

SCHEDULE III

SAMPLE TRUST CONDITIONS

1. Sample of Trust Letter to Vendor's Lawyer

Re: Purchase of *****
 ***** from *****

Enclosed is our trust cheque in the amount of \$***** representing full payment of the balance due to your clients on Closing, as shown on your Statement of Adjustments.

The enclosed funds are sent to you in trust, on each of Conditions A.1 to A.6 inclusive of the Trust Conditions Binding the Vendor's Lawyer under the Memorandum of Trust Conditions, LSM 2009-1, [and on the following additional conditions:]

(Insert any additional conditions)

We confirm that, in the context of this transaction, reference in the Memorandum of Trust Conditions to the following terms shall have the corresponding meanings set forth:

- (a) "Closing" means _____, 200_;
- (b) "Non-Permitted Registrations" means Mortgage No. _____;
- (c) "outstanding realty tax arrears and penalties affecting the Land to the Closing date" means the sum of \$_____; and
- (d) "Permitted Registrations" means Caveat Nos. _____ and _____.

In the event that you are unable or unwilling to comply with any of the trust conditions described above, the enclosed funds are to be returned to our offices immediately upon demand.

Upon your acceptance of these trust conditions and our agreeing to any additional conditions to be imposed on our office, we undertake to comply with Conditions B.1 to B.4 inclusive of the Trust Conditions Binding the Purchaser's Lawyer under the Memorandum of Trust Conditions, LSM 2009-1.

Please advise of the manner in which our clients are to obtain the keys to the premises.

Yours truly,

2. Sample of Trust Letter to Purchaser's Lawyer:

Re: Sale of *****
***** to *****

We enclose the following:

1. Transfer;
2. Declaration as to Possession;
3. Statement of Adjustments; and
4. Keys to the subject premises.

The enclosed documents and keys are sent to you in trust, on each of Conditions B.1 to B.4 inclusive of the Trust Conditions Binding the Purchaser's Lawyer under the Memorandum of Trust Conditions, LSM 2009-1, [and on the following additional conditions:]

(insert any additional conditions)

We confirm that, in the context of this transaction, reference in the Memorandum of Trust Conditions to the following terms shall have the corresponding meanings set forth:

- (a) "Closing" means _____, 200_;
- (b) "Non-Permitted Registrations" means Mortgage No. _____;
- (c) "outstanding realty tax arrears and penalties affecting the Land to the Closing date" means the sum of \$ _____; and
- (d) "Permitted Registrations" means Caveat Nos. _____ and _____.

In the event that you are unable or unwilling to comply with any of the trust conditions described above, the enclosed documents and keys are to be returned to our offices immediately upon demand.

Provided that you accept these trust conditions, we undertake to comply with Conditions A.1 to A.6 inclusive of the Trust Conditions Binding the Vendor's Lawyer under the Memorandum of Trust Conditions, LSM 2009-1.

The enclosed keys may be released to your client, on or after the agreed date of possession, once we have received the balance due on Closing.

Yours truly,

02/04