

MORTGAGE POOLS TRANSFER AGREEMENT

This agreement made the _____ day of _____, _____.

BETWEEN:

- and -

CANADA MORTGAGE AND HOUSING CORPORATION
("CMHC")

WHEREAS this Transfer Agreement is pursuant to the Mortgage-Backed Securities Program ("MBS Securities Program") made pursuant to the *National Housing Act* (Canada), as the same has been amended from time to time, in respect of mortgage-backed securities ("MBS Securities") issued or in the future to be issued from time to time pursuant to the MBS Securities Program and pursuant to the MBS Securities Program _____ has agreed to transfer to CMHC all rights, title and interest in, or under all loans and documents relating or ancillary to, mortgages and related security made in connection therewith (collectively, the "Mortgage Pools") on which the MBS Securities are based.

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the approval by CMHC of the Mortgage Pools on which the MBS Securities are based, the transfer of the Mortgage Pools to CMHC, 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:

I 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**").

II 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.

III TRANSFER

3.1 hereby assigns, transfers and sets over to CMHC, as of the date hereof, all of the rights, title and interest, whether legal or beneficial, now owned or hereafter acquired, in and to all existing Mortgage Pools approved by CMHC and all debts, accounts, claims, monies and choses in action relating to the Mortgage Pools which are now or may hereafter be due and owing under all documents relating or ancillary thereto including, without limitation, the following:

- (a) the mortgages in the Mortgage Pools;
- (b) all other additional security obtained in connection with the mortgages in the Mortgage Pools, including without limitation, any assignment of lease, assignment of rents, general security agreement, chattel mortgage, registered or unregistered agreement amending the mortgages or additional security thereunder;
- (c) the mortgagee's interest in mortgage loan insurance with respect to each of the mortgages in the Mortgage Pools;
- (d) the mortgagee's interest in the report on title or title insurance relied upon with respect to each of the mortgages in the Mortgage Pools; and
- (e) the mortgagee's interest in indemnity against fire and other standard insurable perils with respect to each of the mortgages in the Mortgage Pools;

3.2 hereby agrees to assign, transfer and set over to CMHC with effect as of the date each new Mortgage Pool is approved by CMHC, all of the right, title and interest, whether legal or beneficial, owned or thereafter acquired in and to all of such new Mortgage Pools and all debts accounts, claims, monies and choses in action relative to such new Mortgage Pools which may be at any time owing under all loans and documents relating or ancillary thereto including, without limitation, the following:

- (a) the mortgages in the Mortgage Pools;
- (b) all other additional security obtained in connection with the mortgages in the Mortgage Pools, including without limitation, any assignment of lease, assignment of rents, general security agreement, chattel mortgage, registered or unregistered agreement amending the mortgages or additional security thereunder;
- (c) the mortgagee's interest in mortgage loan insurance with respect to each of the mortgages in the Mortgage Pools;

(d) the mortgagee's interest in the report on title or title insurance relied upon with respect to each of the mortgages in the Mortgage Pools; and

(e) the mortgagee's interest in indemnity against fire and other standard insurable perils with respect to each of the mortgages in the Mortgage Pools;

3.3 further assigns to CMHC the benefit of all powers, covenants, provisos in the Mortgage Pools, described in Sections 3.1 and 3.2, and also the full power and authority to use the name or names of for enforcing the performance of the covenants and other matters in such Mortgage Pools.

3.4 makes this transfer to CMHC to have and to hold the Mortgage Pools described in Sections 3.1 and 3.2 and all monies arising in respect thereof and to accrue thereon, to the use of CMHC forever, but subject to the terms of the Mortgage Pools.

IV TITLE TO MORTGAGE POOLS

4.1 The parties hereto covenant and agree that shall hold nominal title to all such Mortgage Pools and the Issuer, or its Servicer, may service such Mortgage Pools in trust for CMHC all in accordance with the terms and conditions of the Program Guide.

V REPRESENTATIONS AND WARRANTIES

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:

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 the terms and provisions 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, the mortgages in the Mortgage Pools are good and valid security for the applicable Mortgage Pools and no default has occurred thereunder.

5.4 has not done or committed any act, matter or thing whereby any of such Mortgage Pools has been released, discharged, or encumbered, either partly or in their entirety.

5.5 has not transferred, assigned, charged, pledged or created a security interest in any of such Mortgage Pools or the proceeds thereof, nor created a charge, pledge or security interest which affects such 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 Mortgage Pools.

5.6 No amendments to any of such Mortgage Pools have been made or agreed to by save as disclosed and agreed to by CMHC.

VI 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, benefits and obligations hereinbefore set out, and for completing all filings and registrations necessary or appropriate with respect to this transfer, all at the cost and expense of the Issuer.

6.2 CMHC shall have the right to effect on behalf of all of the matters set out in Section 6.1 and in that regard hereby irrevocably appoints CMHC as its attorney for the purpose of the preparation, execution and delivery on behalf of and as attorney for _____ of all assignments and transfers to CMHC of all rights, title and interest of _____ in or under all documents relating or ancillary to the Mortgage Pools, including without limitation, the following:

- (a) the mortgages in the Mortgage Pools;
- (b) all other additional security obtained in connection with the mortgages in the Mortgage Pools, including without limitation, any assignment of lease, assignment of rents, general security agreement, chattel mortgage, registered or unregistered agreement amending the mortgages or additional security thereunder;
- (c) the mortgagee's interest in mortgage loan insurance with respect to each of the mortgages in the Mortgage Pools;
- (d) the mortgagee's interest in the report on title relied upon with respect to each of the mortgages in the Mortgage Pools; and
- (e) the mortgagee's interest in indemnity against fire and other standard insurable perils with respect to each of the mortgages in the Mortgage Pools;

and for completion and effecting of all notices, filings and registrations necessary or appropriate to effect or perfect such assignments.

6.3 _____ shall execute and deliver to CMHC such copies of the Power of Attorney set out in CMHC Form No. 2841 as may be requested by CMHC to register and/or utilize such Power of Attorney, in each land registry office in Canada in which a mortgage in any Mortgage Pool has been registered.

6.4 CMHC may exercise the right in Section 6.2 at any time without prior notice to _____ and shall give notice that it has elected to exercise such right when such exercise has been completed. In addition to any other rights and obligations of the parties hereto, where a _____ Event of Default has occurred, _____ 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 in the exercise of such right and shall pay such Costs within 10 days of request from CMHC for payment thereof.

6.5 CMHC agrees to indemnify and save harmless in respect of any and all claims, demands, awards, judgments, actions and proceedings by whomsoever made, brought or prosecuted (including all costs, fees and expenses in connection therewith), which may suffer or incur arising from any negligent, mistaken or fraudulent act, omission or misconduct of CMHC, or any employee or officer of CMHC, or those for whom CMHC is in law responsible, in utilizing any power of attorney granted pursuant to Section 6.2 hereof to assign, or otherwise deal with, any mortgage or mortgages, or other related security made in connection therewith, which is not part of a Mortgage Pool transferred to CMHC under this Agreement, unless such assignment or dealing is made as a result of the negligent, mistaken or fraudulent act, omission or misconduct of , or the Issuer, where it is a different party, or any employee, officer or shareholder of or those for whom the Issuer is in law responsible, in which event CMHC shall have no responsibility for indemnification hereunder.

6.6 agrees that the right set out in Section 6.2 may be exercised by CMHC notwithstanding any proceedings or steps taken for or in relation to the winding-up, dissolution, liquidation, bankruptcy or receivership or similar proceeding in respect of

6.7 will not amend such Mortgage Pools without the prior written consent of CMHC.

6.8 will not further assign, pledge, charge or create a security interest in such Mortgage Pools or the proceeds thereof.

VII TERMINATION

7.1 The parties hereto agree that upon the individual termination of each Mortgage Pool in a manner approved by CMHC and in accordance with the terms of the Program Guide, the terms and provisions of this Agreement shall terminate and cease to apply to such Mortgage Pool.

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 set out in Section 4.1 and of to hold nominal title and act as title custodian 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.

VIII 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.

IX 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.

X HEADINGS

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

XI PROPER LAW OF AGREEMENT

11.1 This Agreement will be governed by the laws of the Province of and the laws of Canada applicable therein.

IN WITNESS WHEREOF, the parties have duly executed this Agreement.

Per: _____
Name: _____
Title: _____

c/s

Per: _____
Name: _____
Title: _____

I(We) have authority to bind the Corporation.

CANADA MORTGAGE AND HOUSING CORPORATION

Per: _____
Name: _____
Title: _____

c/s

Per: _____
Name: _____
Title: _____

I(We) have authority to bind the Corporation.