ASSIGNMENT OF MATERIAL CONTRACTS
AND OTHER RIGHTS

**DATE:** Click or tap to enter a date.

**TO:** MERIDIAN CREDIT UNION LIMITED

**AND TO:**
 its solicitors herein

**RE:** **[Insert re line and define “Lender, “Borrower” and “Property”]**

**WHEREAS** the Borrower as of the date of this assignment is or may in the future become indebted to the Lender in the total amount of Dollars ($ ) (the “**Loan**”), which is secured, *inter alia*, pursuant to a Charge/Mortgage of Land in the principal amount of Dollars ($ ) which is registered against the Property;

**AND WHEREAS** the Borrower has agreed to assign to the Lender as additional security for the amounts it borrowed from the Lender on account of the Loan, all of its Contracts (as defined herein);

**NOW THEREFORE** in consideration of the Lender making the initial advance under the Loan and the sum of Ten Dollars ($10.00) paid by the Lender to the undersigned (the receipt and sufficiency of which are acknowledged by the undersigned), the undersigned acknowledges and agrees as follows:

1. definitions
	1. Definitions

 In this Agreement:

* + 1. “**Business Day**” means a day upon which the branch of the Lender located at is open for business each day excluding Saturday, Sunday and statutory holidays.
		2. “**Contracts**” means both collectively and individually, all present and future contracts, agreements, permits, planning approvals, licenses, project plans and specifications, drawings, certificates, engineer’s and surveyor’s contracts, and consents entered into or held by the Borrower with respect to, or in connection with, the construction of the Property, if applicable, and the business of operating and maintaining the Property and all rights, benefits and privileges arising therefrom in favour of the Borrower and all amendments, modifications and novations thereof including**[, without limitation, the Contracts listed on Schedule A attached hereto].**
		3. “**Credit Agreement**” means the Credit Agreement made as of ●, between, *inter alia*, the Borrower, the Lender and others, as such Credit Agreement is amended, modified, restated or replaced and in effect from time to time.
		4. “**Indebtedness**” means all present and future indebtedness, liabilities and obligations, absolute or contingent, direct or indirect, matured or unmatured, liquidated or unliquidated, now or hereafter owing by the Borrower to the Lender pursuant to or in connection with the Security Documents.
		5. “**Property**” means the lands and premises described above, and legally described in Schedule "A” annexed hereto. **[Amend Schedule reference if list of contents is attached as Schedule “A”]**
		6. “**PPSA**” means the *Personal Property Security Act* (British Columbia).
		7. “**Security Documents**” means collectively the Credit Agreement and all security documents and other agreements issued by the Borrower in connection therewith.
		8. “**Third Parties**” means all of the parties to the Contracts, with the exception of the Borrower and “**Third Party**” shall mean any one of such parties, with the exception of the Borrower.
1. ASSIGNMENT
	1. Assignment

As continuing collateral security for payment of the Indebtedness and performance by the Borrower of its obligations to the Lender pursuant to the Security Documents, the Borrower hereby grants, assigns, transfers and sets over to the Lender all of the Borrower’s right, title and interest in and to the Contracts including, without limitation, all proceeds derived therefrom; provided, however, that to the extent that the assignment or transfer of any such Contracts requires the consent of a Third Party thereto, the same shall not be assigned or transferred as provided for herein until such time as the requisite consent has been obtained. The Borrower further grants, assigns, transfers and sets over to the Lender, as a continuing collateral security for payment of the Indebtedness, all present and future books, accounts, letters, invoices, papers and other documents in any way evidencing or relating to the Contracts.

* 1. Consent

To the extent that the consent of a Third Party is required in order to effect a valid and enforceable assignment or transfer of the Contracts as provided for herein, the Borrower hereby undertakes to use its best efforts to obtain and deliver to the Lender all such requisite consents forthwith. Upon the requisite consents having been obtained by the Borrower, the Contracts subject thereto shall become, without any further requirement or act on the part of either the Borrower or the Lender, subject to the provisions of this agreement including, without limitation, section 2.1 hereof.

* 1. Liabilities/Obligations

Notwithstanding anything contained herein, the Lender shall have none of the duties, liabilities or obligations of the Borrower in respect of, or in any way arising from, any of the Contracts. Furthermore, the Lender shall not be liable or accountable for any failure to collect, realize or obtain payment in respect of the Contracts and the Lender shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment in respect of the same or for the purpose of preserving any rights of the Lender or the Borrower or any other person, firm or corporation in respect of the Contracts.

* 1. Reassignments and Releases

Upon satisfaction in full of the Indebtedness, the Lender shall, at the request and sole expense of the Borrower, reassign to the Borrower, or release its interest in, the Contracts hereby assigned or transferred.

1. COVENANTS, REPRESENTATIONS AND WARRANTIES
	1. The Borrower covenants with, and represents and warrants to, the Lender as follows:
		1. With the exception of the assignments and transfers to the Lender provided for herein, the Contracts have not been assigned, transferred, charged or otherwise encumbered to or in favour of any person or party;
		2. As at the date hereof, the Borrower is not aware of any material default by any of the Third Parties under the Contracts;
		3. The Borrower has the authority to assign to the Lender, in the manner provided for in this agreement, the Contracts;
		4. The Borrower shall do or refrain from doing all such things as may be necessary including, without limitation, the observance and performance of all covenants and obligations imposed upon the Borrower pursuant to the Contracts in order to ensure that:
			1. the rights and benefits of the Borrower under the Contracts are not destroyed or materially impaired in any way; and
			2. the Contracts remain in good standing;
		5. The Borrower shall not, without the prior written consent of the Lender, materially amend or modify, surrender or terminate any of the Contracts, save and except in the ordinary course of business of the Borrower.
2. RIGHTS AND REMEDIES
	1. Rights Until Demand

Until demand by the Lender for repayment of the Indebtedness, the Borrower shall be entitled:

* + 1. to receive, except as otherwise provided for in the Security Documents, all proceeds derived from the Contracts; and
		2. to exercise its rights with respect to the Contracts.
	1. Rights Upon Demand

Upon demand for repayment of the Indebtedness, the Lender may, but shall not be obligated to, exercise any or all of the rights and remedies provided for in the Contracts assigned or transferred hereby and no delay or omission on the part of the Lender in the exercise of any such right or remedy shall operate as a waiver thereof. In this regard, the Borrower irrevocably directs all Third Parties to pay over to the Lender all monies and other distributions of every nature and kind to which the Borrower may, at the time of demand and thereafter, be entitled pursuant to the terms of the Contracts and this shall be the Third Parties’ full and sufficient authority for so doing.

* 1. Dealings by the Lender

The Lender may grant extensions of time and other indulgences, grant releases and discharges and otherwise deal with the Third Parties, the Contracts and all proceeds derived therefrom as the Lender may see fit in order to ensure that the Contracts remain in good standing without prejudice to the liabilities of the Borrower to the Lender under the Security Documents.

* 1. Remedies Cumulative

The rights and remedies provided for in the Contracts shall be in addition to and exercisable in combination with any and all rights and remedies otherwise available to the Lender.

* 1. Costs/Expenses

The Lender may pay to others, reasonable sums for expenses and services rendered in connection with the enforcement of this agreement, the Contracts. All such fees, costs and expenses including, without limitation, all legal fees and disbursements incurred by the Lender in connection with the enforcement of any term or provision of this agreement and the Contracts shall be paid by the Borrower upon demand and may be added by the Lender to the Indebtedness and shall bear interest at the rate applicable from time to time as provided for in the Credit Agreement.

* 1. Application of Proceeds

The Lender shall be entitled to apply any and all monies received in respect of the Contracts to such part or parts of the Indebtedness as the Lender, in its sole discretion, deems appropriate.

1. INDEMNITY
	1. Indemnity

The Borrower agrees to indemnify and save harmless the Lender from and against any and all actions, claims, losses, costs, damages and expenses whatsoever, which the Lender may suffer or incur as a result of or in connection with any breach of, or failure to observe or perform, any provision or term of this agreement or the Contracts by the Borrower.

1. GENERAL PROVISIONS
	1. Information

The Borrower agrees to provide to the Lender, from time to time, all such information as may be reasonably requested by the Lender for the purpose of assisting in the enforcement of the Contracts and the Lender is hereby irrevocably appointed the attorney for the Borrower in connection with any such enforcement including, without limitation, the commencement of any legal proceedings in respect thereof.

* 1. Acknowledgements

The Borrower shall, at the request of the Lender, use its best efforts to obtain from the Third Parties or any one or more of them, as the case may be, acknowledgements of the following matters:

* + 1. the assignment provided for herein; and/or
		2. that the Contracts to which they are a party are in good standing.
	1. Further Assurances

The Borrower shall, from time to time, at its own expense and at the request of the Lender, perform all such acts and execute all such further documents, instruments and assurances as the Lender may reasonably require to better evidence or give effect to this agreement.

* 1. Notices

Any notice or other communication required or permitted to be given herein to either the Borrower or the Lender shall be given in the manner provided for in the Credit Agreement.

* 1. Captions

The captions preceding the text of each of the sections to this agreement are inserted only for convenience of reference and shall not affect the meaning, construction or interpretation of the provisions hereof.

* 1. Severability

The invalidity or unenforceability, for any reason, of any term or provision of this agreement shall not, in any manner, invalidate or render unenforceable any other term or provision hereof but, instead, the same shall be deemed to have been severed herefrom so that the remaining terms and provisions shall not be affected, prejudiced or impaired thereby.

* 1. Successors and Assigns

This agreement shall be binding upon the Borrower, its successors and assigns and shall enure to the benefit of the Lender, its successors and assigns.

* 1. Applicable Law

This agreement shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein.

* 1. Execution in Counterparts

This agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this agreement by telecopy or by sending a scanned copy by electronic mail shall be effective as delivery of a manually executed counterpart of this agreement.

* 1. Electronic Imaging

This agreement may be signed by way of associating or otherwise appending an electronic signature or other facsimile signature of the applicable signatory and the words “execution”, “signed”, “signature”, and words of like import in this agreement shall be deemed to include electronic signature or other facsimile signature, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature.

* 1. PPSA Waiver

The Borrower acknowledges and consents to the Lender registering a financing statement against the Borrower under the PPSA and any other applicable personal property security legislation in respect of any security interest granted hereunder, and waives, to the extent permitted under such legislation, the right to receive a copy of any such financing statement or verification statement relating to such registration and a copy of any financing change statement subsequently filed in connection therewith.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]**

## **DATED** as of the date first written above.

**[Borrower]**

Per: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ c/s

Name: Click or tap here to enter text.

Title: Click or tap here to enter text.

Per: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Name: Click or tap here to enter text.

Title: Click or tap here to enter text.

I/We have authority to bind the Corporation

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**WITNESS:** **[Borrower]**

1. LIST OF CONTRACTS AND OTHER RIGHTS

1.

**[NOTE TO DRAFT: list contracts and other rights or delete this Schedule and move the Legal Description up to be Schedule “A”]**

1. LEGAL DESCRIPTION