
- in a manner approved by CMHC in accordance with the terms of the Program Guide or the Hypothecary Loan, as the case may be, the terms and provisions of this Agreement shall cease to apply to such Hypothecary Loan or to such Mortgage Pool, as the case may be.
- 7.2 The occurrence of any one of the following events shall constitute an "**Event of Default**" hereunder:
- (a) should any representation, warranty or covenant made by in connection with this Agreement or the Title Custodian's Certification as set out in CMHC Form No. 2825 be false or misleading;
 - (b) should a resolution be adopted by in connection with the winding-up or liquidation of its affairs or should it be in the course of dissolution;
 - (c) should make an assignment for the benefit of any of its creditors, become insolvent, commit an act of bankruptcy, cease or threaten to cease to do business as a going concern or seek any arrangement or composition with any of its creditors or invoke, threaten to invoke or indicate its intention to invoke the benefit of any legislation governing insolvent debtors;
 - (d) should any proceeding in bankruptcy, receivership, liquidation, winding-up, dissolution or insolvency be commenced in respect of or in respect of any of its property or if any receiver or receiver manager takes possession of the undertaking or any substantial portion of its property;

(e) should fail, in the opinion of CMHC, to perform any of its obligations as title custodian in accordance with the terms of the Program Guide or any applicable laws or regulations in force from time to time.

7.3 Upon the occurrence of an Event of Default hereunder or under the Program Guide, CMHC may, at its option, terminate the mandate of as title custodian and to act as nominee for CMHC pursuant to the terms of Sections 3.3 hereof (the "**Mandate**") upon giving written notice of termination of such Mandate, at which time the Mandate shall be deemed to be revoked and terminated, subject to providing a detailed accounting of its administration to CMHC and fulfilling any other of its obligations to CMHC pursuant to the terms of the Program Guide and the law. In addition to any other rights and obligations of the parties hereto, where an Event of Default has occurred in respect of , it shall indemnify CMHC and save CMHC harmless from all costs, fees and expenses (collectively, the "Costs") of any kind whatsoever which CMHC may incur as a result and shall pay such Costs within 10 days of request from CMHC for payment thereof.

ARTICLE 8 - SUCCESSORS AND ASSIGNS

8.1 This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their permitted successors and assigns.

ARTICLE 9 - FURTHER ASSURANCES

9.1 Each of the parties hereto shall from time to time hereafter upon any reasonable request of the other, make, execute and deliver, or cause to be made, executed and delivered, all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

ARTICLE 10 - NOTICE

10.1 **Notices generally.** Any notice, waiver, demand, notice to parties or other communication required or permitted to be given by either of the parties hereto to the other hereunder shall be in writing and shall be delivered by hand or sent by registered mail, postage prepaid, or by telex, telecopier, telegram or similar means, to the addresses of the parties as follows:

TO :

Attention:

Fax No.: _____

TO CMHC:

CMHC Securitization Centre
70 York Street, Suite 1100
P.O. Box 8
Toronto, Ontario M5J 1S9
Attention: Director, Securitization Operations
Fax No.: (416) 218-3312

- 10.2 When Notices deemed to be given.** If such notice, waiver, demand or communication is delivered by hand or sent by telex, telecopier, telegram or similar means, said notice, waiver, demand or communication shall be deemed to have been given on the day when it was received or, if such receipt occurs on a date which is not a business day, on the first business day following. If such notice, waiver, demand or communication is given by prepaid registered mail, it shall be deemed to have been given on the fifth (5th) business day following the day on which it was deposited in an official depository maintained by the Canadian Postal Service for the collection of mail, save and except if there has been a disruption in normal mailing services within two (2) days prior to or after mailing in which case such notice, waiver, demand or communication shall be deemed to have been received on the date of receipt thereof.
- 10.3 Change of Address.** Any party hereto may change its address for notice purposes from time to time by notice given to the other party hereto in accordance with the foregoing.

ARTICLE 11 - HEADINGS

- 11.1** Headings are not to be considered part of this Agreement and are solely for the convenience of reference.

ARTICLE 12 - PROPER LAW OF AGREEMENT

- 12.1** This Agreement will be governed by the laws of the Province of Québec and the laws of Canada applicable therein.

ARTICLE 13 - LANGUAGE

- 13.1** The parties hereto have required that the present Agreement and all deeds, documents or notices relating thereto be drafted in the English language. Les parties aux présentes ont exigées que la présente Convention et tous autres contrats, documents ou avis afférents aux présentes soient rédigés en langue anglaise.

SIGNED AT THE CITY OF

, PROVINCE OF

THIS

DAY OF

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

I(We) have authority to bind the Corporation.

CANADA MORTGAGE AND HOUSING CORPORATION

Per: _____
Name: _____
Title: _____

Per: _____
Name: _____
Title: _____

I(We) have authority to bind the Corporation.