**Employee Loan Agreement (the “Agreement”)**

This is agreement is dated as of •, 2020

Between

• (the “**Company**”)

- And –

• (the “**Employee**”)

WHEREAS

1. The Employee is an employee of the Company; and
2. The Company has agreed to loan the Employee funds in an amount set forth below pursuant to the terms of this Agreement.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Company and the Employee agree as follows:

1. The Company agrees to loan the Employee CAD$• **[insert loan amount]** (the “**Loan**”) on an interest free basis except as provided below.
2. The Employee agrees and covenants to repay the loan starting • weeks **[insert number of weeks until first repayment installment is due and owing. Alternatively, given the uncertainty of when the economy will “re-open” you can state that the loan repayments will commence upon the employee returning to work]** from the date of this agreement in • equal bi-weekly **[insert number of installment payments]** installments of • **[insert repayment amount]**.
3. By signing the Agreement, the Employee acknowledges that they are providing the Company with written authorization to deduct the bi-weekly installments from the Employee’s pay cheque in accordance with section 13(3) of the Ontario *Employment Standards Act, 2000* or section 254.1 of the *Canada Labour Code*. The Company shall advise the Employee should it decide to make deductions from the Employee’s pay cheques.
4. Failure to make any payment upon the applicable due date shall result in interest owing on such payment at the rate of •% **[insert annual interest rate. Under the *Criminal Code*, Annual interest rate cannot exceed 60% although our sense an appropriate interest range would be 5-10%]**.
5. If the Employee’s employment is terminated for any reason whatsoever, including where the Employee is dismissed with or without cause, resigns, or is laid off, or the Employee’s employment ends by operation of law, the Loan shall remain due and payable in accordance with the terms of this Agreement.
6. This Agreement shall be governed by and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein without regard to conflicts of law. If any provision of this Agreement be deemed illegal or otherwise unenforceable, that provision shall be severed and the remainder of this Agreement shall remain in full force and effect. Failure to enforce any provision of this Agreement shall not constitute a waiver of any other term hereof. A waiver of a breach or default under this Agreement shall not be a waiver of any other or subsequent breach or default. This Agreement may be executed by facsimile and in counterparts. This Agreement does not in anyway impact the existing terms and conditions of the employment relationship between the employer and the employee. Neither this Agreement nor any right or obligation under this Agreement may be assigned by any Party without the prior written consent of the other Parties. This Agreement enures to the benefit of and is binding upon the Parties and their respective successors and permitted assigns. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the Parties, and there are no representations, warranties or other agreements between the Parties, express or implied, in connection with the subject matter of this Agreement except as specifically set out in this Agreement.
7. **Each of the Parties confirms that: (i) it has been instructed to obtain independent legal advice (“ILA”) prior to executing this Agreement; (ii) has obtained or hereby waives its right to ILA; (iii) is signing this Agreement voluntarily; and (iv) has read this Agreement and accepts and agrees to be bound by its terms.**

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

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_
Witness [***Employee Name***]

 **[*CORPORATION NAME*]**

By:
 Name:
 Title: