



DISCLOSURE STATEMENT – CEBA LOAN AGREEMENT

Coast Capital Savings Federal Credit Union

800 – 9900 King George Blvd, Surrey, BC V3T 0K7

By clicking 'Submit' on your Canada Emergency Business Account Application you agree, for and on behalf of the Borrower identified in your Canada Emergency Business Account Application, that the Borrower is bound by the terms and conditions of this Agreement.

At the time you submit your Canada Emergency Business Account Application, the Loan is subject to approval by Coast Capital Savings and our receipt of funding for the Loan through the Canada Emergency Business Account Program.

Information Box

The following table summarizes some of the important terms and conditions of your Loan on the date of this Agreement.

Principal Amount	\$ 60,000.00
Annual Interest Rate	Initial Fixed Rate: 0.00 % per year Extension Period Fixed Rate: 5.00 % per year (effective starting January 1, 2023 if the balance of the Loan is not fully repaid by December 31, 2022). Interest is compounded monthly, not in advance, and charged monthly.
Term	Commencing on the Effective Date and ending on December 31, 2022 or, if extended in accordance with this Agreement, ending on December 31, 2025 (" Balance Due Date ").
Date of Advance	We will advance the Loan after we receive funding for the Loan through the Canada Emergency Business Account Program. You will receive written notice from Coast Capital Savings indicating that funds have been advanced.
Payments	Initial Period There is no prescribed minimum payment amount or payment schedule from the Date of Advance to December 31, 2022 (the " Initial Period "). You may make payments at the time of your discretion. If you repay 2/3 of the Principal Amount on or prior to the end of the Initial Period, the remaining 1/3 of the Principal Amount will be forgiven and your obligations under this Agreement will be discharged. Example: If you receive an advance for a total \$60,000 Principal Amount and you repay \$40,000 of the Principal Amount, on or before December 31, 2022, the remaining \$20,000 of the Principal Amount will be forgiven and your obligations under this

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	<p>Agreement will be discharged.</p> <p><u>Extension Period</u></p> <p>If you do not repay 2/3 of the Principal Amount on or before December 31, 2022, you will be deemed to have elected to extend the Loan and will be obligated to repay your remaining balance of the Principal Amount at the Extension Period Fixed Rate, from January 1, 2023 to December 31, 2025 (the “Extension Period”).</p> <p>You are obligated to make monthly minimum interest payments, on the outstanding Principal Amount, during the Extension Period at the Extension Period Fixed Rate. Your first minimum interest payment is due January 31, 2023. Your payment frequency is monthly.</p> <p>There is no prescribed minimum Principal Amount payment during the Extension Period. You may make Principal Amount payments at the time of your discretion. You must fully repay the Principal Amount plus any accrued interest on or before the Balance Due Date.</p> <p>Example:</p> <p>If you receive an advance for a total \$60,000 Principal Amount and you repay \$35,000 of the Principal Amount, by December 31, 2022, you will be obligated to repay the remaining \$25,000 plus any accrued interest at the Extension Period Fixed Rate on or before the end of the Extension Period.</p>
<p>Prepayment Privilege</p>	<p>You may prepay all or any part of your Loan at any time without paying us a prepayment charge.</p>
<p>Other Fees</p>	<p><u>Due On Date of Advance:</u></p> <p>Personal property or other registry fees \$0.00 Personal property or other registry search Fees \$0.00 Loan fees \$0.00 Legal fees – ILA (independent legal advice) \$0.00 Other \$0.00</p> <p><u>Due When Loan Is Paid In Full:</u></p> <p>Other \$0.00</p>

DETAILS OF THE LOAN (ALL IN CANADIAN DOLLARS)

The effective date of this Disclosure Statement will be the Date of Advance (the “Effective Date”).

EXTENSION PERIOD ANNUAL INTEREST RATE

The Loan will accrue interest from the start of the Extension Period at the annual interest rate set out below, compounded monthly not in advance, both before and after each of maturity, default, and judgment:

Extension Period Fixed Rate: 5.0% per year

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OPTIONAL SERVICES PAYABLE TO OR THROUGH COAST CAPITAL SAVINGS

Coast Capital Savings is not offering Creditor Life, Creditor Disability, or other insurance on this Loan. You are advised to inquire with third party insurance providers about insurance options on this Loan.

LOAN DISBURSEMENTS

The full Principal Amount will be advanced to your Coast Capital Savings business banking account.

DEFAULT CHARGES

If you default in making a payment when due or are otherwise in default under this Agreement, Coast Capital Savings may require you to pay court ordered costs incurred in collecting or attempting to collect the Loan, or part of it; reasonable charges in respect of costs, including legal expenses, incurred in realizing a security interest or protecting the subject matter of a security interest after default; and reasonable charges that reflect costs incurred by Coast Capital Savings because a cheque or other payment instrument was dishonoured.

***Estimates, Averages and Assumptions (est)**

We strive to ensure the accuracy of the information in this Disclosure Statement, but some disclosures depend on information that cannot be known to us at the time of this Agreement. Those disclosures, marked (est), are based on reasonable estimates or assumptions. The actual information may differ.

SECURITY

Not Applicable

Term Deposit with Coast Capital Savings in the amount of \$_____, under Account No.

General Collateral – All of the Borrower's present and after acquired personal property.

Specific Collateral – The Borrower's specifically identified property including all present and future attachments, accessories, accessions, replacements and additions, and all proceeds thereof.

CONFIDENTIAL INFORMATION

You agree that Coast Capital Savings may collect, use and disclose all of your personal and business information provided in respect of your Canada Emergency Business Account Application, along with other information previously provided to Coast Capital Savings by you, to verify your identity and eligibility for the Canada Emergency Business Account Program, to identify and prevent fraud, to comply with legal and regulatory requirements and otherwise processing and evaluating your Canada Emergency Business Account Application, and for purposes of administering and enforcing any obligation to repay the Loan. This includes your consent to collection of your credit information from Credit Reporting Agencies for purposes of managing and assessing our risks, enforcement of obligations to repay the Loan or any obligation owed to us by you. You acknowledge that any credit inquiry made with a Credit Reporting Agency will be recorded on an individual or business credit report and may impact the credit score.

You agree that Coast Capital Savings may from time to time disclose your personal and confidential business information to and as requested by the Government of Canada and its agents or auditors to comply with Coast Capital Savings' obligations under the Canada Emergency Business Account Program, including but not limited to information required to permit them to administer, monitor and assess risk of the Program as a whole, to assess whether you qualify for the Loan, relating to your use of funds advanced under the Loan to ensure it is permitted under the Program requirements, to prevent fraud in use of the Program, and other purposes required or permitted by law. You understand that information provided to these entities will not be under the control of Coast Capital Savings or held for Coast Capital Savings and will be subject to privacy laws and policies applicable to those entities in respect of your information.

You understand and agree that Coast Capital Savings will collect, use and disclose your information relating to this Agreement and your Canada Emergency Business Account Application retained in its control in accordance with its privacy policy.

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TELEPHONE NUMBER

For information about your account, during Coast Capital Savings' ordinary business hours, you may telephone (Toll free): 1-888-517-7000.

IF YOU HAVE A PROBLEM OR CONCERN

Tell us about your problem or concern in the way that is most convenient for you. You may contact a service representative by calling our Contact Centre (1-888-517-7000), by visiting any branch, or by using the e-mail form provided on our website.

If your concern remains unresolved, you may contact the manager at any branch.

If your concern still remains unresolved, you have additional options described in our statement on complaint handling procedures, which is available on our website, by calling our Contact Centre, or by visiting any branch.

If you have a complaint regarding a potential violation of a consumer protection law, a public commitment, or an industry code of conduct, you may contact the FCAC in writing at: 6th Floor, Enterprise Building, 427 Laurier Ave. West, Ottawa, Ontario K1R 1B9. The FCAC can also be contacted by telephone at 1-866-461-3222, or through its website at www.fcac-acfc.gc.ca; however, the FCAC does not become involved in matters of redress or compensation - all such requests must follow the process described above.

You have applied to us for this Loan. In consideration of our agreeing to grant this Loan and of the mutual agreements set out in this Agreement, you agree to comply with the terms and conditions set out above and in the balance of this Agreement.



TERMS AND CONDITIONS

DEFINITIONS

“Agreement” means this CEBA Loan Agreement and Disclosure Statement and any schedules attached to it, as amended or renewed from time to time, and includes any security document that we may require you to complete;

“Application Date” means the date on which you click ‘Submit’ on your Canada Emergency Business Account Application.

“Canada Emergency Business Account Application” means your application, including your Attestation, submitted to Coast Capital Savings for this Loan, under the Canada Emergency Business Account Program, via the Coast Capital Online Business Banking platform or the Coast Capital Savings public website, as applicable.

“Legal Requirements” means all laws, statutes, codes, ordinances, orders, awards, judgments, decrees, injunctions, rules, regulations, authorizations, consents, approvals, permits, franchises, licenses, directions, and requirements of any applicable governing authority having jurisdiction;

“Loan” means the loan made available to you by Coast Capital Savings pursuant to the terms and conditions in this Agreement;

“Outstanding Balance” means the principal, interest, administration or service fees and charges outstanding on the Loan from time to time;

“Security” means the security described in the Disclosure Statement under the heading “Security” which you have granted, mortgaged, assigned, hypothecated, and pledged to us;

“we”, “us”, and “Coast Capital Savings” means Coast Capital Savings Federal Credit Union; and

“you” and “your” means the Borrower bound by this Agreement.

1. Repayment – You will pay the whole amount of the Outstanding Balance on the Due Date.
2. Debiting Your Accounts – If you have an account with us, you authorize us to deduct the amount of the payment from your Coast Capital Savings business banking account or redeem any number of your shares in Coast Capital Savings or both. If you do not have an account with us or if you want your payments drawn from an account other than your Coast Capital Savings business banking account, payments must be made by pre-authorized debit. You must complete a pre-authorized debit agreement and attach a specimen cheque marked ‘VOID’ and provide us with any other documentation we require.
3. Legal Expenses – You will pay, to the extent not limited or restricted by applicable law, all costs, charges and expenses, including legal expenses, incurred by Coast Capital Savings in preparing, registering or enforcing this Agreement or the Security given to secure this Agreement.
4. Prepaying the Outstanding Balance – You have the right to pay the whole amount or any part of the Outstanding Balance at any time without notice, penalty or bonus to us.
5. Payments – Your payments shall be due and payable at the payment frequency set out in the Disclosure Statement under “Payments”. We will apply any amount that we receive from you in the following order: (a) any accumulated cost of borrowing and (b) the principal balance. Any administration or service fees and charges, if applicable, will become immediately due and payable without demand and will accrue interest at the applicable annual interest rate until paid in full.
6. Credits – If we owe you any amount on the Loan at any time, we will not pay you interest on that amount.
7. Interest Charges – You will pay us interest on the money you borrow only during the Extension Period at the applicable interest rate and in the manner set out in the Disclosure Statement under the heading “Annual Interest Rate”.

