



## Casera Credit Union

### TERM LOAN AGREEMENT & ATTESTATION

#### FOR CANADA EMERGENCY BUSINESS ACCOUNT (CEBA) LOAN

##### Instructions:

- Please complete ALL of the fillable fields on the Term Loan Agreement & Attestation. Incomplete documents may be rejected.
- Authorized signor must review, date and sign ALL documents where indicated.

#### **FORMS BEING SUBMITTED USING ELECTRONIC SIGNATURES**

If submitting the forms using an electronic signature, print this sheet and include it with your document package. Scanned documents with your original signature do not apply.

“The member agrees that the electronic signatures appearing on this document are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility.”

**By clicking the checkbox, I acknowledge that I have read the Loan Agreement and Privacy Agreement and agree to the terms of each agreement. Clicking this checkbox has the same legal effect as a handwritten signature.**

#### **CEBA LOAN FUNDING**

The funds will be deposited directly into your business account once you are approved for the loan by the EDC.

The Term Loan Agreement and Privacy Policy noted below will govern the loan.

##### Options to submit the application:

1. Place the completed and signed documents in a sealed envelope and drop the envelope in the night deposit box at any of our 3 locations. The branch staff can also accept applications in person in the branch. Be sure to clearly mark the branch in which your business account is held.
2. Scan and e-mail all the completed documents to our central CEBA mailbox at: [ceba@caseracu.ca](mailto:ceba@caseracu.ca)

[Casera Credit Union Limited Privacy Policy](#)



## CANADA EMERGENCY BUSINESS ACCOUNT

## Term Loan Agreement and Attestation

<b>Borrower</b>	
<b>Member Number</b>	
<b>Email address</b>	
<b>Loan Amount</b>	
<b>Interest Rate</b>	0% per annum during Initial Term, 5% per annum during Extended Term
<b>First Interest Payment Date</b>	January 31, 2023
<b>Initial Term Maturity Date</b>	December 31, 2022
<b>Extended Term Date</b>	December 31, 2025
<b>Frequency of Interest Payments</b>	Monthly

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:

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

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

"**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 in addition to any previous CEBA loan agreements 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.

## 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 \$40,000 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.

**Evidence of Indebtedness.** The Loan Obligations resulting from Canadian Emergency Business Account Program (CEBA), advances made by the Lenders shall be evidenced by records maintained by the Credit Union concerning those Advances it has made, into the account of the Borrower. The Credit Union shall also maintain and provide records of the Loan Obligations resulting from CEBA Advances it has issued. The records maintained by the Credit Union shall constitute prima facie evidence of the Loan Obligations and all details relating thereto. After a request by the Borrower, or the Lender to whom the request is made will promptly advise the Borrower of the entries in such records. The failure of the Credit Union or any Lender to correctly record any such amount or date shall not, however, adversely affect the obligation of the Borrower to pay any Loan Obligations in accordance with this Agreement. The Credit Union shall, upon the reasonable request of the Borrower, provide any information contained in its records of Advances to the Borrower or Repayment of debt by the Borrower, and each Lender and the Borrower shall cooperate in providing all information reasonably required to keep all accounts accurate and up-to-date.

**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 member 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 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 Of Manitoba. 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 Bank 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 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.

**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 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.

## CANADA EMERGENCY BUSINESS ACCOUNT

## Form of Qualifying Borrower Attestation



## ATTESTATION OF THE BORROWER

**TO:** Casera Credit Union (the "Lender")

**AND TO:** Government of Canada, Export Development Canada and their respective agents and/or consultants (collectively, the "GOC")

The undersigned hereby certifies to, and agrees with, the Lender and the GOC for and on behalf of the Borrower that:

1. I have the ability and authority to bind the Borrower.
2. The Borrower is an active operating business that is a sole proprietorship, partnership or a Canadian-controlled private corporation ("CCPC") that was in operation in Canada on March 1, 2020. The Borrower has submitted an Attestation of the Borrower ("**Existing Attestation**") to the Lender, or to the Lender and the GOC, under the *Canada Emergency Business Account Program* (the "**Program**") and has received a loan under the Program. The Existing Attestation continues in full force and effect and is hereby ratified and confirmed. The certifications, representations, consents and agreements of the Borrower made in the Existing Attestation shall be deemed to be repeated as of the date of this Attestation in favour of the Lender and the GOC. The Borrower's legal name on record with the Canada Revenue Agency ("CRA") is \_\_\_\_\_ and its business, operating, or trade name (if different from its legal name) is \_\_\_\_\_. Please note that a sole proprietor's legal name is the individual's legal name as it is recorded in the CRA's Business Number (BN) registry. A CCPC's legal name must be written as it appears in its (federal or provincial) corporate registry. A partnership's legal name is the partnership's legal name as it is recorded in the CRA's Business Number (BN) registry.
3. The Borrower has an active CRA Business Number (BN) with an effective date of registration on or prior to March 1, 2020. The Borrower's BN is \_\_\_\_\_. (Use the same BN as on the original CEBA Loan Agreement / Attestation).
4. The eligibility information of the Borrower provided in Section 4 of the Existing Attestation and subsequent Sections (the "**Eligibility Information**") was true and accurate and continues to be true and accurate (and the Borrower understands that the GOC will continue to verify the accuracy of such Eligibility Information in respect of past or future loan(s) requested under the Program).
5. The Borrower can and shall demonstrate the Eligibility Information by presenting applicable records if and when requested upon audit by the GOC, and the Borrower shall cooperate with the GOC in conducting such audits including, without limitation, requesting or instructing third parties to provide information as may be necessary.
6. The Borrower consents to the Lender providing to the GOC the data elements necessary to evidence electronic confirmation by the Borrower of the Existing Attestation and this Attestation.
7. Per the requirements of the Program, as set out by the Government of Canada, the undersigned acknowledges that the funds from the loan(s) under the Program shall only be used by the Borrower to pay (i) Eligible Non-Deferrable Expenses (as defined below) of the Borrower, or (ii) other expenses of the type described in clauses (i) – (x) of the definition of Eligible Non-Deferrable Expenses of the Borrower incurred or to be incurred in 2021.

**“Eligible Non-Deferrable Expenses”** means the following expenses (and only the following expenses) incurred or to be incurred in 2020 provided that they are not deferrable after 2020:

- (i) wages and other employment expenses to independent (arm’s length) third parties;
- (ii) rent or lease payments for real estate used for business purposes;
- (iii) rent or lease payments for capital equipment used for business purposes;
- (iv) payments incurred for insurance related costs;
- (v) payments incurred for property taxes;
- (vi) payments incurred for business purposes for telephone and utilities in the form of gas, oil, electricity, water and internet;
- (vii) payments for regularly scheduled debt service;
- (viii) payments incurred under agreements with independent contractors and fees required in order to maintain licenses, authorizations or permissions necessary to conduct business by the Borrower;
- (ix) payments incurred for materials consumed to produce a product ordinarily offered for sale by the Borrower; and
- (x) any other expense in a category other than the above as may be indicated by GOC under the Web Page from time to time as being an Eligible Non-Deferrable Expense for the purpose of the Program.

For greater certainty, the following expenses are not Eligible Non-Deferrable Expenses and the Borrower cannot use the funds received under the Program to pay such expenses: any other payments or expenses such as prepayment/refinancing of existing indebtedness, payments of dividends, distributions, increases in management compensation and increases of the compensation of related parties, in each case except to the extent that such expense falls under clause (x) above.

8. The Borrower has an active business chequing/operating account with the Lender. The Borrower is not in arrears on its existing loan(s) under the Program and has not breached the terms of, and is not in default under, such loan(s), and the Borrower was not in arrears on its existing business borrowing facilities, if applicable, with the Lender by 90 days or more as at October 31, 2020.
9. The Borrower has received a loan under the Program. The Borrower has otherwise not previously used the Program and has not used the *COVID Indigenous SMEs Initiative* or the *Regional Relief and Recovery Fund* and will not apply for support under the Program at any other financial institution or for support under the *COVID Indigenous SMEs Initiative* or the *Regional Relief and Recovery Fund*.

The Borrower certifies:

- (i) that its business is facing ongoing financial hardship (including, for example, a continued decline in revenue or cash reserves, or an increase in operating costs) as a result of the COVID-19 pandemic;
  - (ii) that it intends to continue to operate its business or to resume operations;
  - (iii) that in response to the COVID-19 pandemic it has made all reasonable efforts to reduce its costs and to otherwise adapt its business to improve its viability; and
  - (iv) that it has not used any loan received under the Program to make any payment or pay any expense other than Eligible Non-Deferrable Expenses. Specifically, the Borrower has not used any loan received under the Program to make any prepayment/refinancing of existing indebtedness, any payment of dividends, distributions or increases in management compensation or to increase the compensation of related parties.
10. The Borrower understands that (a) any attempt to have more than a total maximum loan amount of Cdn\$60,000 under the Program or any attempt to obtain a loan under the Program from more than one financial institution may result in default under the loan(s) under the Program, prosecution or other enforcement measures available at law or otherwise, and (b) receiving support under the *COVID Indigenous SMEs Initiative* or under the *Regional Relief and Recovery Fund* disqualifies the Borrower under the Program

and may result in default under the loan(s) under the Program, prosecution or other enforcement measures available at law or otherwise.

11. The Borrower agrees to participate in post-funding surveys conducted by GOC and agrees that relevant contact information of the Borrower can be shared with the GOC for that purpose.
12. The Borrower acknowledges and agrees that clerical errors in the Existing Attestation or this Attestation may be corrected by the GOC on the basis of validation of information obtained from the CRA, the Borrower, the Lender or other sources of information that the GOC determines to be reliable, acting reasonably. Any information provided to the Lender or the GOC by the Borrower verbally or in writing at any time is true and correct as if provided under this Attestation.
13. Per the requirements of the Program, as set out by the Government of Canada, the Borrower confirms that:
  - a) it is not a government organization or body, or an entity wholly owned by a government organization or body;
  - b) it is not a non-profit organization, registered charity, union, or a fraternal benefit society or order, or an entity owned by such an organization, unless the entity is actively carrying on a business in Canada (including a related business in the case of a registered charity) that earns revenue from the regular supply of property/goods or services;
  - c) it is not an entity owned by any Federal Member of the Parliament of Canada or Senator of the Parliament of Canada; and
  - d) it does not promote violence, incite hatred or discriminate on the basis of sex, gender identity or expression, sexual orientation, colour, race, ethnic or national origin, religion, age or mental or physical disability, contrary to applicable laws.
14. The Borrower acknowledges that the Lender, and the GOC, will rely upon the accuracy of the Existing Attestation and this Attestation and associated documentation in making loans and advances to the Borrower pursuant to the Program and acknowledges and agrees that an audit or investigation may be conducted by the Lender or by the GOC to ascertain the veracity of the Existing Attestation or this Attestation and such information and documentation and the eligibility of the Borrower under the Program. The Borrower also consents to the sharing between the Lender and the GOC of information relating to the outcome of any such audit or investigation, and any related information and documentation.
15. The Borrower acknowledges that any breach of or inaccuracy in any statement or information provided to the Lender or the GOC including under the Existing Attestation or herein or in any associated documentation shall result in the Borrower's ineligibility under the Program, trigger an immediate obligation to repay to the Lender any loan(s) made to the Borrower under the Program, and could result in the criminal prosecution of the individual making the Existing Attestation or this Attestation, the Borrower, and other individuals involved in the provision of inaccurate information on behalf of the Borrower. **Knowingly submitting inaccurate information or documentation as part of the Existing Attestation or this Attestation could result in criminal penalties of up to 14 years' imprisonment, as well as significant fines, and the court-ordered repayment of any monies advanced.**
16. The Borrower understands and agrees that all information (including, for greater certainty, any personal information or taxpayer information as defined under s. 241 of the *Income Tax Act*) obtained or maintained by the Lender or the GOC in connection with the Program, including the information included in the Existing Attestation and this Attestation, obtained from the CRA and other documentation, can be shared between the Lender and the GOC including for the purposes of administering, monitoring and auditing the Program and/or for research and statistical purposes relating to the Program. The Borrower hereby consents to the Lender and the GOC collecting and using such information for these purposes and sharing same with each other.
17. For the purposes of verifying the Borrower's eligibility for this Program, the Borrower hereby authorizes the CRA to share its business income and expenses, business number, legal name and address in respect of the 2018 and/or 2019 and/or 2020 tax years with the GOC and the Lender, and further authorizes Export



Development Canada and its agents to act as the Borrower's representative with the CRA in order to share such required information in respect of the Borrower.

18. The Borrower consents to the GOC publicly releasing its name by way of posting on a government website and/or tabling in a Parliamentary report or publication, as may be required for the Government of Canada to satisfy public accountability requirements.
19. The Borrower acknowledges and agrees that neither the GOC nor the Lender shall be liable for any damages arising from the use by others of information or other materials obtained through electronic, telecommunications or other information transmission systems (including the Web Page) except to the extent such information or other materials have been obtained by others as a result of the actions of the GOC or the Lender, respectively, which would constitute the wilful misconduct or gross negligence of the GOC or the Lender.

Current list of GOC COVID Response Programs: *Canada Emergency Wage Subsidy, 10% Temporary Wage Subsidy, Canada Emergency Commercial Rent Assistance, Regional Relief and Recovery Fund, Futurpreneur Canada, Northern Business Relief Fund, Fish Harvester Grant, relief measures for Indigenous businesses, \$250 million COVID-19 IRAP (Industrial Research Assistance Program) Subsidy Program and Canada Emergency Rent Subsidy.*

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**Borrower's Signature(s)**

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**Date**

Members acknowledge that by returning this information to the Credit Union, they agree to the terms contained herein. Where a return of the signed agreement to the Credit Union is not possible, an emailed copy returned to the Credit Union from the Borrower's personal email account, with the words "I agree to the terms of the attached agreement" in the body of the email, shall constitute valid acceptance of the Agreement by the Borrower.