



**PARAMA CREDIT UNION
CEBA TERM LOAN AGREEMENT**

Loan Amount \$40,000	Interest Rate 0% per annum during Initial Term 5% per annum during Extended Term	First Interest Payment Date January 31, 2023
Initial Term Date December 31, 2022	Extended Term Date December 31, 2025	Frequency of Interest Payments Monthly

Definitions

In this Agreement the capitalized terms, "Loan Amount", "Interest Rate", "First Interest Payment Date", "Initial Term Date", "Extended Term Date" and "Frequency of Interest Payments" are as indicated above. Other capitalized terms (not otherwise defined in this Agreement) mean:

"**Credit Union**" means Parama Credit Union and its successors and assigns.

"**Business Account**" means your business operating deposit account with the Credit Union.

"**Extended Term**" means the period commencing on January 1, 2023 and ending on the Extended Term Date.

"**Initial Term**" means the period commencing on the date of the advance of the Loan and ending on the Initial Term Date.

"**Loan**" means all amounts outstanding under the loan described above and includes, without limitation, all principal, interest, costs and any expenses incurred in connection with the Loan.

"**Term**" means the period commencing on the date of advance of the Loan and ending on the Initial Term Date or, the Extended Term Date, as applicable.

"**You**" and "**Your**" and "**Yours**" means the recipient of the Loan under this Agreement.

Term Loan

The Loan will not revolve. Only one advance is permitted, and it must be for an amount equal to the Loan Amount.

Initial Term

During the Initial Term, you will not be required to repay any portion of the Loan and no interest shall accrue.

Extended Term

During the Extended Term, you will be required to pay interest on the Loan, on a monthly basis, commencing on the First Interest Payment Date (or such other date as may be agreed by the Credit Union). On the Extended Term Date, you will repay the balance, if any, of the Loan in full.

Funding

The proceeds of the Loan will be deposited into your Business Account. Your Business Account will continue to operate in the normal course and if there is a negative balance in your Business Account, as a result of an overdraft facility or otherwise, the proceeds of the Loan will automatically repay the amount outstanding up to the Loan Amount.

Prepayment of Loan

At any time during the Term, you may prepay all or any portion of the Loan Amount without penalty.

Loan Forgiveness for Early Repayment

If you have repaid at least 75% of the Loan Amount on or prior to the Initial Term Date, the Credit Union will forgive the remaining balance of the Loan Amount as of the Initial Term Date provided that an Event of Default has not occurred.

Default

The Credit Union may require you to repay the Loan, upon the occurrence of any one of the following events of default ("Event of Default"): (i) you default in paying any amount due hereunder, (ii) you default in paying any other loan to the Credit Union, (iii) you fail to comply with any of the provisions of this Agreement, (iv) you make any false or misleading representation to the Credit Union, including without limitation, in your application for the Loan or the information you have certified to the Credit Union as set out in Schedule A attached hereto, (v) you commit an act of Bankruptcy or become insolvent, or (vi) a receiver is appointed for your business or any part of your property.

Interest, Costs & Expenses

Interest Rate. During the Initial Term, no interest is payable. During the Extended Term, you will pay interest on the Loan at the applicable interest rate set out above, on a monthly basis, with the first payment to be made on the First Interest Payment Date, or such other date as may be agreed by the Credit Union.

Compounded and Payable Monthly. Interest on the Loan during the Extended Term is calculated daily (including February 29 in a leap year), compounded and payable monthly not in advance at the applicable interest rate set out above.

How Interest is Calculated and Payable. The Credit Union calculates interest on the basis of a 365-day year. Interest is charged on February 29 in a leap year. Interest will continue to be payable by you both before and after maturity, a default on this Agreement, and/or a judgment is rendered against you.

Cost & Expenses. You will pay the Credit Union all of the Credit Union's reasonable costs and expenses (including the fees and charges of internal and external legal counsel, on a solicitor client basis and notarial fees), relating to enforcing the Loan and such costs and expenses shall constitute a debt payable by you to the Credit Union.

Your Covenants

Positive Covenants. In addition to all of your other obligations in this Agreement you will: (i) pay all amounts outstanding to the Credit Union when due or demanded, (ii) maintain your existence as a corporation, partnership or sole proprietorship, as the case may be, (iii) pay all taxes, and (iv) continue to carry on the business now being carried on by you.

Negative Covenants. You will not: (i) merge or amalgamate with any other entity or permit any change of ownership or change your capital structure, or (ii) sell, lease, assign, or otherwise dispose of all or substantially all of your assets.

Agreement to Provide Information. You will provide, or cause to be provided, whatever information the Credit Union may request from time to time. You will keep the Credit Union advised of your current address.

Information Attestation. You represent and warrant that all information you have provided to the Credit Union is accurate and complete. You will provide, or cause to be provided, updated information and/or additional supporting information as the Credit Union may require from time to time with respect to any and all applicable matters, including, where applicable, (1) the names of your directors and the names and addresses of your beneficial owners, (2) the names and addresses of trustees and known beneficiaries and/or settlors, and (3) your ownership, control and structure. The Credit Union reserves the right to request updated customer information and/or additional supporting information at any time.

Sharing of Information. You agree that the Credit Union may share information about you, including, without limitation, financial information about you together with information about the Loan, with Export Development Canada and the Government of Canada or its agents for administration and governance of the Loan and for determination of qualification for Loan forgiveness.

Third Party Determination. You acknowledge and agree that no other person or entity will exercise any control over the Loan.

Authority to Bind. Notwithstanding any resolution previously provided to the Credit Union to the contrary, you confirm that: (i) you have reviewed this Agreement and agree to be bound by its terms, (ii) you have the ability and authority to be bound by the terms of this Agreement, and (iii) your acceptance of these terms is binding between you and the Credit Union.

Miscellaneous

Acknowledgement. You acknowledge that: (i) the Loan is made in accordance with the Canada Emergency Business Account Program (the "Program") and is being instituted and administered by the Credit Union at the request of and on behalf of Export Development Canada, on behalf of Her Majesty in Right of Canada, and (ii) you have certified to the Credit Union the information set out in Schedule A attached hereto, as required by the Government of Canada.

Records. You agree that the Credit Union's books and records are evidence of all amounts owed by you.

Who Is Bound By This Agreement. This Agreement shall be binding on and enure to the benefit of the Credit Union and its successors and assigns. It shall also be binding on you, your heirs, your successors and personal representatives - including executors and administrators. You must obtain our written consent to assign this Agreement to another person. The Credit Union may assign this Agreement without notice to you and without your consent.

Joint and Several. You are jointly and severally (which means individually and collectively) liable to the Credit Union (and in Quebec you are solidarily liable to the Credit Union) for the Loan with each other person who is liable for the Loan.

Other Agreements. This Agreement applies only to the Loan. This Agreement is in addition to, and not in substitution for, your Operation of Account Agreement, Business Account Agreement, Business Banking Agreement, or Business Banking & Services Agreement as the case may be.

The Law That Applies. This Agreement shall be governed by the law of the Province in which the branch of account for your Business Account with the Credit Union is situated. If any provision in this Agreement is contrary to applicable law, the Agreement shall continue in force with such amendments as may be required by law.

Payments. The Credit Union may apply your payments to any part of the Loan as it sees fit. If any payment due date falls on a date which is a Saturday, Sunday or Credit Union holiday, any payment scheduled for that date will not be applied until the business day first following that date. The Credit Union may debit any account you maintain with the Credit Union for any amount owed by you under this Agreement. If you are a partnership or, in Quebec, a general partnership, the Credit Union may debit any account that any of the partners maintains with the Credit Union for any amount owed by you under this Agreement. The exercise by the Credit Union of its right to set-off, granted hereunder or available at law, shall constitute an acknowledgement of your indebtedness and liability hereunder.

Non-Waiver. Any failure by the Credit Union to object to or take action with respect to a breach of this Agreement or upon the occurrence of an Event of Default shall not constitute a waiver of the Credit Union's right to take action at a later date based on that breach of Event of Default. No course of conduct by the Credit Union will give rise to any reasonable expectation which is in any way inconsistent with the terms and conditions of this Agreement or the Credit Union's rights thereunder, which can only be amended with the express written consent of the Credit Union.

Use of Electronic Banking Services. For our mutual protection, we may record all telephone calls that relate to the use of or include instructions for using Electronic Banking Services.

Applicable in Province of Quebec Only. It is the express wish of the parties that this Agreement and any directly or indirectly related documents be drawn up in English. Les parties ont exprimé la volonté expresse que cette convention et tous les documents s'y rattachant directement ou indirectement soient rédigés en anglais.

Credit Agencies, etc. In this section, "you" means the business applicant or customer that is not an individual. In addition to any rights that the Credit Union and its affiliates (collectively, "Parama Credit Union") may have regarding the collection and disclosure of your information, you authorize the Credit Union to obtain information about you from, and disclose information about you to, our world-wide affiliates, other lenders, credit reporting or credit rating agencies, credit bureaus and any supplier, agent or other party that performs services for you or on the Credit Union's behalf.

Method of Communication to You. The Credit Union may communicate with you by ordinary, uninsured mail or other means, including hand delivery or facsimile transmission. Mailed information is deemed to be received by you five days after mailing. Delivered information is deemed to be received when delivered or left at your address. Messages sent by facsimile are deemed to be received when the Credit Union receives a fax confirmation.

Schedule A
Attestation

Your authorized representative has certified to the Credit Union that:

1. Your authorized representative has the ability and authority to bind you.
2. You are a Canadian operating business in operation as of March 1, 2020.
3. You have a federal tax registration.
4. You have submitted your correct Canada Revenue Agency Business Number (BN) (15 digits), as reported at the top of your 2019 T4 Summary of Remuneration Paid (T4SUM) to the Credit Union.
5. The total employment income paid by you in the 2019 calendar year was between Cdn.\$20,000 and Cdn.\$1,500,000.
6. You have submitted the correct employment income reported in Box 14 of your 2019 T4SUM to the Credit Union.
7. You can demonstrate the above information by presenting your 2019 T4SUM when requested upon audit by the Government of Canada or any of its agents.
8. Per the requirements of the Program, as set out by the Government of Canada, you acknowledge that the funds from this Loan shall only be used by you to pay your non-deferrable operating expenses including, without limitation, payroll, rent, utilities, insurance, property tax and regularly scheduled debt service, and may not be used to fund any payments or expenses such as prepayment/refinancing of existing indebtedness, payments of dividends, distributions and increases in management compensation.
9. You have an active business chequing/operating account with the Credit Union, which is your primary financial institution. This account was opened on or prior to March 1, 2020 and you were not in arrears on existing borrowing facilities, if applicable, with the Credit Union by 90 days or more as at March 1, 2020.
10. You have not previously used the Program and will not apply for support under the Program at any other financial institution.
11. You agree to participate in post-funding surveys conducted by the Government of Canada or any of its agents.
12. You understand that applying for support under the Program at more than one financial institution may result in ineligibility under the Program, default under the facility in respect of which this attestation is being provided, prosecution or other enforcement measures available at law or otherwise.
13. You acknowledge your intention to continue to operate your business or to resume operations.
14. Per the requirements of the Program, as set out by the Government of Canada, you confirm that:
 - a. you are not a government organization or body, or an entity owned by a government organization or body;
 - b. you are not a union, charitable, religious or fraternal organization or entity owned by such an organization or if you are, you are a registered T2 or T3010 corporation that generates a portion of your revenue from the sales of goods or services;
 - c. you are not an entity owned by individual(s) holding political office; and

d. it does not promote violence, incite hatred or discriminate on the basis of sex, gender, sexual orientation, race, ethnicity, religion, culture, region, education, age or mental or physical disability.

15. You acknowledge that the Credit Union will rely upon the accuracy of this attestation in making loans and advances to you pursuant to the Program and acknowledge and agree that an audit may be conducted by the Government of Canada or any of its agents to ascertain the veracity of this attestation and your eligibility under the Program.
16. For the purposes of verifying your eligibility for this Program, you authorize Export Development Canada, as your representative with the Canada Revenue Agency, to access any required payroll information.