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8. Change in Annual Interest Rate(s) – We may change the annual interest rate from time to time.
9. Representations and Warranties – if a corporation, you represent and warrant, as at the Application Date, that:
- a. you have been duly incorporated and organized, properly constituted, are in good standing and are entitled to and have the corporate power and capacity to carry out all the transactions contemplated in this Agreement and to conduct your business in all jurisdictions in which you carry on business or have assets;
- You also represent and warrant, as at the Application Date, that:
- b. the Attestation made as part of your Canada Emergency Business Account Application (the “Attestation”), is true, accurate, and complete ;
 - c. the execution of this Agreement and the incurring of liability and indebtedness to us does not and will not contravene
 - i. any Legal Requirements applicable to you; or
 - ii. any provision contained in any other loan or credit agreement or borrowing instrument or contract to which you are a party;
 - d. this Agreement has been duly authorized and agreed to by you and constitutes valid and binding obligations of you and is enforceable in accordance with its terms; and
 - e. all financial and other information provided to us in connection with the Loan is true and accurate, and you acknowledge that the offer of credit contained in this Agreement is made in reliance on the truth and accuracy of this information and the representations and warranties in this Agreement.
10. Conditions of Credit – the following conditions will apply until the Loan is repaid in full and discharged:
- a. you will not, without our prior written consent, not to be unreasonably withheld:
 - i. grant or allow any mortgage, lien, charge or other encumbrance, whether fixed or floating, to be registered against or exist on any of your assets, including any part of the Security;
 - ii. become guarantor, indemnitor or endorser or otherwise become liable upon any note or other obligation other than in the normal course of business;
 - iii. amalgamate with, merge or permit all or substantially all of your assets to be acquired by any other person, firm, or corporation or permit any reorganization or change of control;
 - iv. transfer, assign, or otherwise deal with your interest in the Security except as may be permitted in this Agreement;
 - v. incur or create additional indebtedness, with the exception of normal indebtedness as may be incidental to your ordinary course of business; or
 - vi. use the proceeds of the Loan for the benefit or on behalf of any person or entity other than yourself.
 - b. You will:
 - i. ensure that the representations and warranties contained in this Agreement remain true and correct in all respects;
 - ii. pay, when due, all applicable taxes;
 - iii. pay, when due, all statutory workers’ compensation insurance premiums owed by you, and maintain your account as active and in good standing;
 - iv. permit us or our representatives, from time to time, to visit and inspect the Security, and your premises, properties and assets, and examine and obtain copies of your records or other information; and
 - v. upon request, provide to the Government of Canada, its agents, or its auditors all information and documents with respect to any matter relevant to this Loan.

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11. Events of Default – We will consider your Loan to be in default if:
- a. you do not make a payment as required under this Agreement;
 - b. an Event of Default occurs under the terms and conditions of any other loan from us including if you do not make a payment which is required under the terms and conditions of that loan;
 - c. you fail to observe any terms or conditions contained in this Agreement, including any security document, or under any other agreement you enter into with us or an affiliate of ours;
 - d. any representations or warranties in this Agreement, or in any other document provided by you, is at any time materially incorrect as of the date made;
 - e. you commit or threaten to commit any act of bankruptcy, become insolvent, make an assignment, you are made subject to a receiving order under the *Bankruptcy and Insolvency Act*, RSC 1985, c. B-3, or you make a general assignment in favour of your creditors, or sell substantially all your assets;
 - f. you revoke the consent, if you had provided us with the same, in the application for this Loan which allows us to obtain reports containing credits or personal information concerning you from a reporting agency; or
 - g. we consider the Outstanding Balance to be insecure for any reason, including that one or more of you dies.
12. Remedies – If this Agreement is in default, all principal, interest, charges and other amounts payable under this Agreement immediately become payable on demand. We may debit any of your accounts with us or redeem any number of your shares in Coast Capital Savings for the amount you owe us in accordance with Section 2 of this Agreement. Alternatively, we may sue you for what you owe and exercise any other rights we may have, including realizing on the Security. You will be responsible for all legal expenses in accordance with Section 3 of this Agreement. We may also forward the overdue balance to a debt collection agency and we may also report you to credit bureaus, which can adversely affect your credit history and/or rating.
13. Waiving a Default Under this Agreement – We may waive any default by you in the observance of any terms or conditions of this Agreement. However, no waiver by us will be considered to operate as a waiver of any other default.
14. Pledging Security – We may require you to grant, mortgage, assign, hypothecate, and pledge to us the Security to secure the Outstanding Balance. If we do, the Security will be described in the Disclosure Statement under the heading “Security”. You will sign any security document(s) we may require and you will comply with the provisions contained in any such document(s), which form an integral part of this Agreement.
15. Amending this Agreement – We may amend this Agreement at any time (including changing the annual interest rate(s) in accordance with Section 8 of this Agreement, or the administration or service fees and charges) by notifying you in writing. We will provide you advance notice of the change if required by law.
16. Statements of Account – If your annual interest rate is a Variable Rate, we will send you a statement of account once a year with information about your Loan, including information about the annual interest rate and the outstanding balance at the beginning and end of the statement period, as well as updated information about your scheduled payments at the end of the period. If a Statement of Account is returned to us because it cannot be delivered, no further statements will be sent to you until such time as you provide us with a current mailing address.
17. Change in Financial Circumstances – You will notify us of any material change in your financial circumstances from those you set out in your Canada Emergency Business Account Application.
18. Sending Notice – You may send notice to us by mailing the notice to the address shown on the front of this Agreement or at such other address (including email address) as we may advise to you by personally delivering the notice. We may send notice by mailing the notice to the Business Address populated on your Canada Emergency Business Account Application, emailing the notice to the email address populated on your Canada Emergency Business Account Application, or at such other address as you may advise to us by personally delivering the notice. Unless otherwise required by law, any notice mailed by Coast Capital Savings will be deemed to have been received by you five (5) business days after the date of mailing, or

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when the notice enters your designated information system (such as email) in the case of an electronic method, or when delivered in the case of a communication provided to you in person.

19. No Obligation to Advance – You acknowledge and agree that, notwithstanding any other term in this Agreement, we may decide not to advance any part of this Loan for any reason including funds not being advanced to us under the Canada Emergency Business Account Program.
20. Joint and Several Obligations – If this Agreement is entered into by more than one Borrower or co-Borrower, each of you agrees that: (i) each reference to “you” or “your” in this Agreement refers to each of you; (ii) each of you is liable under this Agreement on a joint and several basis; (iii) each of you is obligated under this Agreement as principal, and not as guarantor; (iv) any one of you may act for all of you under this Agreement and any such actions by any one of you shall be binding on all of you; (v) we will be fully discharged in respect of any of our obligations under this Agreement upon performance of that obligation in favour of any of you; (vi) each representation, warranty, covenant and undertaking made by you is made by each of you on a joint and several basis; (vii) the occurrence of a default under this Agreement by or with respect to you or any one of you shall be deemed to be a default under this Agreement by all of you; and (viii) a separate action or actions may be brought and prosecuted against any of you whether an action is brought against one or more or all of you or whether any other party is joined in any such action or actions. Each of you waives any right to require us to proceed against any other party or pursue any other remedy in our power.
21. This Agreement is Not Assignable by You – You will not assign this Agreement.
22. This Agreement is Assignable by Coast Capital Savings – We may assign this Agreement together with any other documents in connection therewith to any third party at any time.
23. Conflict – If there is a conflict between this Agreement and the provisions of any other agreement or any other document related to the Loan, the provisions of this Agreement shall prevail but only to the extent of the conflict. We may as a condition of funding the Loan, require you to enter into a physical version of this Agreement, signed by you. If you are required by us to sign a physical version of this Agreement and the Attestation, the signed version will supersede this Agreement.
24. General – This Agreement contains the entire agreement between you and us and shall be binding upon and enure to the benefit of the parties and their respective heirs, executors, administrators, successors and assigns. Time will be of the essence of this Agreement. The headings in this Agreement are for convenience only and shall not affect the construction or interpretation of this Agreement. References in this Agreement to (a) “legal expenses” means “legal fees and disbursements on a solicitor and own client basis” and (b) “including” or “includes” means “including without limitation” or “includes without limitation”.
25. Receiving a Copy of this Agreement – You acknowledge that you have received and read a complete copy of this Agreement and that you understand all the terms and conditions of this Agreement.
26. Counterparts – This Agreement may be signed in any number of counterparts, and may be signed by facsimile or other means of electronic communication producing a printed copy, each of which when signed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. Without limiting the foregoing, clicking ‘Submit’ on your Canada Emergency Business Account Application is deemed a signature under this Agreement, binding you to the terms and conditions herein.
27. Applicable Law – This Agreement shall be interpreted in accordance with and governed by the laws of the province or territory where you reside and the applicable federal laws of Canada.