

**LOAN AGREEMENT**

**THIS AGREEMENT** is made effective as of October 21, 2022.

BETWEEN: **HIS MAJESTY THE KING IN RIGHT OF ONTARIO AS REPRESENTED BY THE MINISTER OF COLLEGES AND UNIVERSITIES (“Lender”)**

AND: **LAURENTIAN UNIVERSITY OF SUDBURY**, a university established pursuant to *The Laurentian University of Sudbury Act, 1960* (“**Borrower**”)

WHEREAS:

- (i) The Borrower, which operates as a bilingual and tricultural university in Sudbury, Ontario, commenced proceedings under the *Companies’ Creditors Arrangement Act* (the “**CCAA**”) on February 1, 2021 in the Ontario Superior Court of Justice (Commercial List) (the “**Court**”);
- (ii) On January 28, 2022, the Lender (in such capacity, the “**DIP Lender**”) advanced super-priority debtor-in-possession financing to the Borrower in the principal amount of \$35,000,000 (the “**DIP Facility**”) pursuant to a DIP Loan Agreement dated as of January 19, 2022 between the DIP Lender and the Borrower (the “**DIP Loan Agreement**”) to enable the Borrower to continue its restructuring efforts in the CCAA proceedings;
- (iii) On October 5, 2022, the Court granted an Order (the “**CCAA Plan Sanction Order**”) approving the Borrower’s Amended Plan of Compromise and Arrangement dated September 9, 2022, as amended (the “**CCAA Plan**”);
- (iv) On November 1, 2022, the Borrower will seek an Order of the Court (the “**Exit Financing Order**”) authorizing the Borrower to enter into this Agreement and granting related relief;
- (v) The Borrower has requested a loan from the Lender in the principal amount of \$35,000,000 to refinance the DIP Facility on implementation of the CCAA Plan;
- (vi) The Borrower is authorized to borrow money from the Lender by way of loan; and
- (vii) The Borrower has agreed to enter into this Agreement to evidence its indebtedness and provide for the repayment of the loan to the Lender on the terms and conditions set forth herein.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the mutual covenants and agreements contained in it and subject to the terms and conditions set out in it, the parties agree as follows:

1.0 INTERPRETATION

1.1 In this Agreement, unless the context or the subject matter otherwise requires:

“Advance” means a single advance of the Facility Principal Amount to be made available to the Borrower under the Facility;

“Agreement” means this loan agreement, as it may be amended or extended from time to time by the parties in writing, including all schedules hereto, the Security Documentation, and any document which the parties may at a future time mutually designate as a schedule to this Agreement, by so marking such document in writing as a schedule hereto and part hereof;

“Amortization Schedule” means Schedule “A” to this Agreement setting out the quantum and timing of payments of interest and principal to be paid by the Borrower to the Lender;

“Annual Meeting” means the annual meeting that will occur between the Borrower and the Lender on a date that is not more than 14 days after the Borrower publicly releases its audited annual financial statements, for the purpose of discussing the Borrower’s operations, financial health and transformation progress; the Borrower’s audited financial statements; the Public Reporting Information to be reported by the Borrower; the Borrower’s proposed updates to the Financial Forecast; and whether an amendment to any terms of this Agreement is appropriate in view of the operations and financial health of the Borrower and the implementation of the Agreement to that date;

“Appropriated Funds” has the meaning set out in subsection 14.1 of this Agreement;

“Appropriator” has the meaning set out in subsection 14.1 of this Agreement;

“Business Day” means any working day, Monday to Friday inclusive, but excluding statutory and other holidays, namely New Year’s Day, Family Day, Good Friday, Easter Monday, Victoria Day, Canada Day, Civic Holiday, Labour Day, Thanksgiving Day, Remembrance Day, Christmas Day, Boxing Day, and any other day which the Lender has elected to be closed for business;

“CCAA” has the meaning set out in the recitals to this Agreement;

“CCAA Plan” has the meaning set out in the recitals to this Agreement;

“CCAA Plan Implementation Date” means the date on which the CCAA Plan is implemented in accordance with its terms;

“CCAA Plan Sanction Order” has the meaning set out in the recitals to this Agreement;

“Collateral” means all the presently held and future acquired undertaking, property and assets, real and personal, of the Borrower;

“Contaminant” means any pollutant, dangerous, toxic or hazardous substance or waste of any description whatsoever, hazardous materials or contaminants regulated pursuant to any Environmental Law;

“Cost of Funds Adjustment” has the meaning set out in subsection 5.1 of this Agreement;

“Court” has the meaning set out in the recitals to this Agreement;

“Debt Service Coverage Ratio” means the ratio determined by the formula  $(A-B)/C$ , where “A” is the Borrower’s EBITDA for a particular fiscal year, “B” is the amortization of deferred capital contributions for such fiscal year, as determined from its audited financial statements, and “C” is the sum of all scheduled principal, interest and capital lease payments of the Borrower for such fiscal year as determined from its audited financial statements;

“Designated Real Estate Assets” has the meaning given to such term in the CCAA Plan;

“DIP Facility” has the meaning set out in the recitals to this Agreement;

“DIP Lender” has the meaning set out in the recitals to this Agreement;

“DIP Loan Agreement” has the meaning set out in the recitals to this Agreement;

“Distribution Pool” has the meaning given to such term in the CCAA Plan;

“Dollars” or “\$” means Canadian dollars;

“EBITDA” means, in respect of a particular fiscal year, the Borrower’s net income or loss as shown on its audited financial statements (excluding all extraordinary, unusual and all other non-recurring gains or losses including, by way of example, costs relating to third party consultants or IT expenses incurred as part of the Transformation Plan), plus to the extent the following amounts were deducted in calculating net income or loss for such fiscal year, without duplication: (a) interest expenses, and (b) depreciation and amortization expenses;

“Effective Date” means the date first written above;

“Environmental Law” means all applicable laws relating to the environment, occupational health and safety, health protection or any activity, event or circumstances in respect of a Contaminant including without limitation, its storage, use, holding, collection, purchase, accumulation, assessment, generation, manufacture, construction, processing, treatment, stabilization, disposition, handling or transportation or its release into the natural environment including movement through or in the air, soil, surface water or groundwater;

“Event of Default” has the meaning set out in subsection 12.1 of this Agreement;

“Exit Financing Order” has the meaning set out in the recitals to this Agreement;

“Expendable Net Assets” means, as at a particular fiscal year end as determined from the Borrower’s audited financial statements, the value of the Borrower’s net assets that are available to support the Borrower’s University Operations and not subject to any internal or external restrictions on use and which do not constitute “restricted assets” pursuant to generally accepted accounting principles;

“Facility” has the meaning set out in subsection 2.1 of this Agreement;

“Facility Advance Date” means the date on which the Facility Principal Amount is advanced by the Lender to the Borrower pursuant to subsection 3.1 of this Agreement,

following the date on which the conditions precedent set out in subsection 8.1 of this Agreement have been satisfied or waived in the Lender's sole discretion;

"Facility Principal Amount" means \$35,000,000.00 (Thirty Five Million Dollars);

"Facility Repayment Date" means April 30, 2038 unless otherwise agreed to in writing by the Lender;

"Financial Covenant Report" means a report, prepared by the Borrower and certified by the Borrower's President, containing a detailed calculation of each Financial Covenant for the applicable fiscal year end of the Borrower;

"Financial Covenants" has the meaning set out in paragraph 10.1(j) of this Agreement;

"Financial Forecast" means a rolling financial forecast of the Borrower, approved by the Borrower's Board of Governors and certified by the Borrower's President, for the five (5) year period following the fiscal year end of the Borrower for which the Financial Forecast is delivered, which Financial Forecast shall be updated annually in accordance with this Agreement and shall include a detailed summary of (a) acquisitions, investments and capital expenditures, and (b) the manner in which the Borrower intends to use the operating and other surpluses identified in the Financial Forecast;

"Financial Usage Plan" has the meaning set out in paragraph 10.1(s) of this Agreement;

"Governance and Senior Management Renewal Assessment" has the meaning set out in paragraph 10.1(q) of this Agreement;

"Initial Reporting Period" means the period commencing on the CCAA Plan Implementation Date and ending on and including the Borrower's sixth fiscal year end following the CCAA Plan Implementation Date;

"Interest Burden Ratio" means the ratio determined by the formula  $A/(B - C)$ , where "A" is the Borrower's total interest expense for a particular fiscal year as determined from its audited financial statements, "B" is Total Expenses, and "C" is the Borrower's total non-cash amortization and depreciation expense for a particular fiscal year as determined from its audited financial statements;

"Interest Rate" has the meaning set out in subsection 5.1 of this Agreement;

"In-Year Excess (Deficiency) of Revenue Over Expenses" means the quantum determined by the formula  $(A - B)$ , where "A" is Total Revenues and "B" is Total Expenses;

"Intercept" has the meaning set out in subsection 14.1 of this Agreement;

"Lien" means any encumbrance of whatever kind or nature whatsoever, assignment, hypothec, mortgage, lien, pledge, security, interest (including any leasehold or subleasehold interest), charge, trust (including any actual, deemed, constructive or equitable trust arising pursuant to common law, statute or otherwise), easement, right of way, right or option to lease or purchase, title retention agreement or other agreement or arrangement to secure the performance of any obligation;

"Material Adverse Change" means any change or event which (i) materially impairs the ability of the Borrower to timely and fully perform its obligations under this Agreement, or

(ii) could materially impair the ability of the Lender to enforce its rights and remedies under this Agreement; or (iii) has a material adverse effect on the operations, properties, assets, liabilities or financial condition of the Borrower;

“Net Income Ratio” means the ratio determined by the formula  $(A - B)/A$ , where “A” is Total Revenues and “B” is Total Expenses;

“Net Operating Revenue Ratio” means the quantum determined by the formula  $(A / B)$ , where “A” is the Borrower’s cash flow from operating activities (from its statement of cashflows) for a particular fiscal year as determined from its audited financial statements, and “B” is Total Revenues;

“Obligations” means all indebtedness, liabilities and other obligations (including all principal, interest, fees and reimbursement and indemnity obligations) owed to the Lender under this Agreement, the Security Documentation and any other document delivered in connection with this Agreement whether actual or contingent, direct or indirect, matured or not, now existing or hereafter arising;

“PAD Agreement” has the meaning set out in subsection 4.2 of this Agreement;

“Pension Benefits Act” means collectively the *Pension Benefits Act*, R.S.O. 1990, c. P.8 and the regulations made thereunder;

“Pension Plan” means The Retirement Plan of Laurentian University of Sudbury, Registration No. 0267013, administered under the Pension Benefits Act;

“Permitted Liens” means:

- (a) Liens for taxes and assessments not at the time overdue or any Liens securing workers’ compensation assessments, employment insurance or other social security obligations not at the time overdue;
- (b) any Liens or rights of distress reserved in or exercisable under any lease for rent and for compliance with the terms of such lease;
- (c) any obligations or duties, affecting the property of the Borrower, to any municipality or governmental, statutory or public authority, with respect to any franchise, grant, license or permit and any defects in title to structures or other facilities arising solely from the fact that such structures or facilities are constructed or installed on lands held by the Borrower under government permits, leases or other grants, which obligations, duties and defects in the aggregate do not materially impair the use of such property, structures or facilities for the purpose for which they are held by the Borrower;
- (d) any deposits or Liens in connection with building contracts, bids or tenders, expropriation proceedings, surety or appeal bonds, costs of litigation when required by law, and public and statutory obligations, Liens or claims incidental to current construction, builders’, mechanics’, labourers’, materialmen’s, warehousemen’s, carriers’ and other similar Liens;
- (e) the right reserved to or vested in any municipality or governmental or other public authority by any statutory provision or by the terms of any lease, license, franchise, grant or permit, that affects any lands, to terminate any such lease, license,

franchise, grant or permit or to require annual or their periodic payments as a condition to the continuance thereof;

- (f) any undetermined or inchoate Liens and charges incidental to the current operations of the Borrower that have not at the time been filed against the Borrower; provided, however, that if any such Lien or charge shall have been filed, the Borrower shall be prosecuting an appeal or proceedings for review with respect to which it shall have secured a stay in the enforcement of any such Lien or charge;
- (g) any Lien the validity of which is being contested at the time by the Borrower in good faith and the enforcement of which has been stayed;
- (h) any easements, rights-of-way and servitudes that in the opinion of the Lender will not in the aggregate materially and adversely impair the use or value of the land for the purpose for which it is held or occupied by the Borrower;
- (i) any Liens and privileges arising out of judgments or awards with respect to which the Borrower shall be prosecuting an appeal or proceedings for review and with respect to which it shall have secured a stay of execution pending such appeal or proceedings for review;
- (j) any other Liens of a nature similar to the foregoing which do not in the opinion of the Lender materially impair the use of the property subject thereto or the operation of the business of the Borrower or the value of such property for the purpose of any such business; and
- (k) any other Lien registered on title to the Borrower's real property as of the Facility Advance Date and disclosed in the Security Documentation;

"Plan Default" has the meaning given to such term in the CCAA Plan;

"Primary Reserve Ratio" means the quantum determined by the formula  $(A/B) \times 365$ , where "A" is Expendable Net Assets, and "B" is Total Expenses;

"Public Reporting Information" has the meaning set out in paragraph 10.1(h) of this Agreement;

"Secured Claims" has the meaning given to such term in the CCAA Plan;

"Security Documentation" has the meaning set out in section 7.1 of this Agreement;

"Strategic Plan" has the meaning given to such term in the CCAA Plan;

"Strategic Plan Consultant" has the meaning set out in paragraph 10.1(t) of this Agreement;

"Total Expenses" means the Borrower's total expenses for a particular fiscal year as reported in its audited financial statements;

"Total Revenues" means the Borrower's total revenues for a particular fiscal year as reported in its audited financial statements;

"Transformation Plan" has the meaning set out in paragraph 10.1(t) of this Agreement;

“University Operations” means the ordinary day-to-day operations of the Borrower, including the delivery of post-secondary education to students, ongoing research activities and other related and ancillary activities of the Borrower;

“Unpaid Amounts” has the meaning set out in subsection 14.1 of this Agreement; and

“Viability Ratio” means the ratio determined by the formula  $(A/B)$ , where “A” is Expendable Net Assets, and (B) is the Borrower’s total long term debt (excluding any current portion) as at a particular fiscal year end as determined from its audited financial statements.

1.2 The following schedules shall be incorporated in and form part of this Agreement:

Schedule “A” – Amortization Schedule

Schedule “B” – Form of PAD Agreement

1.3 Except as otherwise specifically provided in this Agreement, where any payment is required to be made or any other action is required to be taken on a day that is not a Business Day, then such payment shall be made or action shall be taken on the first Business Day following such day and such extension of time shall be included in the computation of interest.

1.4 The use of the term “Permitted Liens” to describe any interests and Liens permitted hereunder shall mean that they are permitted to exist (whether in priority to or subsequent in priority to the Liens granted in favour of the Lender, as determined by applicable law), and shall not be interpreted as meaning that such Permitted Liens are entitled to priority over the Liens granted in favour of the Lender, save and except if such priority is established pursuant to contract with the Lender, or by operation of applicable law.

## 2.0 THE FACILITY

2.1 The Lender agrees to establish for the Borrower and the Borrower agrees, subject to Court approval in entering into this Agreement, to borrow from the Lender, in accordance with the terms and conditions set forth in this Agreement a single-draw, non-revolving term loan facility in the Facility Principal Amount (the “**Facility**”).

## 3.0 ADVANCE

3.1 The Lender will advance the Facility Principal Amount to the Borrower on the CCAA Plan Implementation Date, subject to the conditions precedent set out in subsection 8.1 of this Agreement being satisfied or waived in the Lender’s sole discretion.

3.2 The Advance shall be used by the Borrower solely to repay the outstanding principal obligations under the DIP Loan Agreement. The Borrower hereby irrevocably authorizes and directs the Lender to apply the Advance in full and final satisfaction of the outstanding

obligations (including all principal, interest, fees, costs and expenses) owing by the Borrower to the DIP Lender under the DIP Loan Agreement.

#### 4.0 EVIDENCE OF INDEBTEDNESS, ETC.

4.1 The Borrower authorizes the Lender to open and maintain records evidencing the Borrower's obligations under this Agreement and to record therein the Advance, interest rates, accrued interest, payments of principal and interest and the aggregate principal and accrued interest outstanding from time to time under this Agreement. The Borrower agrees that the records kept by the Lender shall, in the absence of manifest error, be prima facie evidence of the indebtedness of the Borrower and the matters recorded provided that the failure of the Lender to record or correctly record any amount or date shall not affect the obligation of the Borrower to repay the aggregate principal amounts and accrued interest thereon owing under this Agreement.

4.2 Except as otherwise agreed to in writing between the Borrower and the Lender, the monies to be repaid under this Agreement shall be repaid by the Borrower in immediately available funds to the Lender on the due dates as indicated in the Amortization Schedule, by pre-authorized debit from an account of the Borrower, such account to be designated to the Lender by the execution and delivery of the Payor Pre-Authorized Debit Agreement in a form satisfactory to the Lender ("**PAD Agreement**") attached hereto as Schedule "B", together with such other authorizations, voided cheques and other documentation as the deposit-taking institution and the rules of the Canadian Payments Association may require for such pre-authorized debit. The Borrower undertakes to notify the Lender in writing immediately, and not later than five (5) Business Days prior to any due date for a payment under this Agreement, of any changes in its designated account for the purposes of the pre-authorized debits and agrees to execute and deliver a revised PAD Agreement.

#### 5.0 INTEREST ON ADVANCE AND REPAYMENT

5.1 The Borrower agrees to repay to the Lender the Facility Principal Amount plus interest accrued daily thereon from and including the Facility Advance Date to but excluding the Facility Repayment Date, at an annual rate of interest equal to 6.106% (subject to the Cost of Funds Adjustment, the "**Interest Rate**"), in annual instalments of blended principal and interest in accordance with the Amortization Schedule. The Interest Rate shall be increased or decreased, as applicable, based solely on changes to the Province of Ontario's 15-year cost of funds between the Effective Date and the Facility Advance Date (the "**Cost of Funds Adjustment**"). Within five (5) Business Days of the Facility Advance Date, the Lender shall provide the Borrower with: (a) written notice of the Interest Rate, as adjusted in accordance with the Cost of Funds Adjustment, which shall constitute the Interest Rate for purposes of this Agreement, and (b) the Amortization Schedule, in substantially the form provided to the Borrower by the Lender on the Effective Date, adjusted solely for any change to the Interest Rate resulting from the Cost of Funds Adjustment, which Amortization Schedule shall be deemed to be inserted as Schedule "A" hereto and shall constitute the Amortization Schedule for purposes of this Agreement.

5.2 Whenever it is necessary to compute any amount of interest for the Facility under this Agreement for a period of less than one full year, such interest shall be calculated on the basis of the actual number of days in the period and a year of 365 or 366 days, as applicable.

- 5.3 All calculations made by the Lender shall, in the absence of manifest error, be conclusive for all purposes and binds the parties hereto.
- 5.4 If the Borrower fails to make any payment of principal or interest payable by it under the Facility on the relevant due date, interest at the rate specified in this Agreement for such Facility shall continue to accrue on the unpaid amount calculated from the due date until the date of actual payment to the Lender.
- 5.5 For the purposes of disclosure pursuant to the *Interest Act* (Canada), the yearly rate of interest equivalent to any rate of interest payable under this Agreement that is calculated on any basis other than a full calendar year may be determined by multiplying such rate by a fraction, the numerator of which is the actual number of days in the calendar year in which such yearly rate of interest is to be ascertained and the denominator of which is the number of days comprising such other basis.
- 5.6 Interest will accrue on the funds borrowed under the Facility in accordance with this Agreement after such funds are advanced or interest thereon becomes due hereunder and both before and after default.

#### 6.0 PREPAYMENT

- 6.1 Except in accordance with the Amortization Schedule or with the prior written consent of the Lender in its sole discretion, the Borrower is not entitled to prepay the Facility Principal Amount or any accrued interest thereon, outstanding under this Agreement. In the event that the Borrower prepays the Facility Principal Amount with the prior written consent of the Lender (which request shall not be considered by the Lender prior to the fifth anniversary of the Facility Advance Date), the Amortization Schedule shall be amended by the Lender to reflect such prepayment.

#### 7.0 SECURITY

- 7.1 As security for the due and punctual payment of all of the Obligations, the Borrower shall grant a continuing security interest and a first-ranking Lien in favour of the Lender over all of the Collateral (subject only to Permitted Liens), and in furtherance thereof shall deliver or cause to be delivered to the Lender, in form and substance satisfactory to the Lender and its counsel, the following documents (collectively, the "**Security Documentation**"):
- (a) a demand debenture in respect of all of its right, title and interest in all present and after acquired real and personal property of the Borrower; and
  - (b) such other security documents as the Lender may at any time request having for the purposes of granting, protecting or ensuring a first-ranking (subject only to Permitted Liens) perfected Lien in favour of the Lender in the Collateral.
- 7.2 The Borrower shall take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the Lender such agreements, documents and instruments as the Lender shall reasonably request, and register, file or record the same (or a notice or financing statement in respect thereof) in all offices where such registration, filing or recording is, in the reasonable opinion of the Lender and its counsel, necessary or advisable to constitute, perfect and maintain the Security Documentation referred to in

Section 7.1 as a first-ranking Lien (subject only to the Permitted Liens), in all filing offices reasonably required by the Lender within a reasonable time after the request therefor.

## 8.0 CONDITIONS PRECEDENT

### 8.1 Conditions Precedent to Lender's Obligations and Advance

The obligations of the Lender under this Agreement (including, without limitation, the obligation to make the Advance hereunder) are subject to, and conditional upon, all of the following conditions precedent being met to the satisfaction of the Lender in its sole discretion as at the Facility Advance Date:

- (a) that the Borrower has delivered to the Lender and the Lender has received the following documentation in form and substance satisfactory to the Lender:
  - (i) certified true copies of the necessary bylaw and resolution of the Borrower's Board of Governors authorizing the borrowing of the Facility Principal Amount and the execution, delivery and performance of this Agreement;
  - (ii) a certificate executed by an authorized officer of the Borrower as to the due authorization and execution of this Agreement and other documents, and such other matters as the Lender may reasonably request;
  - (iii) a favourable legal opinion from legal counsel to the Borrower as to the due authorization, execution, validity and enforceability of this Agreement and the Security Documentation, the validity and perfection of the Liens granted to the Lender pursuant to the Security Documentation, and such other matters as the Lender considers necessary or appropriate in form and substance satisfactory to the Lender; and
  - (iv) such other information and documentation relating to the Borrower in form and substance satisfactory to the Lender that the Lender has reasonably requested.
- (b) that this Agreement and all of the Security Documentation has been duly executed and delivered by all parties;
- (c) that the Borrower has provided to the Lender title insurance in form and substance required by the Lender with respect to the Borrower's real property Collateral, the cost of which shall have been paid by the Borrower on or before the Facility Advance Date;
- (d) that the representations and warranties of the Borrower contained in this Agreement are true and correct as at such date;
- (e) that there shall, in the reasonable opinion of the Lender, have been no Material Adverse Change with respect to the Borrower;
- (f) that no Event of Default has occurred and is continuing and no event or condition has occurred, which with the lapse of time or the giving of notice or both would constitute an Event of Default;

- (g) that the Lender has received such financial and other information or documents relating to the Borrower as the Lender may reasonably require;
- (h) that the Lender shall have received such other documentation in form and substance satisfactory to the Lender which it has reasonably requested to ensure that the Borrower is in compliance with the terms and conditions of this Agreement;
- (i) that the CCAA Plan Sanction Order shall not have been vacated, stayed or otherwise caused to become ineffective, no application for leave to appeal the CCAA Plan Sanction Order shall have been granted or shall be pending for determination, and all applicable appeal periods in respect of the CCAA Plan Sanction Order shall have expired;
- (j) that the CCAA Plan approved pursuant to the CCAA Plan Sanction Order shall not have been amended, restated, modified or supplemented without the prior consent of the Lender in its sole discretion;
- (k) that the Exit Financing Order shall have been granted by the Court in form and substance acceptable to the Lender in its sole discretion, the Exit Financing Order shall not have been vacated, stayed or otherwise caused to become ineffective, no application for leave to appeal the Exit Financing Order shall have been granted or shall be pending for determination, and all applicable appeal periods in respect of the Exit Financing Order shall have expired;
- (l) that on the Facility Advance Date, the conditions precedent to implementation of the CCAA Plan set forth in section 10.1 of the CCAA Plan shall have been satisfied as determined by the Lender in its sole discretion;
- (m) that on the Facility Advance Date, the Borrower is in a position to implement the CCAA Plan in accordance with its terms; and
- (n) that the Borrower shall have delivered the Financial Forecast to the Lender and the Financial Forecast shall be in form and substance acceptable to the Lender in its sole discretion.

## 8.2 Waiver

The conditions set out in subsection 8.1 are inserted for the sole benefit of the Lender and may be waived by the Lender in its sole discretion, in whole or in part, with or without terms or conditions.

## 9.0 REPRESENTATIONS AND WARRANTIES OF BORROWER

9.1 The Borrower represents and warrants to the Lender that, as of the Effective Date and on the Facility Advance Date:

- (a) subject to the Exit Financing Order being granted by the Court, the borrowing of funds to be advanced under this Agreement and the execution, delivery and performance of this Agreement are within the powers and capacities of the Borrower and have been duly authorized by all necessary legal action and proper proceedings;

- (b) subject to the Exit Financing Order being granted by the Court, the execution and delivery of this Agreement, the consummation of the transactions contemplated by this Agreement and the compliance with the terms and conditions of this Agreement will not conflict with or result in a breach of any of the terms or provisions of the constating documents or by-laws of the Borrower, laws of Ontario, including laws of Canada applicable therein, applicable to the Borrower or any contractual or other obligation binding on the Borrower;
- (c) this Agreement will, when executed and delivered, constitute legal, valid and binding obligations of the Borrower enforceable against it in accordance with its terms;
- (d) there has been no Material Adverse Change since the date of the Borrower's most recent audited financial statements as provided to the Lender;
- (e) no event has occurred which constitutes or which, with notice, lapse of time, or both, would constitute an Event of Default;
- (f) all financial information relating to the Borrower which has been delivered to the Lender is complete and accurate in all material respects and remains complete and accurate in all material respects;
- (g) no litigation or proceedings of any nature are now pending or threatened, attacking or in any way attempting to restrain or enjoin the execution and delivery of this Agreement or in any manner questioning the proceedings and the authority under which this Agreement is authorized, or affecting the validity thereof, or contesting the capacity of the authorized officers of the Borrower to sign and no authority or proceedings under which the Borrower is authorized to execute this Agreement has been repealed, revoked or rescinded in whole or in part;
- (h) other than as disclosed in the CCAA Plan or addressed in accordance with the CCAA Plan, there are no actions, suits or proceedings threatened or pending against the Borrower in any court which would result in a Material Adverse Change if determined against the Borrower;
- (i) it maintains insurance on its properties and assets and for its operations, in such amounts and against such risks as would be customarily obtained and maintained by a prudent owner of similar properties, including appropriate liability insurance and third party liability insurance, and all premiums payable for that purpose have been paid;
- (j) subject to and upon the occurrence of the CCAA Plan Implementation Date, after giving effect to the payment in full and discharge of the Secured Claims pursuant to the CCAA Plan and subject to the Unresolved Claims Reserve and the Administrative Reserve in accordance with and as defined by the CCAA Plan, it has good and marketable title to all real and personal property owned by it, free and clear of Liens except for Permitted Liens; and
- (k) the Borrower is in compliance with all Environmental Laws.

9.2 The representations and warranties set out in subsection 9.1 herein shall survive the execution and delivery of this Agreement, notwithstanding any investigations or examinations which may be made by the Lender or its representatives or counsel.

10.0 AFFIRMATIVE COVENANTS

10.1 The Borrower agrees and covenants to perform and do each of the following until the Facility is permanently and indefeasibly repaid:

- (a) duly and punctually pay or cause to be paid all principal, interest, fees and other amounts payable by the Borrower under this Agreement in accordance with the terms and subject to the conditions of this Agreement;
- (b) promptly following the CCAA Plan Implementation Date, effect and record the discharge of all Liens that are discharged and released pursuant to the CCAA Plan, including all Liens registered against title to the Borrower's real property and all Liens registered pursuant to the *Personal Property Security Act* (Ontario) or any other registry system, all of which may be completed, with the consent of the Lender, by way of the Borrower irrevocably authorizing the Lender to effect such discharges and registrations;
- (c) maintain its existence and operate its business and otherwise comply in all material respects with all applicable laws and regulations, including directives of the Minister of Colleges and Universities;
- (d) maintain insurance on its properties and assets and for its operations, in such amounts and against such risks as would be customarily obtained and maintained by a prudent owner of similar properties, including appropriate liability insurance and third party liability insurance, and pay all premiums for that purpose as and when due;
- (e) provide prompt notice to the Lender of the occurrence of:
  - (i) any Event of Default;
  - (ii) any Material Adverse Change;
  - (iii) all material actions, suits and proceedings pending, or to the Borrower's knowledge, threatened, against or directly affecting the Borrower that are not disclosed in or addressed by the CCAA Plan;
- (f) provide to the Lender:
  - (i) annual audited financial statements approved by the Borrower's Board of Governors as soon as available and in any event within 180 days after each fiscal year end of the Borrower;
  - (ii) the Financial Covenant Report concurrently with the delivery of the Borrower's annual audited financial statements pursuant to paragraph (i) above;
  - (iii) during the Initial Reporting Period, on the first Business Day of each fiscal quarter of the Borrower, a written update to the Lender with respect to the Borrower's development and implementation of the Governance and Senior Management Renewal Assessment, which written update shall be in form and substance acceptable to the Lender in its sole discretion;

- (iv) cash flow and cash balance forecasts certified by the Borrower's President (A) on a monthly basis on the first Business Day of each month during the Initial Reporting Period, and (B) thereafter, on a quarterly basis on the first Business Day of each fiscal quarter of the Borrower; and
  - (v) such other financial statements, reports, documents, updates and information as and when the Lender may reasonably require from time to time;
- (g) provide to the Lender, on an annual basis within 170 days following the fiscal year end of the Borrower and prior to any public disclosure of the following:
  - (i) the Borrower's audited financial statements in substantially final form, subject to the completion of the audit opinion;
  - (ii) the Financial Covenant Report in substantially final form;
  - (iii) an update to the Financial Forecast, which updated Financial Forecast shall be in form and substance acceptable to the Lender in its sole discretion; and
  - (iv) the Public Reporting Information in substantially final form;
- (h) report annually on a public basis, not later than December 15 of each calendar year and after considering feedback provided by the Lender at the Annual Meeting: (i) the results of its Financial Covenants, the Borrower's Interest Burden Ratio and Viability Ratio as of its most recent fiscal year end, (ii) the Borrower's activities and progress with respect to the development and implementation of the Transformation Plan, including a summary of the quantum and nature of the expenditures incurred by the Borrower in implementing the Transformation Plan, and (iii) such other financial metrics or information as the Lender may reasonably require from time to time in its sole discretion (collectively, the "**Public Reporting Information**");
- (i) take such actions as are required in connection with its participation as a publicly assisted university in the 2020-2025 Strategic Mandate Agreements (SMA3) and future Strategic Management Agreement cycles, including actions with respect to data collection and evaluation and publication of performance results;
- (j) comply with the following financial covenants (each a "**Financial Covenant**" and collectively the "**Financial Covenants**"), provided that the Lender shall be entitled from time to time at its discretion to specify additional Financial Covenants or modify the calculation or threshold requirements for the Financial Covenants specified below, whereupon such new or modified Financial Covenants shall constitute Financial Covenants for purposes of this Agreement:
  - (i) for each fiscal year of the Borrower commencing with the Borrower's sixth fiscal year following the CCAA Plan Implementation Date, the Borrower shall have a Net Income Ratio of not less than 1.5%;
  - (ii) at each fiscal year end of the Borrower commencing with the Borrower's fourth fiscal year end following the CCAA Plan Implementation Date, the Borrower shall have a Primary Reserve Ratio of not less than 30 days;

- (iii) for each fiscal year of the Borrower commencing with the Borrower's sixth fiscal year following the CCAA Plan Implementation Date, the Borrower shall have an In-Year Excess (Deficiency) of Revenue Over Expenses of not less than \$0;
- (iv) at each fiscal year end of the Borrower commencing with the Borrower's fourth fiscal year end following the CCAA Plan Implementation Date, the Borrower shall have Expendable Net Assets of not less than \$0;
- (v) at each fiscal year end of the Borrower commencing with the Borrower's second fiscal year end following the CCAA Plan Implementation Date, the Borrower shall have a Debt Service Coverage Ratio of not less than 1.1; and
- (vi) at each fiscal year end of the Borrower commencing with the Borrower's sixth fiscal year end following the CCAA Plan Implementation Date, the Borrower shall have a Net Operating Revenue Ratio of not less than 5.0%;
- (k) at all times during its business hours, upon reasonable prior notice from the Lender, permit representatives of the Lender to enter into or onto its property, to inspect any of its properties and to examine its financial books, accounts and other records and to discuss its financial condition, operations and other related matters with the Borrower's administrative officials, management, senior officers and auditors;
- (l) keep accurate and complete books and records of account together with all supporting documents in accordance with applicable generally accepted accounting principles;
- (m) warrant and defend its right, title and interest in and to its property and assets against the claims of any person, subject only to Permitted Liens; cause to be discharged, or take such other action as may be required by the Lender with respect to, any Liens on the Collateral other than Permitted Liens; maintain and preserve its property and assets in good working order and condition, ordinary wear and tear excepted; perform or cause to be performed all required zoning and assessment work thereon; pay or cause to be paid all rents and other payments in respect of its leased properties;
- (n) comply with all applicable Environmental Laws, cure any violation by it of applicable Environmental Laws, and promptly notify the Lender in writing of any non-compliance by the Borrower with any Environmental Law;
- (o) comply with its funding and other obligations in respect of the Pension Plan as required pursuant to the *Pension Benefits Act* and the agreements and other documentation governing the Pension Plan;
- (p) comply with its covenants and obligations under the CCAA Plan including, without limitation, making all of its real property available for sale to the Province of Ontario in accordance with the CCAA Plan;
- (q) within one (1) year of the CCAA Plan Implementation Date or such other date as may be agreed between the Borrower and the Lender, prepare a written assessment of the required scope, timing and implementation of renewal

processes for the Borrower's senior management and Board of Governors (the "**Governance and Senior Management Renewal Assessment**"), which Governance and Senior Management Renewal Assessment shall be in form and substance acceptable to the Lender in its sole discretion and shall include, with respect to the Board of Governors, an assessment of Indigenous and French language representation;

- (r) implement the Governance and Senior Management Renewal Assessment, including renewal of the specific positions identified in the Governance Renewal Assessment, with due diligence and in a manner and on timing acceptable to the Lender in its sole discretion;
- (s) provide to the Lender, no later than sixty (60) calendar days following the CCAA Plan Implementation Date, a detailed plan in form and substance acceptable to the Lender in its sole discretion, setting out the manner in which the Borrower intends to use the operating and other surpluses identified in the initial Financial Forecast delivered to the Lender prior to the CCAA Plan Implementation Date (the "**Financial Usage Plan**");
- (t) with respect to the actions set forth in section 4.2 of the CCAA Plan to occur following the CCAA Plan Implementation Date:
  - (i) select, within the timeframes required by the CCAA Plan (A), a Project Management Consultant, and (B) a third-party consultant to assist the Borrower in the development of the Strategic Plan (the "**Strategic Plan Consultant**"), in each case acceptable to the Lender;
  - (ii) authorize and instruct the Project Management Consultant and the Strategic Plan Consultant to engage in direct discussions with the Lender (including in the absence of the Borrower or its representatives where requested by the Lender in its sole discretion with advance notice to the Borrower) and to provide such updates and information to the Lender as the Lender may request from time to time;
  - (iii) obtain the Lender's approval of (A) the implementation plan for undertaking the comprehensive operational restructuring and transformation described in the Nous Operational Report (as defined in the CCAA Plan) (the "**Transformation Plan**"), and (B) the Strategic Plan; and
  - (iv) provide the Lender with an update (which shall be in writing or provided orally at the determination of the Lender) acceptable to the Lender in its sole discretion on the Borrower's progress with respect to the Transformation Plan and the Strategic Plan, including related governance, risk assessment and mitigation and financial matters, which update shall be provided (A) on the first Business Day of each month during the Initial Reporting Period, and (B) thereafter, on an annual basis not less than 14 days prior to the Annual Meeting or upon request of the Lender; and
- (u) develop within six (6) months of the CCAA Plan Implementation Date and thereafter maintain an internal process that includes consultation with the Ministry of Colleges and Universities and the Ministry of Francophone Affairs before making any decision or change that could impact the Borrower's designation under the

*French Language Services Act*. For greater certainty, this is in addition to any obligations or requirements under the *French Language Services Act*.

## 11.0 NEGATIVE COVENANTS

11.1 Until the Facility is permanently and indefeasibly repaid, the Borrower covenants and agrees that it shall not, without the prior written consent of the Lender in its sole discretion:

- (a) grant, create, assume or suffer to exist any Lien affecting any of its properties, assets or other rights other than Permitted Liens;
- (b) guarantee or otherwise provide for, on a direct, indirect or contingent basis, the payment of any monies or performance of any obligations by any other person;
- (c) incur, assume or permit to exist any indebtedness, except indebtedness in an aggregate amount not to exceed \$10,000,000 which indebtedness shall be unsecured and shall be contractually subordinated to the Obligations;
- (d) make or commit to making any expenditure or payment or incurring any obligation (including providing another person with any funds to make any expenditure or payment) other than in the ordinary course of business and consistent with the Financial Forecast and the Financial Usage Plan;
- (e) make or commit to making any acquisition, investment or capital expenditure exceeding \$10,000,000 (individually or in aggregate with all other acquisitions, investments and capital expenditures made between the Facility Advance Date and the Facility Repayment Date) without the prior approval of the Lender in its sole discretion following the review of a business case submission provided by the Borrower to the Lender. For greater certainty, acquisitions, investments or capital expenditures that are undertaken in accordance with the Financial Forecast delivered to the Lender pursuant to paragraph 10.1(g) shall not be included for purposes of this negative covenant. At the fifth Annual Meeting, the Borrower and the Lender shall discuss this negative covenant and the Lender shall determine, in its sole discretion, if an amendment or increase to such aggregate amount is appropriate taking into account the Borrower's satisfaction of its obligations under the CCAA Plan, the financial health of the Borrower and any investments that may be deemed advisable to better position the university for continued future success;
- (f) sell, transfer, lease or dispose of any of its assets, property or undertaking to any person, or enter into any agreement or grant any option or other right in respect thereof, other than the sale, transfer, lease or disposition of (i) worn out, unserviceable or obsolete equipment in the ordinary course of business, or (ii) Designated Real Estate Assets sold to the Province of Ontario, the net proceeds of which are transferred by the Borrower to the Distribution Pool to fund creditor distributions in accordance with the CCAA Plan;
- (g) cease to carry on the University Operations or make any change to the University Operations as they are currently being conducted in any material respect;
- (h) during the Initial Reporting Period, utilize or expend any operating or other surpluses generated by the Borrower in the conduct of University Operations other than in accordance with the Financial Usage Plan approved by the Lender;

- (i) except as may otherwise be specifically provided for under the CCAA Plan, pay or transfer, or permit to be paid or transferred, to the Distribution Pool any funds, proceeds or monies other than the Net Sale Proceeds (as defined in the CCAA Plan) from the sale of Designated Real Estate Assets;
- (j) amend, modify, revise, update or supplement the Financial Forecast or the Financial Usage Plan in any material respect, except with the prior approval of the Lender;
- (k) make or issue any public statement with respect to the Facility or the financial support announced or provided by the Province of Ontario to the Borrower in connection with the Borrower's CCAA proceedings or the CCAA Plan, including without limitation, with respect to the Designated Real Estate Assets;
- (l) other than the Pension Plan, establish, sponsor, administer or otherwise participate in any defined benefit pension plan, including without limitation any defined benefit pension plan subject to the *Pension Benefits Act*; or
- (m) change its fiscal year end to any date other than April 30.

## 12.0 EVENTS OF DEFAULT

12.1 Each of the following events shall constitute an “**Event of Default**”, and each Event of Default shall be deemed to exist and continue so long as it shall not have been remedied:

- (a) if the Borrower shall fail to pay any principal, interest, fees or other amount payable by it under this Agreement and such default is not remedied within three (3) Business Days;
- (b) if the Borrower delivers a Financial Covenant Report evidencing the Borrower's failure to comply with any Financial Covenant required to be satisfied by the Borrower pursuant to paragraph 10.1(j) and the Borrower has not delivered to the Lender, concurrently with the delivery of the Financial Covenant Report, a written report acceptable to the Lender in its sole discretion providing an explanation for the Borrower's failure to comply with the Financial Covenant(s) and the Borrower's plan to achieve future compliance;
- (c) if the Borrower shall fail to perform or observe any covenant contained in paragraph 10.1(e), paragraph 10.1(f), or subsection 11.1 of this Agreement;
- (d) if the Borrower shall fail to perform or observe any covenant, condition or agreement to be performed or observed by it under this Agreement (other than a covenant, condition or agreement whose breach or default in performance is specifically dealt with elsewhere in this subsection 12.1) and such failure is not remedied within 10 Business Days after the earlier of the date on which the Borrower becomes aware thereof or the date on which the Lender gives notice thereof to the Borrower;
- (e) if any representation or warranty made by the Borrower in this Agreement or in any document or certificate furnished to the Lender in connection with this Agreement is incorrect or incomplete when made or deemed to be made in any material respect;

- (f) if a Plan Default occurs and such Plan Default is not cured within 270 days of the occurrence of the Plan Default in accordance with the terms of the CCAA Plan;
- (g) if the Borrower commits an event of default under any purchase and sale agreement, lease or other agreement or definitive documentation with the Province of Ontario pertaining to the Designated Real Estate Assets;
- (h) if any resolution is passed for the liquidation of the Borrower or any legal steps are taken for the dissolution of the Borrower;
- (i) if the Borrower becomes insolvent, does not pay its debts as such debts become due or admits its inability to pay its debts as such debts become due;
- (j) if any receiver, interim receiver, receiver and manager, custodian, trustee, administrator, or manager of all or any material part of the property, assets or undertaking of the Borrower is appointed;
- (k) if the Borrower institutes any proceeding or any such proceeding in respect of the Borrower has been commenced (i) pursuant to the CCAA (excluding, for greater certainty, the CCAA proceedings commenced by the Borrower on February 1, 2021) or the *Bankruptcy and Insolvency Act* (Canada), (ii) to adjudicate the Borrower a bankrupt or insolvent, or (iii) with respect to the liquidation, dissolution, winding-up, reorganization, restructuring, arrangement, adjustment, protection or relief or composition of the Borrower or its debts under any statute, rule or regulation relating to bankruptcy, insolvency, reorganization, relief or protection of debtors;
- (l) if there occurs in the reasonable opinion of the Lender a Material Adverse Change;
- (m) other than the failure to pay any amount which is due or payable under this Agreement, if the Borrower fails to pay the principal of or interest on any outstanding indebtedness for borrowed money to any person when such payment is due and such failure continues after the applicable grace period, if any, or defaults in the performance or observance of any agreement in respect of such indebtedness which accelerates or permits the acceleration of any such indebtedness or any such indebtedness shall be declared to be due and payable prior to its stated maturity;
- (n) if a final judgment or decree for the payment of money due is obtained or entered against the Borrower, except in respect of a judgment which is not material to the financial condition, business or operations of the Borrower; or
- (o) if this Agreement, any of the Security Documentation or any other document delivered in connection herewith is repudiated or contested by the Borrower in whole or in part, ceases to be in full force and effect, or is invalidated or rendered unenforceable by any act, regulation or governmental action or is determined to be invalid by a court or other judicial entity, or, in the case of the Security Documentation and the Liens granted thereunder, does not constitute a first ranking priority Lien in favour of the Lender in the Collateral, subject only to Permitted Liens.

### 13.0 REMEDIES ON THE OCCURRENCE OF DEFAULT

13.1 On the occurrence of any Event of Default in subsection 12.1 the Lender may, in addition to any other remedy available to the Lender at law, at its option, by notice to the Borrower, take one or more of the following actions:

- (a) require all outstanding principal, interest and other Obligations under this Agreement to become immediately due and payable, provided that, with respect to any Event of Default under subsections 12.1(j) or (k), such Obligations shall automatically and immediately become due and payable without any action of the Lender;
- (b) invoke the Intercept pursuant to section 14 of this Agreement to require payment of any amount due and payable under this Agreement;
- (c) apply to the Court for the appointment of a receiver, an interim receiver or a receiver and manager over the Borrower and its assets and property or for the appointment of a trustee in bankruptcy of the Borrower;
- (d) realize upon all or any part of the security granted to the Lender and exercise the powers and rights of a secured creditor, including as a secured party under the *Personal Property Security Act* (Ontario) and as a mortgagee in respect of the Borrower's real property; and
- (e) take such actions and commence such proceedings as may be permitted at law or in equity (whether or not provided for herein or in the Security Documentation) at such times and in such manner as the Lender in its sole discretion may consider expedient,

all without any additional notice, presentment, demand, protest, notice of protest, dishonour or any other action except as required by law.

13.2 No delay, forbearance or omission of the Lender to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Agreement or by law to the Lender may be exercised from time to time, and as often as may be deemed expedient by the Lender.

13.3 No right or remedy herein conferred upon or reserved to the Lender is intended to be exclusive of any other such right or remedy, and every such right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

### 14.0 INTERCEPT

14.1 The Borrower hereby agrees that the Province of Ontario, as represented by the Lender, the Minister of Finance, or any other ministry or person (collectively, the "**Appropriator**") is entitled to deduct from monies appropriated by the legislature for payment to the Borrower ("**Appropriated Funds**"), amounts equal to any amounts that the Borrower fails to pay to the Lender under this Agreement ("**Unpaid Amounts**"). On the occurrence of an

Event of Default, the Appropriator is irrevocably authorized to deduct from the Appropriated Funds an amount equal to the Unpaid Amounts in accordance with the provisions of this Agreement and to pay such amounts directly to the Lender (“**Intercept**”).

- 14.2 The Borrower agrees that any notice from the Lender to the Appropriator in relation to this section may be relied upon by the Appropriator without further inquiry or verification by the Appropriator and, upon receipt of such notice, an amount equal to the Unpaid Amounts shall be deducted from the Appropriated Funds and paid to the Lender.

#### 15.0 ADMISSIBILITY OF EVIDENCE

- 15.1 Where communications between the parties are provided on an electronic basis under this Agreement, printouts or other tangible reproductions of any electronic record maintained by a party in relation to such communications shall be considered business records in any legal, administrative or other proceedings that may arise in relation to this Agreement.

#### 16.0 INDEMNITY

- 16.1 The Borrower shall indemnify and hold harmless the Lender and the Province of Ontario and its ministries, agencies and other entities and the principals, employees, representatives, advisors, solicitors and agents of each of the foregoing (collectively, the “**Indemnified Persons**”) from and against any and all actions, lawsuits, proceedings (including any investigations or inquiries), losses, damages, liabilities or expenses of any kind or nature whatsoever which may be incurred by or suited against or involve any of the Indemnified Persons as a result of, or in connection with, or in any way related to, the Facility, the proposed or actual use of the Advance, this Agreement or the documents entered into in connection therewith. Notwithstanding the foregoing, the Borrower shall have no obligation to indemnify any Indemnified Person against such loss, liability, cost or expense to the extent that it is found by final judgment of a court of competent jurisdiction to arise from the gross negligence or wilful misconduct of such Indemnified Person. The Lender shall not be responsible or liable to the Borrower or any other Person for any indirect, consequential, special or punitive damages.

#### 17.0 NOTICES

- 17.1 A notice or other communication pursuant to this Agreement shall be in writing and delivered in person or sent by first class prepaid courier or by email to the party for which it is intended at the following addresses:

Lender Ministry of Colleges and Universities  
17<sup>th</sup> Floor, 315 Front Street West  
Toronto, ON M7A 0B8

Attention: Thomas Leung  
Manager, Laurentian University Secretariat

Tel. No: (437) 216-7817  
Email: thomas.leung@ontario.ca

Borrower Laurentian University of Sudbury  
935 Ramsey Lake Road  
Sudbury, ON P3E 2C6

Attention: Vice President, Finance and  
Administration

Tel. No: (705) 675-1151, Ext. 3439  
Email: Mpiche2@laurentian.ca

**And to:**

Attention University General Counsel and Secretary

Tel. No. (705) 675-1151, Ext. 3416

Email: djubb@laurentian.ca

Either party may change its address for the purposes of receipt of any such communication by giving five Business Days' prior written notice of such change to the other party in the manner prescribed above.

Any notice so given takes effect, in the case of delivery in person, at the time of delivery, in the case of delivery by first class prepaid post, one (1) Business Day after dispatch and, in the case of delivery by email, at the time of delivery.

18.0 GENERAL

18.1 This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the Court with respect to any dispute or determination relating to this Agreement.

18.2 Save and except for any formal notice to be delivered under this Agreement which shall be in accordance with the notice provisions of section 17.1, the point of contact at the Lender for all communications relating to the ongoing operation of this Agreement, the delivery of all reporting and other information from the Borrower required under this Agreement, and any requests for approval that may be made by the Borrower to the

Lender relating to this Agreement shall be made to the specific representative of the Ministry of Colleges and Universities designated by the Lender from time to time.

- 18.3 This Agreement shall be binding on and enure to the benefit of the Lender and the Borrower and their respective successors and permitted assigns, except that the Borrower shall not, without the prior written consent of the Lender in its sole discretion, assign, pledge or hypothecate any rights or obligations with respect to this Agreement.
- 18.4 If any of the provisions of this Agreement are held to be invalid, illegal or unenforceable by a court or tribunal of competent jurisdiction, the remaining provisions shall remain in full force and effect.
- 18.5 A party, by waiving the breach of any provision of this Agreement, does not waive any further breach of the same provision or any breach of any other provision of this Agreement. A waiver is binding on the waiving party only if it is in writing.
- 18.6 Subject to the provisions herein, this Agreement may not be altered or amended, except by the mutual agreement of the parties evidenced in writing.
- 18.7 Time shall in all respects be of the essence of this Agreement.
- 18.8 All references to time in this Agreement are references to Eastern Time, unless otherwise indicated.
- 18.9 If any date on which an act is required to be taken under this Agreement is not a Business Day, such act shall be taken on the next following Business Day.
- 18.10 Each party shall, upon request of the other, acting reasonably, use its best efforts to make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the performance of the terms and conditions of this Agreement.
- 18.11 This Agreement hereto constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions, oral and written, between the parties.
- 18.12 This Agreement may be signed using electronic signatures and delivered electronically or otherwise in counterparts, all of which counterparts shall together constitute a single instrument.

*[Signature page follows]*

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement as of the date first written above.

**HIS MAJESTY THE KING IN RIGHT OF  
ONTARIO AS REPRESENTED BY THE  
MINISTER OF COLLEGES AND UNIVERSITIES**




BY: \_\_\_\_\_

Name: The Honourable Jill Dunlop

Title: Minister of Colleges and Universities

**LAURENTIAN UNIVERSITY OF SUDBURY**



BY: \_\_\_\_\_

Name: Robert Haché, Ph.D.

Title: President and Vice Chancellor

**SCHEDULE "A"**

**AMORTIZATION SCHEDULE**

Attached.

[Final Amortization Schedule to be delivered by the Lender within five (5) Business Days of the Facility Advance Date.]

## Amortization Schedule

Schedule of Payments by Borrower to Lender			
Payment Due Date	Principal Payment	Interest Payment	Balance of Facility Principal Amount Following Payments
April 30, 2023	\$591,693.43	\$884,115.34	\$34,408,306.57
April 30, 2024	\$1,466,381.13	\$2,100,971.20	\$32,941,925.44
April 30, 2025	\$1,555,918.36	\$2,011,433.97	\$31,386,007.08
April 30, 2026	\$1,650,922.74	\$1,916,429.59	\$29,735,084.34
April 30, 2027	\$1,751,728.08	\$1,815,624.25	\$27,983,356.26
April 30, 2028	\$1,858,688.60	\$1,708,663.73	\$26,124,667.67
April 30, 2029	\$1,972,180.12	\$1,595,172.21	\$24,152,487.54
April 30, 2030	\$2,092,601.44	\$1,474,750.89	\$22,059,886.10
April 30, 2031	\$2,220,375.68	\$1,346,976.65	\$19,839,510.42
April 30, 2032	\$2,355,951.82	\$1,211,400.51	\$17,483,558.60
April 30, 2033	\$2,499,806.24	\$1,067,546.09	\$14,983,752.36
April 30, 2034	\$2,652,444.41	\$914,907.92	\$12,331,307.94
April 30, 2035	\$2,814,402.67	\$752,949.66	\$9,516,905.28
April 30, 2036	\$2,986,250.09	\$581,102.24	\$6,530,655.19
April 30, 2037	\$3,168,590.52	\$398,761.81	\$3,362,064.66
April 30, 2038	\$3,362,064.66	\$205,287.67	\$0.00