

Canada Emergency Benefit Account Term Loan Agreement (the “Term Loan Agreement”)

Provided by Servus Credit Union Ltd. (the “Credit Union”) in accordance with the Canada Emergency Business Account (CEBA) Program on behalf of Export Development Canada and the Government of Canada.

This Term Loan Agreement applies to this credit facility only. If you are an existing CEBA recipient, this Agreement replaces any previous Term Loan Agreements for previously issued CEBA loans.

All other terms and conditions of previously issued Credit Facility Letters for existing facilities, if any, at Servus Credit Union remain unchanged.

“Borrower” or “You” or “Your” means the recipient of the term loan facility

New Credit Facility (the “Credit Facility”):

\$60,000 Term Loan

For existing CEBA recipients, any amounts previously funded, repaid or forgiven will be applied to the new Credit Facility.

Interest Rate: prior to December 31, 2022, the interest rate payable on the Credit Facility outstanding principal amount shall be 0% per annum, and commencing January 1, 2023 the interest payable on the Credit Facility outstanding principal amount shall be 5% per annum.

Interest shall be payable without demand and, unless otherwise specified herein, shall be calculated daily and payable monthly in arrears on the date specified by the Credit Union and will accrue daily. Overdue interest shall bear interest at the same rate as that used in calculating the interest overdue, while the same remains unpaid.

Repayment Terms:

No repayment is required until December 31, 2022.

Monthly payment of interest will commence on a 3 year term beginning on January 31, 2023 with full principal repayment to be made by December 31, 2025.

Repayment Incentive: As a repayment incentive, if \$40,000 is repaid and the Credit Facility is irrevocably cancelled on or prior to December 31, 2022, the remaining outstanding balance will be forgiven, assuming an Event of Default has not occurred.

If \$40,000 of the Credit Facility is not repaid by December 31, 2022, the repayment incentive will not apply.

Prepayment Privileges: Prepayment can be made at any time without penalty.

Availability: A one-time funding of \$60,000 (net of any previous funding, repayment and forgiveness, if any, for existing CEBA recipients) will be deposited into the Borrower’s business operating account.

Events of Default: The occurrence of any one of the following shall constitute an Event of Default, the happening of which shall entitle the Credit Union, in its sole discretion, to demand immediate payment of the credit facility and credits in full, together with outstanding accrued interest and any other costs outstanding:

1. Payment: Failure of the Borrower to pay any principal, interest or other amount due and owing at any time.
2. Breach of Term: Failure or refusal of the Borrower to observe or perform any term, covenant, condition or provision contained in this Term Loan Agreement or any documentation or security relating thereto.
3. Breach of Representation or Warranty: If any representation or warranty made by the Borrower in any document (including the Term Loan Agreement) is breached, false or misleading in any material respect or becomes at any

time false or misleading in any material respect.

4. **Insolvency:** The Borrower becomes insolvent or generally fails to pay its just debts as they become due or they apply for, consent to or acquiesce in the appointment of a trustee, receiver or other custodian for the Borrower or any property thereof or makes a general assignment for the benefit of creditors, or for a trustee, receiver or other custodian is appointed for the Borrower for a substantial part of the property of such Borrower, or any bankruptcy, reorganization, debt arrangement or other case or proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding, as commenced in respect of the Borrower or if they take any action to authorize or further any of the foregoing.
5. **Cessation of Business:** The Borrower ceases or threatens to cease to carry on all or substantially all of their business.
6. **Material Adverse Change:** There occurs, in the sole opinion of the Credit Union, acting reasonably:
 - a. An unacceptable, or unapproved change in ownership or control of the Borrower takes place, or
 - b. Without authorization, the Borrower disposes of all or substantially all of its key business assets or substantially all of its assets.
7. **Cross-Default:** If the Borrower is in default under any other agreement with the Credit Union or any third party for the granting of the loan or other financial assistance and such default remains unremedied after any cure period provided in any other such agreement.

Payment of Costs: The Borrower agrees to pay all expenses, fees and charges incurred by the Credit Union in relation to all loans and credits, enforcement or preservation of any or all of the Credit Union's rights and remedies, including but not limited to legal expenses, consultants, and the costs of any and all searches and registrations the Credit Union or its solicitor deems either necessary or desirable.

General Covenants: The Borrower covenants and agrees with the Credit Union, that for so long as any monies are due and payable to the Credit Union as follows:

1. **Timely Payment:** To pay all sums of money when due to the Credit Union.
2. **Performance of Obligations:** To perform all of the obligations and covenants under the Term Loan Agreement or under any security document.
3. **Notice of Default:** To provide the Credit Union with prompt written notice of any event that constitutes, or which, with notice, lapse of time, or both, would constitute an Event of Default under the Term Loan Agreement.
4. **Change of Ownership:** To give the Credit Union at least 30 days' prior written notice of any intended change in the ownership of its shares and not to consent to or facilitate a change in the ownership of its shares without prior written consent of the Credit Union.
5. **Merger:** Not, without the prior written consent of the Credit Union, to merge, amalgamate, or otherwise enter into any other form of business combination with any other entity.
6. **Personal Information:** The Borrower acknowledges that the Credit Union is required to verify and record information regarding the Borrower, their directors, authorized signing officers, shareholders and any persons in control of the Borrower and that they shall each promptly provide all such information including such other supporting documentation and other evidence as may be required by the Credit Union or any assignee or other entity participating in any credits with the Credit Union in order to comply with not only the Credit Union's internal

identification policies but all applicable laws regarding anti-money laundering and "anti-terrorist financing".

7. Inspection: To permit the Credit Union or its representatives, from time to time, to visit and inspect the Borrower's premises, properties and assets and examine and obtain copies of the Borrower's records or other information and to discuss or otherwise communicate about the Borrower's affairs with the auditors, accountants, counsel and other professional advisers of the Borrower from time to time as the Credit Union may deem necessary.

Collection, Use, Disclosure and Release of Information: For the purposes of making, administering, reporting, and collecting the Credit Facility, the following parties (collectively, the "Authorized Parties") will be reviewing and examining financial and other information and materials provided to or obtained by the Credit Union concerning the Credit Facility and the Borrower:

1. Export Development Canada
2. The Government of Canada
3. Respective third-party advisors of the Credit Union and parties listed in 1) and 2) above, such as lawyers, accountants, and consultants.
4. Credit verification sources.

Evidence of Advances: The Borrower agrees that the Credit Union's records evidencing an advance shall be complete and final proof, absent manifest error, that funds have been advanced under the loans set forth in the Term Loan Agreement and may, from time to time, be evidenced by other documentation.

Other Agreements: This Agreement applies only to the Credit Facility. This Agreement is in addition to, and not in substitution for, your Member Agreement or any existing Credit Facility Letters.

Joint and Several: Where more than one person is liable as a Borrower for the loan then the liability of each such person is joint and several with each other such person.

Laws of Alberta: This Term Loan Agreement shall be construed in accordance with and governed by the laws of the Province of Alberta.

Payments: Unless otherwise stated in writing, payments for the credit facility will be automatically transferred or debited from your operating account with the Credit Union.

Non-Waiver: No amendment or waiver of any provision of this agreement will be effective unless it is in writing signed by you and the Credit Union. No failure or delay, on the part of the Credit Union in exercising any right or power hereunder or otherwise shall operate as a waiver thereof.