

CEBA TERM LOAN AGREEMENT

SHINHAN BANK CANADA (the ‘Bank’) is pleased to offer a loan on the following terms and conditions. The Borrower(s) and Guarantor(s), if applicable, may signify their agreement to the terms and conditions set out in this letter, by signing to confirm their acceptance where indicated below.

1. Definitions

- a) “CEBA” means the Canada Emergency Business Account.
- b) “Borrower” means the person or entity designated below as borrower and includes the borrower’s heirs, successors, and personal representatives, including executors and administrators.
- c) “Bank” means the Shinhan Bank Canada.
- d) “Loan” means all amounts outstanding under the loan described herein and includes, without limitation, all principal, interest, costs and any expenses incurred in connection with the Loan.
- e) “Existing CEBA Loan” means all amounts outstanding under the previous loan(s) that the borrower received from the Bank under CEBA, and includes, without limitation, all principal, interest, costs and any expenses incurred in connection with such loan(s).
- f) “Term” means the period commencing on the date of the advance of the Loan and ending on the Initial Term End Date or the Extended Term End Date as applicable.
- g) “Initial Term” means the period commencing on the date of the advance of the loan and ending on December 31, 2022.
- h) “Extended Term” means the period commencing on January 1, 2023 and ending on December 31, 2025.
- i) “Initial Term End Date” means December 31, 2022.
- j) “Extended Term End Date” means December 31, 2025.
- k) “First Interest Payment Date” means January 31, 2023.

2. CEBA Term Loan:

- a) **Borrower(s):** _____
- b) **Principal Loan Amount:** \$20,000.00
- c) **Aggregate Principal Loan Amount:** Principal Loan Amount of \$20,000.00 plus the Principal Loan Amount of any Existing CEBA Loan(s).
- d) **Interest Rate:**
 - a. 0% per annum during the Initial Term
 - b. 5% per annum during the Extended Term
- e) **Term Loan:** The Loan will not revolve. Only one advance is permitted, and it must be for an amount equal to the Principal Loan Amount.
- f) **Payments during the Initial Term:** During the Initial Term, the Borrower will not be required to repay any portion of the Loan and no interest shall accrue.
- g) **Payments during the 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 Bank). On the Extended Term End Date, you will repay the balance, if any, of the Loan in full.
- h) **Prepayment of Loan:** At any time during the Term, you may prepay all or any portion of the Loan Amount without penalty.
- i) **Loan Forgiveness for Early Repayment:** If you have repaid at least \$40,000 of the Aggregate Principal Loan Amount on or prior to the Initial Term End Date, the Bank will forgive the remaining balance of the Aggregate Principal Loan Amount as of the Initial Term End Date provided that an Event of Default has not occurred.
- j) **The Way the Borrower will Obtain the Principal Loan Amount:** The Principal Loan amount will be deposited into the Borrower’s existing business account with the Bank. The Borrower’s existing business account with the Bank will continue to operate in the normal course and if there is a negative balance at any time, 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.

3. Interest, Costs & Expenses

- a) **Interest Rate:** As set out above, during the Initial Term, no interest is payable. During the Extended Term, the borrower will pay interest on the Loan at the applicable interest rate as 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 Bank.

- b) **Compound & 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.
 - c) **How Interest is Calculated and Payable:** The Bank 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 of this agreement, and/or a judgment is rendered against the borrower.
 - d) **Costs and Expenses:** The Borrower(s) agrees to pay all of the Bank's costs incurred from time to time including, without limitation, legal fees, appraisal fees, and environmental assessment fees, and any costs incurred in the administration or enforcement of the loan and security documentation on a substantial indemnity basis.
4. Conditions Before Funding — The Bank shall not be required to make any advance of the loan until the Bank is satisfied in its sole discretion that all terms and conditions have been satisfied, or that the Bank has elected to waive same in writing. Such conditions shall include, among other things:
- a) That the borrower has provided the Bank with a signed "Attestation of the Borrower" form as required by the Government of Canada;
 - b) that the form, content, and registration of all documentation and information provided by the Borrower(s) and Guarantor(s) is satisfactory to the Bank;
 - c) that the representations and warranties of the Borrower(s) are true, accurate and complete;
 - d) that the Bank shall be satisfied in its sole discretion with any security or other undertaking provided by the Borrower(s) and/or Guarantor(s), as the case may be;
 - e) that this loan agreement shall not be assigned by the Borrower(s) without the prior written consent of the Bank, which consent may be withheld arbitrarily.
5. Borrower(s) Covenants, Representations and Warranties
- 5.1 The Borrower(s) covenant, represent, and warrant that it shall:
- a) punctually pay monies when they become due;
 - b) maintain accurate books and records and prepare Financial Statements for the Borrower(s) in accordance with generally accepted accounting principles and provide same to the Bank on request;
 - c) submit following documents to Bank;
 - (i) signed "Attestation of the Borrower" form
 - (ii) Financial statement annually in order to examine overall business performance, if required by the Bank.
 - d) and, allow Bank Officer to inspect the property and must make available its records at reasonable periods for inspection purposes.
- 5.2 During the duration of the loan, the Borrower(s) shall NOT without the Bank's prior written consent:
- a) sell, lease, assign, or otherwise dispose of all or substantially all of your assets; or
 - b) change any material ownership or change the capital structure of the Borrower.
- 5.3 The Borrower(s) represent and warrant that:
- a) if applicable, the Borrower(s) and/or the Guarantor(s), are validly constituted and subsisting corporations under the laws of Ontario and/or Canada, as applicable;
 - b) the corporation, if applicable, is duly registered and qualified to carry on business in

Ontario and elsewhere, as applicable; and;

- c) the execution and delivery of this Loan Agreement has been duly authorized by all necessary actions and parties and does not violate any laws or contracts to which the Borrower(s) is a party or, if applicable any provision of the corporation's constating documents or by-laws or any unanimous shareholders agreement to which it is subject, or result in the creation of any encumbrance on its properties and assets except as contemplated herein.

5.4 Non Merger — The agreements, representations, warranties and covenants of the Borrower(s) and Guarantor(s) set out in this Loan Agreement shall not merge upon the execution and registration of the legal and security documents and the advance of the loan, but shall survive until all obligations under this loan agreement, the security documentation and other related documents have been fully performed and the principal loan amount, with interest thereon, and any other monies payable to the Bank are paid in full.

6. Events of Default — Without limitation and notwithstanding the terms for repayment of certain facilities as recited herein, and in addition to any other provisions relating to default set out in the loan, legal or security documentation, it shall be an Event of Default if any one or more of the following events has occurred or is continuing:

- a) the non-payment when due of principal, interest or any other amounts due by the Borrower(s);
- b) the default by the borrowers of any other loan given by the Bank, including but not limited to the non-payment of principal, interest or any other amounts when due;
- c) the breach by the Borrower(s) of any provision of this loan agreement, the loan, legal or security documentation, or any other agreement with the Bank, including but not limited to other loan agreements;
- d) if any representation or warranty made by the Borrower(s) and/or the Guarantor(s) shall be false or inaccurate in any material respect, including the information that the borrower has certified to the Bank in the "Attestation of the Borrower" form;
- e) if in the opinion of the Bank, in its sole discretion, there is a material adverse change in the financial condition, name, ownership, structure or operation of the Borrower(s) or of the Guarantor(s); and,
- f) if any proceedings for the dissolution, liquidation or winding up of the Borrower(s) or the Guarantor(s) or for the suspension of the operations of the Borrower(s) or the Guarantor(s) are commenced or in the event of the bankruptcy, liquidation, or general insolvency of the Borrower(s) or the Guarantor(s), or if a receiver or receiver/manager is appointed for all or any part of the business or assets of the Borrower(s) or the Guarantor(s).

7. Remedies Upon Default

7.1 In the event that any one or more of the Events of Default noted above has occurred or is continuing, then any right of the Borrower(s) to make further borrowings under this loan agreement shall immediately terminate and the Bank, at its option, by written notice to the Borrower(s), may declare the loan amount to be immediately due and payable together with all accrued interest and any other charges, all without further notice or demand. Upon receipt of such notice, the Borrower(s), shall immediately pay to the Bank all amounts due and payable under this loan agreement, the loan, legal and security documentation, The Bank may enforce its rights to realize upon its security and retain sufficient funds to cover any amounts outstanding.

7.2 Any default under the loan contemplated in this Loan Agreement shall be deemed to be a default under all other loans granted to the Borrower(s) by the Bank at any time, Likewise, any default under any existing or future loan granted to the Borrower(s) by the Bank shall be deemed to be a default under the loan contemplated herein.

7.3 The borrower(s) and guarantor(s), as the case may be, hereby acknowledge and confirm

that, at the Bank's option, it may forbear from exercising its remedies and otherwise provide time or indulgences in respect of any unpaid but due amounts, in which case the borrower(s) and the guarantor(s) hereby irrevocably confirm that the limitation period shall not be deemed to run against the Bank during the period of such forbearance or indulgence. Notwithstanding the foregoing, the borrower(s) and guarantor(s) hereby agree at any time and from time to time, upon request by the Bank, to immediately provide a written acknowledgement executed by the borrower(s) and the guarantor(s) acknowledging and confirming their indebtedness to the Bank under this loan agreement and any related loan or security documentation. The borrower(s) and the guarantor(s) further confirm and agree that any payment of principal, interest or any other amount at any time or from time to time hereunder or under any related loan or security documentation shall be deemed to be an acknowledgement by the borrower(s) and the guarantor(s) of its/their liability and continuing liability for the principal, interest and any other amounts due under this loan agreement and any related loan or security documentation.

7.4 If there has been no uncured default under the Loan as of the date of the maturity, the Bank, at its option, may extend and/or renew the Loan by way of a written agreement to amend and extend the Loan, provided that it is understood that the Bank shall be under no obligation whatsoever to extend or renew the Loan. The parties specifically agree that, if the Loan has not been repaid at maturity, the Bank may, at its option, automatically extend the Loan on the same terms and conditions as the original Loan or for a renewal period of six (6) months open term, or alternatively the Bank may choose not to process a renewal or extension of the loan (in which case the full principal sum of the loan and all unpaid interest and costs will be due to be paid on the maturity date). In the event that the Bank extends the loan on the same terms and conditions as the original loan, or for a period of six months, then the loan shall bear interest at the Bank's posted rate as of the date of maturity. The Borrowers and Guarantors hereby irrevocably consent to such an extension and/or renewal as the Bank sees fit, whether or not they join in and/or execute an agreement to amend and extend the Loan and whether or not they receive notice or consent at the time of such extension or renewal.

8. Co-borrowers

8.1 Joint and Several Liability - Where there is more than one borrower, the liability of the borrowers to the Bank shall be joint and several.

9. Assignment and Transfer — The Bank may at any time(s) assign or otherwise transfer all or any of its benefit, right and interest under this loan and/or all or any of the goods, documents and other properties on which the Bank has a security interest and may deliver the same or any part thereof to the transferee(s), who shall thereupon become vested with all the powers and rights in respect thereto given to the Bank hereunder or in the securities transferred. The Bank shall thereafter be released and fully discharged from any liability, obligation or responsibility in respect of the goods, documents or other properties so transferred, but shall retain all rights and powers hereby given in respect of goods, documents or other properties not so transferred, The Borrower(s) hereby acknowledge that it/they may not assign or otherwise transfer any of its/their benefits, rights and interest under this Loan Agreement the loan without the Bank's prior written consent.

10. Severability — If any provision of this letter is or becomes prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate or render unenforceable the provision concerned in any other jurisdiction nor shall it invalidate, lessen or impair the enforceability any of the remaining provisions.

11. Governing Law — This loan agreement shall be construed in accordance with and governed by the laws of the Province of Ontario and of Canada applicable therein. The Borrower(s) and Guarantor(s) hereby irrevocably attorn to the jurisdiction of the Courts of the Province of Ontario.

12. Expiry Date — This Loan Agreement expires on March 31, 2021. If the loan is not advanced on

or before that date, then the Bank may retain any fees paid by or on behalf of the Borrower as liquidated damages and not as a penalty, unless this Loan Agreement has been extended in writing by the Bank at its sole discretion.

Acceptance of Loan Agreement

We fully understand the above and hereby accept and agree to be bound by the terms and conditions of this Loan Agreement as set out above, and hereby authorize the Bank to instruct its solicitor to proceed with such steps as the Bank sees fit.

ACCEPTED at _____ this ____ day of _____, 202 .

[Signature]

Borrower Name: