

UNLESS PERMITTED UNDER APPLICABLE SECURITIES LEGISLATION, THE HOLDER OF THIS AGREEMENT AND THE SECURITIES ISSUABLE ON THE CONVERSION HEREOF SHALL NOT TRADE THEM BEFORE THE DATE THAT IS 4 MONTHS AND A DAY AFTER THE LATER OF (I) THE DATE OF ISSUANCE, AND (II) THE DATE THE ISSUER BECAME A REPORTING ISSUER IN ANY PROVINCE OR TERRITORY OF CANADA.

MODIFIED SAFE
(Modified Simple Agreement for Future Equity)

THIS CERTIFIES THAT in exchange for the payment by Canadian Centre for Aging & Brain Health Innovation Development Inc. (“**CABHI**”) of the amount(s) set forth at Schedule B hereto (the “**Investment Amount**”), subject to the terms set forth below, *** (the “**Company**”) hereby issues to CABHI the right to certain shares in the capital of the Company, subject to the terms set forth below.

The “**Valuation Cap**” is USD \$[*].

The “**Discount Rate**” is [*] %.

See Section 2, Schedule A and Schedule B for certain additional defined terms. All dollar amounts referenced herein are in lawful currency of Canada unless otherwise expressly stated. The parties agree that, in the event that SAFE Shares or Common Shares are issued pursuant to Sections 1(a) or 1(b) hereof, the Investment Amount outstanding as of such time shall be converted to United States dollars using the Bank of Canada posted rate as at 4:30pm Eastern Time on the date hereof.

1. Events.

(a) Qualified Financing.

If there is a Qualified Financing before the expiration or termination of this SAFE, the Company will automatically issue to CABHI a number of SAFE Shares equal to the Investment Amount divided by the Conversion Price, rounded down to the nearest whole number of SAFE Shares.

No less than ten (10) days prior to the closing of a Qualified Financing, the Company shall provide CABHI with notice of such Qualified Financing, and CABHI shall be entitled to invest up to the full Investment Amount then outstanding in advance of such Qualified Financing.

In connection with the issuance of SAFE Shares by the Company to CABHI pursuant to this Section 1(a), CABHI will execute and deliver to the Company all transaction documents related to the Qualified Financing; provided that such documents are substantially the same documents to be entered into with the purchasers of Investor Shares, with appropriate variations for the SAFE Shares, as applicable, including pro rata rights on a going-forward basis, and other than such

specific terms which are negotiated with the lead investor or investors participating in the Qualified Financing, as determined by the Board.

(b) Liquidity Event.

If there is a Liquidity Event before the expiration or termination of this SAFE, CABHI will, at its option, either:

- (i) receive a cash payment equal to the Investment Amount (subject to the following paragraph); or
- (ii) receive from the Company that number of Common Shares that is equal to the quotient obtained by dividing the Investment Amount by the Liquidity Price, rounded down to the nearest number or whole Common Shares.

In connection with Section 1(b)(i), the Investment Amount will be due and payable by the Company to CABHI immediately prior to, or concurrent with, the consummation of the Liquidity Event. If there are not enough funds to pay CABHI and holders of other SAFEs (collectively, the “**Cash-Out Investors**”) in full, then all of the Company’s available funds will be distributed with equal priority and pro rata among the Cash-Out Investors in proportion to their Investment Amounts, and the Cash-Out Investors will automatically receive the number of Common Shares equal to the remaining unpaid Investment Amount divided by the Liquidity Price, rounded down to the nearest whole number of Common Shares.

The Company must notify CABHI of a Liquidity Event at least 15 days prior to the consummation of such Liquidity Event. If CABHI fails to select an option within the time allowed by the Company prior to the consummation of the Liquidity Event, CABHI will be deemed to have elected and automatically receive Common Shares per Section 1(b)(i).

(c) Dissolution Event.

If there is a Dissolution Event before this SAFE expires or terminates, the Company will pay CABHI an amount equal to the Investment Amount, due and payable to CABHI immediately prior to, or concurrent with, the consummation of the Dissolution Event. Notwithstanding the foregoing, the Investment Amount will be paid (i) subsequent to the payment of outstanding indebtedness and creditor claims, including contractual claims for payment and convertible promissory notes (to the extent such convertible promissory notes are not actually or notionally converted into Common Shares), (ii) on par with payments to Cash-Out Investors, the applicable proceeds being distributed pro rata in proportion to the full payments that would be otherwise due to such Cash-Out Investors, (iii) prior and in preference to payments for Common Shares, and (iv) prior and in preference to any Distribution of any of the assets of the Company to holders of outstanding Shares by reason of their ownership thereof.

If immediately prior to the consummation of the Dissolution Event, the assets of the Company legally available for distribution to CABHI and all holders of all other SAFEs (the “**Dissolving Investors**”), as determined in good faith by the Board, are insufficient to permit the payment to the Dissolving Investors of their respective Investment Amounts, then the entire assets of the Company legally available for distribution will be distributed with equal priority and pro rata among the Dissolving Investors in proportion to the Investment Amounts they would otherwise be entitled to receive pursuant to this Section 1(c).

(d) Termination.

This SAFE will terminate (without relieving the Company of any obligations arising from a prior breach of or non-compliance with this SAFE) upon either (i) the issuance of Shares to CABHI pursuant to Section 1(a) or Section 1(b)(ii); or (ii) the payment of amounts due to CABHI pursuant to Section 1(b)(i) or Section 1(c). On termination, (i) all further Contributions by CABHI under this Agreement shall cease; and (ii) all rights and obligations of the parties under this Agreement shall cease except any provision that expressly or by its nature is intended to survive termination, including Section 5, Section 7(b) and Section 7(g) in the main body of this Agreement, Section 1, Section 2, Section 4, Section 5, Section 6, Section 7, Section 8(b) and Section 9 in Schedule A, and Section 3.2, 3.4 and 3.6 in Schedule B.

2. **Definitions.** Capitalized terms not otherwise defined herein have the following meanings:

“**Agreement**” means this Modified Simple Agreement for Future Equity and includes all Schedules attached hereto, which Schedules form an integral part of this Agreement. References to “this SAFE” are references to this Agreement.

“**Board**” means the board of directors of the Company.

“**Change of Control**” means (i) the acquisition, directly or indirectly, by any person or any persons acting jointly or in concert (as determined in accordance with the *Securities Act* (Ontario) of voting securities of the Company which, together with all other voting securities of the Company held by such person or persons, constitute, in the aggregate, more than fifty percent (50%) of all outstanding voting securities of the Company, (ii) any reorganization, merger or consolidation of the Company, other than a transaction or series of related transactions in which the holders of the voting securities of the Company outstanding immediately prior to such transaction or series of related transactions retain, immediately after such transaction or series of related transactions, at least a majority of the total voting power represented by the outstanding voting securities of the Company or such other surviving or resulting entity or (iii) a sale, lease or other disposition of all or substantially all of the assets of the Company.

“**Common Shares**” means the common shares in the capital of the Company.

“Conversion Price” means either (i) the SAFE Price or (ii) the Discount Price, whichever price is less.

“Discount Price” means the price per share of Investor Shares multiplied by the Discount Rate.

“Dissolution Event” in respect of a party, means that the party (i) has become bankrupt or insolvent or made an assignment for the benefit of creditors, (ii) had its property seized or attached in satisfaction of a judgment; (iii) had a receiver appointed; (iv) without the consent of the other party, made or entered into an agreement to dispose of all or substantially all of its assets; or (v) has taken action with a view to its winding up, dissolution or liquidation.

“Distribution” means the transfer to holders of Shares by reason of their ownership thereof of cash or other property without consideration whether by way of dividend or otherwise, other than dividends on Common Shares payable in Common Shares, or the purchase or redemption of Shares by the Company or its subsidiaries for cash or property other than: (i) repurchases of Common Shares held by employees, officers, directors or consultants of the Company or its subsidiaries pursuant to an agreement providing, as applicable, a right of first refusal or a right to repurchase shares upon termination of such service provider’s employment or services; or (ii) repurchases of Shares in connection with the settlement of disputes with any shareholder.

“Dividend Amount” means, with respect to any date on which the Company pays a dividend on its outstanding Common Shares, the amount of such dividend that is paid per Common Share multiplied by (x) the Investment Amount divided by (y) the Liquidity Price (treating the dividend date as a Liquidity Event solely for purposes of calculating such Liquidity Price).

“Equity Securities” means (i) any Common Shares, Preferred Shares or other security in or of the Company; (ii) any security convertible into or exercisable or exchangeable for, with or without consideration, any Common Shares, Preferred Shares or other security (including any option to purchase such a convertible security); (iii) any security carrying any warrant or right to subscribe to or purchase any Common Shares, Preferred Shares or other security; or (iv) any such warrant or right, except for any securities granted, issued and/or sold by the Company to any employee, director or consultant in such capacity.

“Initial Public Offering” means (i) any offering or offerings under a receipted prospectus under the Securities Act, as amended, or similar document filed under other applicable securities laws in Canada or the United States, pursuant to which common shares in the capital of the Company are offered for sale and sold to the public and pursuant to which the common shares are listed or quoted on the Toronto Stock Exchange, the TSX Venture Exchange, the Nasdaq National Market or the New York Stock Exchange, or any other reputable and established stock exchange or organized shares market (each of the foregoing being a “recognized stock exchange”), or (ii) the completion of a reverse takeover, statutory merger or amalgamation, arrangement, share exchange, or similar transaction involving the Company and a reporting issuer in Canada, which, in all cases, results in a class of shares of the issuer resulting from such transaction

being listed (the “**Resulting Issuer**”) on a recognized stock exchange and the shareholders of the Company receiving such listed securities of the Resulting Issuer in exchange for their shares of the Company.

“**Company Capitalization**” means the sum, as of immediately prior to the initial closing of the Qualified Financing, of: (i) all Shares (on an as-converted basis) issued and outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, including (A) this SAFE, (B) all other SAFEs, and (C) convertible promissory notes and/or debentures; and (ii) all Common Shares reserved and available for future grant under any equity incentive or similar plan of the Company (i.e. unallocated), but excluding any equity incentive or similar plan to be created or increased in connection with the Qualified Financing.

“**Investor Shares**” means the Preferred Shares issued to the investors investing new money in the Company in connection with the initial closing of the Qualified Financing.

“**Liquidity Capitalization**” means the number, as of immediately prior to the Liquidity Event, of Shares (on an as-converted basis) outstanding, assuming exercise or conversion of all outstanding vested and unvested options, warrants and other convertible securities, including: (i) this SAFE, (ii) all other SAFEs, (iii) convertible promissory notes and/or debentures, and (iv) all Common Shares reserved and available for future grant under any equity incentive or similar plan of the Company, but expressly excluding any SAFEs previously held by Cash-Out Investors or other convertible securities the holders of which are to receive cash-out amounts or similar liquidation preference or “as-converted” payments.

“**Liquidity Event**” means a Change of Control or an Initial Public Offering.

“**Liquidity Price**” means the price per share equal to the Valuation Cap divided by the Liquidity Capitalization.

“**Preferred Shares**” means shares of any class of preferred shares in the capital of the Company.

“**Qualified Financing**” means a bona fide transaction with the principal purpose of raising capital, pursuant to which the Company issues and sells Preferred Shares to investors at a fixed pre-money valuation with aggregate gross proceeds of not less than CAD\$1,000,000. A Qualified Financing must be a single transaction but may be executed in multiple closings as authorized by the Board, provided that the type of security and the price paid per Preferred Share is consistent across the closings.

“**SAFE**” means an instrument containing a future right to receive Shares, similar in form and content to this instrument, purchased by investors for the purpose of funding the Company’s business operations.

“**SAFE Shares**” means the Preferred Shares issued to CABHI in the Qualified Financing, having the identical rights, privileges, preferences and restrictions as Investor Shares, other than with respect to: (i) any per share liquidation preference and any conversion

price for purposes of price-based anti-dilution protection associated with a SAFE Share, which will equal the Conversion Price; and (ii) the basis for any dividend rights associated with a SAFE Share, which will be based on the Conversion Price.

“**SAFE Price**” means the price per share equal to the Valuation Cap divided by the Company Capitalization.

“**Shares**” means the shares in the capital of the Company, including, without limitation, the Common Shares and Preferred Shares, if any.

3. **Representations and Warranties of the Company.**

The Company represents and warrants to CABHI, and acknowledges that CABHI is relying on these representations and warranties in entering into this instrument, that:

- (a) the Company is a valid and subsisting corporation duly incorporated under its jurisdiction of incorporation;
- (b) this instrument will be, when delivered, duly authorized and validly issued and will be a valid and binding obligation of the Company;
- (c) the Company has good and sufficient right and authority to enter into this instrument and complete its transactions contemplated under this instrument on the terms and conditions set forth herein; and
- (d) the execution and delivery of this instrument, the performance of its obligations under this instrument and the completion of its transactions contemplated under this instrument will not conflict with, or result in the breach of or the acceleration of any indebtedness under, or constitute default under, the constating documents of the Company or any agreement or other instrument or any kind whatsoever to which the Company is a party or by which it is bound.

4. **Representations and Warranties of CABHI.**

CABHI represents and warrants to the Company, and acknowledges that the Company is relying on these representations and warranties to, among other things, ensure that it is complying with all of the applicable rules, policies, notices, orders and legislation of any kind whatsoever of any securities regulatory body having jurisdiction (collectively, the “**Securities Rules**”), that:

- (a) CABHI is a valid and subsisting corporation, has the necessary corporate capacity and authority to execute and deliver this instrument and to observe and perform its covenants and obligations hereunder and has taken all necessary corporate action in respect thereof, and, upon the Company executing and delivering this instrument, this instrument will constitute a legal, valid and binding contract of CABHI enforceable against CABHI in accordance with its terms;

- (b) CABHI is purchasing this instrument and the securities to be acquired by CABHI hereunder for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and CABHI has no present intention of selling, granting any participation in, or otherwise distributing the same; and
- (c) CABHI is a resident of Canada and is an “accredited investor” within the meaning of National Instrument 45-106 and the *Securities Act* (Ontario).

5. Use of Proceeds.

The Company covenants and agrees to utilize the Contributions only in accordance with the advancement and achievement of the Milestones set out in Schedule B, the Project Budget set out in Appendix B-1 and CABHI’s eligible expense guidelines.

6. Pre-Emptive Rights.

In the event that the Company proposes to sell and issue Equity Securities after the date of this SAFE, including Equity Securities sold in a Qualified Financing (any such proposed issuance, a “**Subsequent Offering**”), CABHI shall have a pre-emptive right to purchase or subscribe for, at the same price per security and on the same terms and conditions offered to the investors in the Subsequent Offering, its pro rata share of the Subsequent Offering (the “**Pre-emptive Rights**”). CABHI’s pro rata share is equal to the ratio of (A) the number of shares of SAFE Shares issued or issuable to CABHI pursuant to this Agreement (which, in the absence of a Qualified Financing, shall be determined based on the SAFE Price), divided by (B) the Company Capitalization. If the Company proposes to enter into a Subsequent Offering, it shall give CABHI written notice via electronic mail to the email address provided on the signature page hereto at least thirty (30) days prior to the initial closing, of its intention, describing the Equity Securities, the price and the terms and conditions upon which the Company proposes to issue the same. CABHI shall have fifteen (15) days from the date of receipt of such notice to agree to exercise its Pre-emptive Rights for the price and upon the terms and conditions specified in the notice by giving written notice to the Company and stating therein the quantity of Equity Securities to be purchased.

7. Miscellaneous.

- (a) Any provision of this instrument may only be amended, waived or modified only upon the written consent of the Company and CABHI.
- (b) Any notice required or permitted by this instrument will be deemed sufficient when delivered personally or by overnight courier or sent by email to the relevant address listed on the signature page, addressed to the party to be notified at such party’s address listed on the signature page, as subsequently modified by written notice.
- (c) CABHI is not entitled, as a holder of this instrument, to vote or receive dividends or be deemed the holder of Shares for any purpose, nor will

anything contained herein be construed to confer on CABHI, as such, any of the rights of a shareholder of the Company or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise until shares have been issued upon the terms described herein. However, if the Company pays a dividend on outstanding Common Shares (that is not payable in Common Shares) while this SAFE is outstanding, the Company will pay the Dividend Amount to CABHI at the same time.

- (d) Neither this SAFE nor the rights in this SAFE are transferable or assignable, by operation of law or otherwise, by either party without the prior written consent of the other; provided, however, that this SAFE and/or its rights may be assigned without the Company's consent by CABHI (i) to any successor entity of CABHI as may be established by amalgamation or other operation of law from time to time, and/or (ii) to any entity who directly or indirectly, controls, is controlled by or is under common control with CABHI, including, without limitation, any general partner, managing member, officer or director of CABHI, or any venture capital fund now or hereafter existing which is controlled by one or more general partners or managing members of, or shares the same management company with, CABHI.
- (e) In the event any one or more of the provisions of this instrument is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this instrument operate or would prospectively operate to invalidate this instrument, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this instrument and the remaining provisions of this instrument will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.
- (f) The Company and CABHI shall each bear their respective expenses and legal fees incurred in connection with the negotiation and consummation of this instrument.
- (g) All rights and obligations hereunder will be governed by the laws of the Province of Ontario and the laws of Canada applicable therein, without regard to the conflicts of law provisions of such jurisdiction.
- (h) This instrument may be executed in counterparts, which together will constitute one document. Electronic signatures, including via DocuSign, shall have the same legal effect as original signatures.

8. **Schedules.** The following schedules and appendices are attached to and form an integral part of this SAFE:

Schedule A	Additional Terms
Schedule B	Project Charter
	Appendix B-1 – Project Budget
	Appendix B-2 – Key Performance Indicators

(Signature on following page)

IN WITNESS WHEREOF, the undersigned have caused this instrument to be duly executed and delivered effective as of _____, 2021.

By: _____
Name: ***
Title: ***
Notice: ***
Address: ***

Attention: ***
E-mail: ***

READ AND ACCEPTED BY:

**CANADIAN CENTRE FOR AGING & BRAIN HEALTH
INNOVATION DEVELOPMENT INC.**

By: _____
Name: Allison Sekuler
Title: President and CEO

By: _____
Name: Ryan Webster
Title: Director, Finance and Operations
Notice: Centre for Aging and Brain Health Innovation
Address: 3560 Bathurst Street
Toronto, ON M6A 2E1
Attention: Ryan A. Webster, Director of Finance & Operations
E-mail: RWebster@cabhi.com

SCHEDULE A
ADDITIONAL TERMS

CABHI and Company agree to the following terms and conditions:

1. Confidentiality.

- a. A party may disclose Confidential Information to the other party under this SAFE. Each party agrees that such information will be safeguarded by it and only disclosed to persons with a need to know it within the receiving party, or to its professional advisors or subcontractors who are bound by non-disclosure obligations at least as protective of the disclosing party's interests as those contained within this SAFE. Each party will take such steps as a reasonably prudent commercial enterprise would take to protect such information from disclosure to third parties and shall use at least the same care as it takes to prevent the unauthorized disclosure of its own Confidential Information.

“Confidential Information” means non-public information that is disclosed by a party relating to that party's business or activities that is marked confidential or which the recipient should reasonably know to be confidential given the nature of the information and the circumstance of disclosure. Confidential Information includes financial information about Company that is not directly related to the advancement or achievement of the Milestones, whether contained in Company's audited financial statements or in any Required Report.

- b. The obligation to keep Confidential Information confidential will not apply to information which:
 - i. is already known at the time of disclosure to the party to whom it is disclosed and that party can prove by written records that it was already known;
 - ii. is or becomes part of the public domain, other than as a result of a breach of this SAFE by the party seeking to rely on this exclusion;
 - iii. is obtained from a third party, so long as such third party is not, at the time of such disclosure, bound by a confidentiality agreement or otherwise prohibited from transmitting the information to the receiving party by a contractual, legal or fiduciary obligation;
 - iv. is authorized for release by the disclosing party;
 - v. is required to be disclosed by law or order of a court, governmental tribunal or governmental agency, but the party subject to such requirement will promptly notify the disclosing party and give the disclosing party a reasonable opportunity to seek a confidentiality order or the like; or

- vi. is contained in any of the reports, including the Required Reports, or surveys to be delivered to CABHI pursuant to this SAFE or is provided by Company and disseminated by CABHI for the purpose of Section 2 (b) of this Schedule A, with the exception of financial information about Company that is not directly related to the advancement or achievement of the Milestones.
- c. Notwithstanding the foregoing:
 - i. Company agrees that CABHI may disclose Confidential Information to its funders, being the Government of Ontario and Government of Canada (or any of their Ministries or representative); and
 - ii. either party may publically disclose the general subject matter of this SAFE at any time.
- d. This Section 1 will survive for a period of five (5) years following the termination of this SAFE.

2. **Publication and Recognition.**

- a. Company shall attend the meetings and deliver the reports set out in Schedule B, Section 3 (the “**Required Reports**”) in such form and with such content as specified by CABHI from time to time. CABHI shall own all of the Required Reports, other than Company’s financial statements. Company shall ensure that it obtains all necessary waivers and rights from its staff, students, volunteers and collaborating organizations in order to grant ownership to CABHI of all such Required Reports.
 - b. CABHI shall have the right to make the results and methods of the Milestones public. Company agrees to cooperate with CABHI and to provide CABHI with reasonably necessary documents and reports in connection therewith. Company hereby grants to CABHI a limited, non-exclusive and non-transferable licence to use the trademarks, trade names, logos, emblems, company descriptions and other distinctive brand elements of Company for use in reports and promotion of CABHI’s programs.
 - c. Company covenants and agrees to include the following acknowledgement and credit with respect to CABHI’s financial support (and the financial support of the Government of Ontario or Canada, to the extent required) towards the advancement and achievement of the Milestones in all of its publications and communications to the public that relate to the Milestones: “Funding provided by the Centre for Aging + Brain Health Innovation (CABHI)” (or such other acknowledgment or credit reasonably requested by CABHI).
3. **Insurance.** Company shall obtain and maintain, at its own expense, comprehensive general liability insurance of not less than two million Canadian dollars (CAD \$2,000,000.00) per occurrence and any other insurance as the circumstances warrant that a

prudent person would deem necessary to cover any liabilities that may arise under this SAFE or in connection with the Company. Each insurance policy or policies shall be written by responsible and recognized insurers qualified to do business in the jurisdiction(s) in which Company is located and shall name CABHI as an additional insured. Company shall provide a certificate of insurance to CABHI as evidence of such coverage if requested by CABHI. The general liability insurance policy shall include a cross liability clause, contractual liability coverage and a thirty (30)-day written notice period for cancellation, termination or material change.

4. **Limitation of liability.** Notwithstanding any other term of this SAFE, no party shall be liable to the other party for loss of business or profit or for any special, indirect, punitive or consequential loss or damage, regardless of whether such loss or damage arises under contract, tort, or based upon strict liability or other theory of law or equity, where such loss or damage arose in connection with this SAFE. In no event shall CABHI's liability for damages arising under this SAFE exceed the Investment Amount made by CABHI hereunder.
5. **Records and audit.** Company shall account for the Contributions and their use and shall keep good and valid records of such accounts at all times in accordance with GAAP. Company shall make such records, including all related financial statements, books, payrolls, accounts, invoices, receipts, as well as all other records and reports related to the Milestones, available, at all times upon reasonable notice, to CABHI, the governments of Ontario and Canada and their agents (including the auditor general of Ontario) for inspection, auditing and making copies thereof. Such records shall be maintained by Company for a period of time no less than seven (7) years beyond the expiration of the term.
6. **Indemnity.** Each party will indemnify and save harmless the other party including its officers, directors, members, shareholders, employees, volunteers, students and agents from and against any and all suits, claims, demands, costs, damages, expenses, losses or injuries (including death) to persons or property, caused by: (a) any default or breach by the indemnifying party of any of its obligations, representations or warranties under this SAFE; and (b) the willful or negligent act or omission of the indemnifying party or its officers, directors, members, shareholders, employees, volunteers, students, and agents in the performance of or arising out of this SAFE or any of the Milestones.
7. **Disclaimer.** All decisions and actions taken by Company in connection with its business or otherwise that may be based upon any information, advice or suggestion received from CABHI, its affiliates or any of their employees, contractors, advisors or agents (collectively, "**CABHI Personnel**") are solely the responsibility of Company. Company acknowledges that any information, advice or suggestions provided by CABHI Personnel are for educational purposes only and do not constitute financial, business or legal opinions of any kind. Company must not rely on any of that information, advice or suggestions without obtaining its own independent financial, business and legal advice.

8. Reports and Monitoring.

- a. CABHI shall, on reasonable notice, have the right to conduct reviews of the Milestones, including on-site inspections. Company agrees to cooperate with CABHI and to provide CABHI with reasonably necessary documents in connection therewith. CABHI and its personnel will, when accessing Company's site, comply with all applicable policies and regulations of which they are made aware.
- b. Company agrees, during the term and thereafter in accordance with the timeline specified in Section 0 of Schedule B, at CABHI's discretion, to:
 - i. complete annual surveys for CABHI in relation to the Milestones; and
 - ii. collect the key performance indicators described in Appendix B-2, which shall be used by CABHI to evaluate the success of its programs and may be reported to the Government of Ontario and the Government of Canada.

9. Contributions.

- a. Company shall deliver a Milestone Report and Milestone Financial Report, in the form of the template provided by CABHI, prior to each scheduled Contribution being paid by CABHI. Payments by CABHI under Section 1 of Schedule B are also subject to CABHI's written confirmation that the applicable Milestone has been achieved. CABHI will use commercially reasonable efforts to provide such confirmation within thirty (30) days of receiving the Milestone Report and Milestone Financial Report and/or meeting with Company to discuss such reports. Each Contribution will be paid by CABHI to Company within thirty (30) days of such written confirmation.
- b. Notwithstanding anything else in this SAFE, Company acknowledges and agrees that all Contributions to be paid by CABHI, and CABHI's obligations to pay such Contributions, are conditional on, among the other conditions herein, CABHI receiving sufficient allocated government funding to enable it to make payment of any financial components thereof, and that CABHI may terminate such obligations, in whole or in part, at any time by giving written notice to Company should CABHI not receive or possess funds sufficient for such purposes. The provisions of this SAFE will continue to apply after termination of some or all of CABHI's payment obligations under this section with respect to the Investment Amount that have then been paid.
- c. Company is expected to account for its expenditure of the Contributions. Any overpayment or disallowed expenditure shall be repayable to CABHI. CABHI may deduct the said amount from any subsequent Contribution paid under this SAFE. Once returned, such amounts will not be considered part of the Investment Amount.

10. Default of Company. Following notice to the Company and a thirty (30) day period in which the Company shall have an opportunity to cure the default, CABHI may cease paying further Contributions or reduce the amount of any future Contribution, thereby reducing the total Investment Amount, in the event CABHI determines that:

- a. one or more Milestones cannot be met or have not been met within the timeframe set out in Schedule B, Section 1; or
- b. the Company has defaulted on any other of its obligations under this SAFE or the representations and warranties provided in this SAFE are found to have been incorrect in a material respect.

**SCHEDULE B
PROJECT CHARTER**

CABHI and the Company agree to the following terms and conditions:

1. **Milestones.** The milestones to be achieved by the Company on or before the dates set out below (the “**Milestones**”) and the funds payable by CABHI in connection with the achievement or completion of each Milestone (the “**Contributions**”) are as follows:

Milestone	Completion Date	Contribution Amount (CAD)
1 Project Start	***	\$***
2 <@>, Including Milestone Report and Milestone Financial Report	<@>	\$***
3 <@>, Including Milestone Report and Milestone Financial Report	<@>	\$***
4 <@>, Including Milestone Report, Milestone Financial Report, and Submission of Final Report including Final Financial Report, to be approved by CABHI	<@>	\$***

“**Investment Amount**” shall mean, at any point in time, the total amount of the Contributions paid by CABHI to Company as of such point in time, up to a maximum of \$***.

2. **Other Information.**

2.1	Description of the Company’s product or service	***
2.2	Company Lead	***
2.3	CABHI Lead	James Mayer

3. **Required Reports.** The Required Reports, and their deadlines, are as follows:

	Report	Timing of Delivery to CABHI
3.1	Status Meeting	15 days following the end of each calendar quarter during the term of this SAFE
3.2	Key Performance Indicator Report	30 days following the end of each calendar quarter during the term of this SAFE, and on the second anniversary of termination
3.3	Milestone Report and Milestone Financial Report	30 days following the completion of each Milestone
3.4	Final Report including Final Financial Report (in the format to be provided by CABHI)	60 days following the completion of the final Milestone
3.5	Audited Financial Statements (or review statements or notice to reader statements, if Company does not have audited financial statements) prepared in accordance with GAAP	Each year, during the term of this SAFE, within 30 days of completion
3.6	Annual Surveys	Each year, during the term of this SAFE, and for 5 years following termination

APPENDIX B-1
PROJECT BUDGET

**APPENDIX B-2
KEY PERFORMANCE INDICATORS**

INDICATORS AND DEFINITIONS	METRIC TYPE	TARGET RESULTS	TARGET DATE
Engagement of end users with testing/validation with CABHI projects (e.g., # of individuals engaged in CABHI or partner new products, practices or services, for example community members participating in research studies as part of an intervention trial, technology deployment trial, etc.)	Number of people		
Highly qualified personnel (HQP) involved in CABHI projects (e.g., # of HQP who actively participated and/or contributed to CABHI projects, such as researchers, students/trainees, research staff, developers, educators, etc.)	Number of people		
Engagement of partners and collaborators (e.g., # of formal partner or informal collaborator engaged; a partner is an organization which actively contributes to the project through dedicated staff, funding or equipment)	Number of organizations		
Exhibiting and presentations (e.g., # of presentations delivered, for example, at public/community lectures, oral/poster presentations at academic or clinical conferences, presentations to societies or interest groups.)	Number of events		
Media engagement Refers to the number of interviews conducted with media representatives (print, online, broadcast) by project staff about the project	Number of events		
New products, practices or services developed (e.g., # of new products, practices or services developed or refined as a result of CABHI)	Number of Innovation subcomponents		
Solution evaluated (e.g., Innovation having conducted validation studies as a result of CABHI)	yes/no		
New patent applications granted (e.g., # of patents applications approved)	Number of patents		
New license agreements established (e.g., # of license agreements signed or renewed)	Number of agreements		
Intellectual property commercialized as a result of CABHI's activities (e.g., Innovation having achieved first sale)	yes/no		
Solutions introduced (e.g., Innovation introduced in practice, brought to market or adopted by care provider organizations, may occur at same time as above metric)	yes/no		
Solutions adopted and/or procured beyond CABHI project (e.g., # of occurrences of new customers or adopter subsequent to their engagement with a CABHI project or program)	# of buyers/adopters		
New knowledge exchange and implementation activities (e.g., # of formal knowledge exchange events, workshops, course lectures, train-the-trainer events, implementation guides, toolkits, explicitly related to the introduction, purchase or adoption of a CABHI solution)	Number of events		
Reach of new knowledge exchange and implementation activities (e.g., # of formal knowledge exchange events, workshops, course lectures, train-the-trainer events, implementation guides, toolkits, explicitly related to the introduction, purchase or adoption of a CABHI solution)	Number of people		

<p>Health system savings and efficiencies Solutions will achieve actual and projected health system savings and efficiencies by 2025.</p>	<p>Quantitative Health System Savings</p>		
<p>Secured Investments (public & private) by CABHI innovators/ companies Refers to external secured investments received by innovators and companies subsequent to their engagement with CABHI programs (includes private financing from angel investors, venture capital investors, private equity groups, and public financing from government and other institutions)</p>	<p>\$CAD of equity investments</p>		
<p>Jobs created (FTE) Full-time equivalent (FTE) jobs created as a result of CABHI, not including CABHI personnel (e.g., # of full-time jobs created during/after a project, with part-time and short-term contracts weighted as fractions of one year of full-time employment)</p>	<p>Number of FTE</p>		