

TO: MERIDIAN CREDIT UNION LIMITED (“Meridian”)

The Undersigned _____ (the “Debtor”) for valuable consideration hereby grants to you a security interest in all deposit balances standing to the Debtor’s credit from time to time on the books of Meridian (in the case of partners, all funds held jointly by all of the partners, including the Debtor; in the case of multiple individual debtors, the Debtor’ undivided interest in all funds standing to the credit of multiple members, including the Debtor) (the “Collateral”).

The Debtor agrees with Meridian as follows:

1. This security interest is given as continuing security for payment to Meridian of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing by the Debtor (or, in the case of a partnership, owing by all of the partners, collectively) (such debts and liabilities being hereinafter called the “liabilities”), but the Debtor’s liability hereunder being limited to the sum of _____ DOLLARS CAD (\$ _____ CAD) plus interest at the rate or rates applicable to the underlying liability or liabilities.
2. In the event that the Debtor is at any time in default of any payment or liability then owing by it to Meridian, the Collateral, or any part thereof from time to time, may, as and when Meridian thinks fit, be appropriated to and applied against such parts of said indebtedness and liability as to Meridian seems best. No such appropriation and application of the Collateral shall prejudice Meridian’s claims upon the Debtor for any deficiency.
3. Meridian may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges and otherwise deal with the Debtor and with other parties and securities as Meridian may see fit, without prejudice to Meridian’s right to hold and/or deal with the Collateral or any part thereof as herein provided.
4. If the undersigned Debtor is an individual, the undersigned hereby irrevocably grants to Meridian, together with an interest, authority to act as his/her attorney for property under the provisions of the Substitute Decisions Act, 1992 (Ontario), as amended, for the sole purpose of applying for and procuring the redemption of any securities that may represent all of any part of the Collateral, and to do all such things as may be necessary to complete same in the event of a default by the Debtor of the Debtor’s obligations under this Agreement. This power of attorney for property is intended to be a continuing power of attorney. However, it does contemplate that the Debtor may appoint other attorneys for property in respect of property of the Debtor other than the Collateral from time to time, and therefore neither repeals existing powers of attorney that purport to apply to the Debtor’s property generally, nor attempts to restrict the ability of the Debtor to hereafter appoint attorneys for property other than Meridian in respect of property of the Debtor other than the Collateral.
5. If the undersigned Debtor is a corporation, the undersigned hereby irrevocably grants to Meridian, together with an interest, authority to act as its attorney under the provisions of the Powers of Attorney Act (Ontario), as amended, for the sole purpose of applying for and procuring the redemption of any securities that may represent all or any part of the Collateral which Meridian has taken a security interest hereunder, and to do all such things as may be necessary to complete same in the event of a default by the Debtor of the Debtor’s obligations under this Agreement.
6. Until the indebtedness and liability of the Debtor has been repaid, together with interest, Meridian may refuse to honour any cheque, withdrawal request, application for redemption or encashment of deposits, and any other request by the Debtor to withdraw any or all of the Collateral, except to the extent that such withdrawal does not reduce the value of the Collateral to an amount less than the dollar figure referred to in paragraph 1. hereof as the limitation of the liability of the Debtor.
7. Should Meridian in its discretion from time to time permit the Debtor to withdraw by cheque or otherwise all or any part of the Collateral, then any amount or amounts so withdrawn shall be replaced by further deposits to be made by the Debtor to the credit of the said account or invested in Term Deposit Certificates as and when requested by Meridian. Such deposits or investments shall, to the extent required, replace any amount or amounts so withdrawn and shall be subject to the provisions of this agreement so that the amount of the said sum as hereinbefore provided shall be maintained by the Debtor.
8. This agreement shall be construed in accordance with the laws of the Province of Ontario.

Signed, Sealed and Delivered this _____ day of _____, 20____ at _____, Ontario.

To be completed by Individuals or Sole Proprietors:

Signature of First Witness

Signature of Individual Debtor (not a partner)

Signature of Second Witness

To be completed by each Partner of a Partnership:

Signature of First Witness

Signature of Individual Debtor (a partner in a partnership)

Signature of Second Witness

To be completed by Incorporated Business:

Name of Corporation

Name and Title

✕

Signature

Name and Title

✕

Signature

I/We have the authority to bind the Corporation.