



FrendLend Inc.

P.O. Box 37037, St Vital Centre, Winnipeg, Manitoba R2M 5R3
Tel: (431)777-6365 **Email:** admin@frendlend.ca **Website:** www.frendlend.ca
Business Number: 762508737MC0001 **License #:** Pending

HIGH-COST CREDIT AGREEMENT

Borrower's name: John Smith

Borrower's address: 423 Anderson Avenue, Winnipeg MB. R2W 1E9

Borrower's phone number: 431 777 6365

Principal amount of the loan: \$3000

Term of the high-cost credit agreement: 6/12 years (6 Months)

Total cost of credit: \$532.8 APR/Annual interest rate: 59.4%

Date and time that the high-cost credit agreement entered into: August 16, 2021

Sample

Date signed (mm/dd/yyyy)

Name of Borrower

Signature of Borrower

Date signed (mm/dd/yyyy)

Name of person signing on behalf of Frendlend

Signature of Frendlend



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Details:

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Borrower's address: 423 Anderson Avenue, Winnipeg MB. R2W 1E9

Borrower's phone number: 431 777 6365

Principal amount of the loan: \$3000

This loan is a type of high-cost credit product whereby the annual interest rate exceeds 32%

The Borrower will receive the high-cost credit product by e-transfer at no extra cost to the Borrower.

Date and time high-cost credit product provided to the Borrower: August 16, 2021

The words "you", "your" and "yours" mean the Borrower. The words "we", "us" and "our" means Frendlend Inc. ("Frendlend"), and its affiliates and related entities. This High-Cost Credit Agreement after both you and Frendlend have reviewed, approved and signed it, the "High-Cost Credit Agreement".

Disclosure of Credit Costs:

- 1. Principal amount of loan: \$3000
- 2. Annual Interest Rate/APR*: 59.4%
- 3. Total Cost of Credit: \$532.8
- 4. Total Amount Payable: \$3532.8
- 5. Term: 6/12 year (6 months)

**there is no cost of credit, other than interest, in connection with the Agreement. Therefore, the APR is the Annual Interest Rate. The Annual Interest Rate will not change for the term of the loan.*

Calculation of Interest: Interest is calculated monthly for the duration of the Term. The monthly calculation

of interest is equal to the balance of the Principal amount of loan x Annual Interest Rate/12 x 1/12
Payment Schedules:

The Total Amount Payable is \$3532.8. The Term of the High-Cost Credit Agreement is 6/12 years (6 months). The Total Cost of Credit is \$532.8. The Borrower agrees to make 5 consecutive payments of \$600 (except for the last payment of \$532.8 which shall represent the balance of the Total Amount Payable). Interest begins to accrue on the date this High-Cost Credit Agreement is entered into between the Borrower and Frendlend. The first payment is due on September 16, 2021. Payments are due on the same day of each month (or the next business day, where applicable). Where all payments are made, no amount is owing at the end of the Term. Each payment is applied first to the interest, then to the principal.

The Borrower is applying for, and requesting Frendlend to provide, credit under the Terms and Conditions of this High-Cost Credit Agreement. Credit will be provided to the Borrower only upon execution of the High-Cost Credit Agreement by Frendlend. The Borrower acknowledges and agrees that all information provided by the Borrower in connection with this High-Cost Credit Agreement, or in any other form, format, or manner (including but not limited to oral, written, or electronic) is true, accurate, and complete in all respects. The Borrower has reviewed and confirmed the information prior to submitting this High-Cost Credit Agreement and the Borrower acknowledges that they have been afforded the opportunity to seek independent advice with respect to the High-Cost Credit Agreement and the Terms and Conditions hereunder. The Borrower acknowledges receipt of a copy of this High-Cost Credit Agreement and agrees to be bound by all of its terms.

If the Borrower shall receive the High-Cost Credit Agreement in electronic form, the Borrower will be responsible for retaining their own copy by printing, downloading or otherwise retaining a copy. The Borrower consents to the provision of this High-Cost Credit Agreement in electronic form for all purposes, including, without limitation, the requirement for disclosure to be provided in writing.

Date signed (mm/dd/yyyy)

Name of Borrower

Signature of Borrower

Date signed (mm/dd/yyyy)

Name of person signing on behalf of Frendlend

Signature of Frendlend

In consideration of Frenlend entering into this High-Cost Credit Agreement and extending you credit for the purchase of the High-Cost Credit Product as described on page _ of this High-Cost Credit Agreement (referred to herein as the "Goods"), you hereby agree to be bound by the Terms and Conditions specified below.

Terms and Conditions

- 1. **Agreement to Pay:** You hereby agree to pay the principal amount of the loan as set out on page 2 of this High-Cost Credit Agreement and all applicable interest and fees as outlined in these Terms and Conditions (collectively, your "Debt").
- 2. **Interest Rate:** You hereby agree to pay the Annual Interest Rate in accordance with the Calculation of Interest as set out on page 2 of this High-Cost Credit Agreement. You hereby agree that all of your Debt to us shall bear interest before and after maturity, and before and after default and judgment at the applicable interest rate. Funds are advanced on the date this High-Cost Credit Agreement is executed by you and Frenlend (indicated on the front page) and interest on this High-Cost Credit Agreement begins to accrue immediately on the date that date.
- 3. **Prepayment:** You may prepay without penalty the full balance owing on the Total Amount Payable under this High-Cost Credit Agreement at any time. You may pay without penalty any amount greater than the regular monthly payment amount on any regularly scheduled day for payment. If you prepay the full outstanding balance due under this Agreement, you will not be entitled to a refund of a portion of any interest charges already paid or accrued.
- 4. **Fees:** There are no additional fees in which you are required to pay under this High-Cost Credit Agreement.
- 5. **Interest Rate Provision:** If any provision of this High-Cost Credit Agreement would require you to make a payment of interest or other amount payable to us in an amount, or calculated at a rate which would be prohibited by law, or would result in receipt by us of "interest" at a "criminal rate" (as such terms are construed under the Criminal Code of Canada), then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not result in receipt by us of "interest" at a "criminal rate", such adjustment to be effected, to the extent necessary (but only to the extent necessary), by reducing (a) any fees, and other amounts required to be paid by you which would constitute interest for purposes of the *Criminal Code* (Canada), or (b) the amount or rate of interest required to be paid to us, and any amounts previously paid by you which is included in such reduction shall be returned to you.
- 6. **Application of Payments:** Each payment is applied first to the interest, then to the principal.
- 7. **Default:** You will be considered in default ("Default") under the terms of this High-Cost Credit Agreement if (a) you fail to make payment within two (2) calendar days following the date a payment is due, or (b) you fail to keep any promise you have made in this High-Cost Credit Agreement; or (c) you become insolvent or bankrupt (as those terms are defined in the Bankruptcy and Insolvency Act (Canada)).
- 8. **Remedies:** If you are in default under this High-Cost Credit Agreement, Frenlend has certain legal remedies available to us. We may, at our election, (subject to applicable laws): (a) demand that the full balance owing be paid immediately; and/or (b) commence legal proceedings for recovery of the balance owing. Frenlend may exercise their rights at any time you are in Default under this High-Cost Credit Agreement. Frenlend may charge you all reasonable legal costs incurred in collecting or attempting to collect a payment you owe Frenlend under this High-Cost Credit Agreement.
- 9. **Assignment:** You understand Frenlend may sell or assign this High-Cost Credit Agreement to a third party without prior notice to you or

- without your consent. The assignee will then be entitled to all the payments and rights to which Frenlend are and were entitled under this High-Cost Credit Agreement. You cannot assign the High-Cost Credit Agreement.
- 10. **No Bankruptcy:** You hereby confirm that you are not insolvent, that entering into this High-Cost Credit Agreement will not render you insolvent, and that no acts or proceedings have been taken by or against you in connection with, nor have you received any notice in respect of, any filing or petition in bankruptcy. You further hereby agree that you will not file an assignment or petition in bankruptcy, unless and until your obligations under this High-Cost Credit Agreement have been paid and satisfied in full.
- 11. **Severability and Waiver:** If any term of this High-Cost Credit Agreement is held to be invalid, void, or unenforceable in accordance with the laws of the jurisdiction applicable to you, all other provisions shall remain valid and be enforced and construed as if such invalid provisions were never a part of this High-Cost Credit Agreement. Notwithstanding anything herein, we will not be deemed to have waived any of our rights, either at common law or equity, under this High-Cost Credit Agreement, unless such waiver is made in writing. No waiver made with respect to any instance involving the exercise of such right(s) will be deemed to be a waiver with respect to any other instance involving the exercise of the right(s) or with respect to any other such right(s).
- 12. **Applicable Law and English Language:** This High-Cost Credit Agreement is governed by the laws the Province of Manitoba.
- 13. **Personal Information:** In the event Frenlend assigns this High-Cost Credit Agreement to a third party, you agree that we may provide the personal information we have collected on you to the assignee for the sole purpose of continuing to administer and enforce the terms of this High-Cost Credit Agreement.
- 14. **Obligation to Advance:** You acknowledge that neither this High-Cost Credit Agreement, nor any provision contained herein, shall operate to oblige Frenlend to advance any sum of money to you.
- 15. **Extensions and Renewals:** If the amortization period is longer than the term of the Agreement (the "Term"), we have the option to renew this Agreement at the end of the Term at the same interest rate. If we choose to renew this Agreement, we will provide you with at least sixty (60) days written notice before the end of the Term advising you of (a) the final date of the existing Term and of the renewed Term, and (b) all required disclosures for the renewed Agreement. The notice will tell you that this Agreement will automatically renew unless we receive written notice from you at least thirty (30) days before the end of the Term that this Agreement should not be renewed and the last payment identified on the front of this Agreement (or the amount then still owing under this Agreement) should be withdrawn from your bank account at the end of the existing Term.
- 16. **Counterpart:** The parties agree that their electronic signature, whether digital or encrypted, is intended to authenticate this writing and to have the same force and effect as manual signatures. Electronic signature means any electronic sound, symbol, or process attached to or logically associated with a record and executed and adopted by a party with the intent to sign such record, including facsimile or email electronic signatures. Delivery of an executed copy of this High-Cost Credit Agreement by facsimile or electronic transmission constitutes valid and effective delivery thereof

IF YOU CANNOT PROPERLY READ ALL OF THIS AGREEMENT, FRENLEND WILL PROVIDE YOU WITH AN EXTRA LARGE PRINT VERSION UPON YOUR REQUEST.

_____	_____	_____
Date signed (mm/dd/yyyy)	Name of Borrower	Signature of Borrower
_____	_____	_____
Date signed (mm/dd/yyyy)	Name of person signing on behalf of Frenlend	Signature of Frenlend

NOTICE OF CANCELLATION

(as provided for in section 252 of *The Consumer Protection Act*)

You have the right to cancel your high-cost credit agreement within 48 hours — excluding Sundays and other holidays — after entering into the agreement. In order to cancel your high-cost credit agreement, you must give written notice to your high-cost credit grantor and you must repay the outstanding balance of all amounts advanced or drawn, less any amount of the cost of credit that was paid by you or on your behalf, or deducted or withheld from an advance of or draw on the high-cost credit product. **Upon cancellation, you will receive a high-cost credit agreement cancellation receipt.**

I, _____, wish to cancel my high-cost credit agreement in the amount of \$ _____, which was entered into on _____.

Signature of Borrower:

Date:

Sample

CANCELLATION RECEIPT

NAME OF HIGH-COST CREDIT GRANTOR: _____

NAME OF BORROWER: _____

PRODUCT REFERENCE NUMBER: _____

TYPE OF HIGH-COST CREDIT AGREEMENT: _____

DATE OF HIGH-COST CREDIT AGREEMENT: _____

ORIGINAL AMOUNT OF HIGH-COST CREDIT AGREEMENT: _____ \$

AMOUNT PAID OR RETURNED TO HIGH-COST CREDIT GRANTOR AT TIME OF CANCELLATION: _____ \$

MANNER IN WHICH HIGH-COST CREDIT AGREEMENT REPAYED (e.g., cash, certified cheque, money order, electronic fund transfer or bank draft): _____

CANCELLATION RECEIPT ACKNOWLEDGED BY:

SIGNATURE OF HIGH-COST CREDIT GRANTOR: _____

Name OF HIGH-COST CREDIT GRANTOR: _____

DATE: _____

