

SIMPLE AGREEMENT

Parties: _____

Agreement Date: _____

Definitions:

“Agreement” means this Simple Agreement. “Investor” means the person or entity entering into this Agreement to invest. “Company” means the issuer of this Agreement. “Equity Financing” means the Company's next equity financing in which the Company sells Preferred Stock for capital.

1. Investment Amount:

The Investor agrees to invest the sum of _____ CAD (the “Purchase Amount”) in the Company pursuant to the terms of this Agreement.

2. Equity Financing:

In the event the Company raises capital by issuing Preferred Stock after the date of this Agreement, the Purchase Amount will automatically convert into shares of the Company's Preferred Stock at a conversion price equal to the lesser of (a) the price per share of the Preferred Stock sold in the Equity Financing multiplied by a discount of 20%, or (b) the price per share based on a pre-money valuation cap of _____ CAD.

3. Company Repurchase Rights:

If the Company completes a Liquidity Event before conversion of this Agreement, the Company shall pay to the Investor an amount equal to the Purchase Amount, without interest, prior to any distribution to holders of common stock.

4. Liquidity Event:

If there is a Liquidity Event prior to conversion, the Investor will receive either (a) the Purchase Amount or (b) conversion of this Agreement into common shares immediately prior to the Liquidity Event, whichever amount is greater.

5. Definitions:

“Liquidity Event” means a Change of Control or an Initial Public Offering (IPO). “Change of Control” means a sale, lease, exclusive license, transfer or other disposition of all or substantially all of the assets of the Company or a merger or consolidation with another entity following which the shareholders of the Company immediately prior to such transaction do not own more than 50% of the voting power.

6. Investor Rights and Representations:

The Investor represents that they have the legal capacity to enter this Agreement and acknowledges the speculative

nature of the investment. Investor understands the risks involved and has had the opportunity to ask questions and receive answers concerning the Company and this Agreement.

7. Governing Law:

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein, without regard to conflict of law principles.

8. Entire Agreement:

This Agreement constitutes the entire agreement between the parties pertaining to its subject matter and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written.

9. Amendments and Waivers:

Any amendment, modification or waiver of any provision of this Agreement must be in writing and signed by the Company and the Investor.

10. Counterparts:

This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one instrument.

Signatures:

COMPANY AUTHORIZED SIGNATORY

INVESTOR SIGNATORY

Signature: _____

Signature: _____

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