

TERMS AND CONDITIONS (the "Terms and Conditions")

In return for the Lender agreeing to lend to the Borrower the Loan Amount, the Borrower agrees with the Lender as follows:

1. **DEFINITIONS** – In this Loan Agreement:

Except as defined below, the capitalized terms and expressions set out on the previous pages have the meanings set out therein.

"**Business Day**" means a day on which the Lender is open for business.

"**Loan Amount**" means the outstanding principal balance of the Loan from time to time.
2. **INTEREST** – The unpaid Loan Amount will bear interest from the date of advance at the Annual Interest Rate and compounded at the Compounding Period shown in this Loan Agreement, not in advance, both before and after each of maturity, default, judgment and demand.
3. **REPAYMENT** – The Borrower will pay the Obligations in accordance with this Loan Agreement and at the Lender's address shown on page 1 of this Loan Agreement or at such other address as the Lender may advise from time to time.
4. **DEBITING THE BORROWER'S ACCOUNTS** – If the Borrower does not make a payment as required by this Loan Agreement on or before the Payment Day, the Borrower authorizes the Lender to deduct the amount of the payment from any of the Borrower's accounts with the Lender or to redeem any number of the Borrower's equity or non-equity shares or other investment property in the Lender and apply those monies to the required payment.
5. **PLEDGING SECURITY** – The Lender may at any time require the Borrower to provide security to secure the outstanding balance of the Obligations and the Borrower agrees to provide such security upon request and execute any documents reasonably required by the Lender in connection therewith.
6. **OFFER TO RENEW** – If the Lender wishes to amend the Due Date of this Loan Agreement and the interest rate, payment amount and other terms, a notice in writing may be sent to the Borrower containing the terms under which the Lender is prepared to extend this Loan Agreement ("Offer to Renew"). Notice will be sent by ordinary mail to the address of the Borrower as it appears in the records of the Lender and shall be deemed received on the 5th day after mailing. To accept or reject the Offer to Renew, the Borrower must provide, to the Lender, before the Due Date, written notice accepting or rejecting the Offer to Renew. If the Borrower rejects the Offer to Renew, or does not provide to the Lender, before the Due Date, written notice accepting the Offer to Renew, the Borrower will either:
 - a) attend at the Lender and, if the Lender makes an alternative Offer to Renew and amend the interest rate and payments and other terms if applicable, accept that offer in writing, or
 - b) repay the Lender the outstanding balance of the Obligations by the Due Date.

If an Offer to Renew is accepted by the Borrower before the Due Date, this Loan Agreement will be amended effective on the date specified in the Offer to Renew. All other Terms and Conditions of this Loan Agreement will remain in full force and effect.

Nothing herein shall confer on the Borrower any right to any extension or renewal of this Loan Agreement.
7. **EVENTS OF DEFAULT** – If the Borrower fails to comply with any terms of this Loan Agreement or any of the following events occurs, the full amount of the unpaid Obligations will, at the Lender's option and without notice to the Borrower, become immediately due and payable:
 - a) if the Borrower breaks any promise or breaches any term contained in this Loan Agreement or under any document with the Lender or if any promise made by the Borrower to the Lender is untrue;
 - b) if the Borrower commits or threatens to commit any act of bankruptcy or becomes insolvent or makes an assignment or order under the *Bankruptcy and Insolvency Act* or makes a general assignment in favour of the Borrower's creditors or sells the Borrower's assets or if a bankruptcy petition is filed or presented against the Borrower;
 - c) if one or more of the person(s) comprising the Borrower dies; or
 - d) if the Lender considers the Obligations to be insecure or the Borrower's ability to repay the Obligations to be in jeopardy.
8. **WAGE ASSIGNMENT CLAUSE** – The Borrower transfers, assigns and sets over to the Lender, 20 per cent of all wages (as defined in the *Wages Act (ON)*), owing to the Borrower, or earned by the Borrower from any person, firm or corporation by whom the Borrower is employed ("Assignment of Wages"). In the Event of Default, the Lender may take any necessary steps to collect on and enforce its rights under the Assignment of Wages and may apply such wages to the reduction of the Obligations. The Borrower agrees that this Assignment of Wages is valid and there are no other claims against the Borrower's wages while this Assignment of Wages is in effect. The Borrower agrees to not make any subsequent Assignment of Wages while this Assignment of Wages is in effect, without the Lender's prior written consent. The Lender may take any steps it believes necessary to protect its rights hereunder, including notification of the Borrower's employer, and requesting that said employer acknowledge the Lender's interest in the wages. This Assignment of Wages is in addition to, and not in substitution for, any other Collateral that the Lender may have with respect to the Loan.
9. **REMEDIES** – If the Borrower defaults under this Loan Agreement, the Lender may require the Borrower to immediately pay all of the Obligations then owing and, to the extent permitted by law, all costs and expenses incurred by the Lender in enforcing the Lender's right to payment of the Obligations, including legal fees on a full indemnity basis.
10. **SERVICE OF NOTICES AND DEMANDS** – Any notice or demand to be given to the Borrower under this Loan Agreement can be given by the Lender:
 - a) in person,
 - b) by mail, email, or text message,
 - c) by telephone or mobile phone,
 - d) by fax,
 - e) via the Lender's online banking system and/or website,
 - f) by any other communication method acceptable to the Lender,at the Borrower's respective address, fax number, or email address.
11. **DEEMED RECEIPT OF NOTICES AND DEMANDS** – Except as provided in Section 12, Labour Disputes, each notice and demand will be deemed to have been received by the person to whom it is addressed:
 - a) on the date of receipt if delivered;
 - b) 5 days from the date of mailing if sent by mail; or
 - c) the date of transmission if transmitted by email, text message, fax, or via the Lender's online banking system and/or website.

Regardless of any other sections of this Loan Agreement, any notice or demand received or otherwise deemed received:

 - d) outside the business hours of the branch office of the Lender set out on page 1; or
 - e) on a day that is not a Business Day,will be deemed to have been received on the next Business Day.
12. **LABOUR DISPUTES** – If there is a labour dispute affecting mail delivery in Canada, any notice or demand that is mailed during, or 5 Business Days before, the labour dispute will be considered received when actually received by the person to whom it is addressed.
13. **COPIES OF DOCUMENTS AND RECEIPTS** – Upon request, the Borrower will give the Lender documents to verify credit, employment, residence, and other information with respect to the Borrower as may be required by the Lender in connection with the processing, approving, funding, servicing, and administering of the Loan.
14. **INVALID PROVISIONS** – If any term, covenant, obligation, or agreement in this Loan Agreement, or the application thereof to any person or circumstance, is found to be invalid or unenforceable for any reason, the remaining provisions of this Loan Agreement will not be affected and will continue to be separately valid and enforceable to the fullest extent permitted by applicable laws.
15. **FURTHER ASSURANCES** – The Borrower covenants that they shall execute such further documents and do such other things as may be required in the sole discretion of the Lender to give full effect to and carry out the provisions of the Loan and this Loan Agreement.

TERMS AND CONDITIONS (CONTINUED)

16. **AMENDMENTS IN WRITING** – None of the Terms and Conditions in this Loan Agreement may be amended, supplemented, or otherwise modified except by written instrument executed by the parties hereto.
17. **JOINT AND SEVERAL OBLIGATIONS** – If more than one person signs this Loan Agreement, all promises and agreements are the joint and several promises and agreements of each of the person(s) comprising the Borrower and will be binding on the heirs, successors and representatives of each of the person(s) comprising the Borrower.
18. **LOAN AGREEMENT NOT ASSIGNABLE** – The Borrower will not assign this Loan Agreement.
19. **WAIVING A BREACH OR DEFAULT** – The Lender may waive any breach by the Borrower of any of the Terms and Conditions of this Loan Agreement or any default by the Borrower in the observance of any promise or conditions required by the Lender. However, no waiver by the Lender will be considered to operate as a waiver of any subsequent breach or default.
- Each waiver must be in writing and signed by the Lender to be effective. Any failure by the Lender to exercise, or any delay by the Lender in exercising, any right or remedy under or in respect of this Loan Agreement or any other agreement with the Lender will not operate as a waiver of such right or remedy.
20. **ENGLISH** – It is the express wish of the parties that this Loan Agreement and any related documents be drawn up in English. Les parties aux présentes ont expressément demandé que ce contrat et tous les documents s'y rattachant soient rédigés en anglais.